



Office of the City Manager

INFORMATION CALENDAR

March 13, 2018

To: Honorable Mayor and Members of the City Council

From: Dee Williams-Ridley, City Manager

Submitted by: Timothy Burroughs, Interim Director, Planning and Development

Subject: Audit Update: Construction Permits: Monitor Performance and Fee Assessments to Ensure Excellent and Equitable Customer Service

INTRODUCTION

On March 25, 2014, the City Auditor submitted a Construction Permits audit report¹ to the City Council with recommendations to improve customer service and equity, reduce the risk of theft, improve efficiency, and increase fee revenues to the Planning Department. The purpose of this information item is to update City Council on the status of implementation of the audit report's recommendations. This is the fourth status report regarding this audit.

CURRENT SITUATION AND ITS EFFECTS

The audit included nineteen recommendations. As of the writing of this report, 16 of those recommendations have been implemented, and three others have been partially implemented, a substantial improvement since the last status update. The three remaining recommendations currently tracked as partially implemented rely on further implementation of technological solutions within the new Accela permitting and land use software.

Please see Attachment 1 for a detailed table of audit report recommendations, corrective action plans, and implementation progress. The next status report to Council is expected to be presented on October 30, 2018.

BACKGROUND

Construction permits are primarily handled by the Planning Department's Permit Service Center (PSC), within the department's Building and Safety Division. The PSC provides permit application intake and payment and plan check coordination and services for a variety of customers. The PSC also hosts staff from other divisions and departments who are often called to the counter to assist customers with particular questions or needs. The Building and Safety Division also includes Building Inspection, Housing

¹ Audit: Construction Permits – Monitor Performance and Fee Assessments to Ensure Excellent and Equitable Customer Service:

http://www.cityofberkeley.info/Clerk/City_Council/2014/03_Mar/Documents/2014-03-25_Item_27_Audit_Construction_Permits.aspx

Inspection, and Plan Check, and works closely with representatives from Fire and Public Works. Both Housing and Building Inspectors spend the majority of the day in the field, with the beginning and end of a shift spent in the office to answer phone calls and take care of paper work. Plan Checkers frequently interact with applicants either at the Permit Service Center or over the phone.

Additionally, Plan Checkers analyze proposed project details on large paper plans, and examine plans in the company of applicants or relevant staff from other divisions and departments. The Permit Service Center processes over 7,000 permits a year, roughly 25 percent of which are Building Permits.

On a parallel but separate track, at a Work Session with the City Council on June 27, 2017, Planning staff presented the results of a customer service review by the Zucker Group, an external consultant comprising former building and planning officials. The Planning Department discussed the 32 recommendations from Zucker's review which were being prioritized for first phase implementation. Many of the recommendations support the 2014 recommendations from the City Auditor. That Council Work Session report, including the full set of recommendations and analyses from Zucker Systems, can be found at

https://www.cityofberkeley.info/Clerk/City_Council/2017/06_June/Documents/2017-06-27_WS_Item_01_Improving_Planning.aspx.

ENVIRONMENTAL SUSTAINABILITY

There are no identifiable environmental impacts associated with the subject of this report.

POSSIBLE FUTURE ACTION

The Planning Department will continue to work with the Information Technology Department to complete implementation and programming of Accela software for building permits.

FISCAL IMPACTS OF POSSIBLE FUTURE ACTION

None at this time.

CONTACT PERSON

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Attachments:

1: Audit Findings, Recommendations, and Management Response Summary table

Audit Title: Construction Permits: Monitor Performance and Fee Assessments to Ensure Excellent and Equitable Customer Service				
Findings and Recommendations	Lead Dept.	Agree, Partially Agree, or Do Not Agree and Corrective Action Plan	Expected or Actual Implementation Date	Status of Outstanding Audit Recommendations and Implementation Progress Summary
Finding 1: Management lacks information needed to effectively monitor performance and ensure excellent and equitable customer service				
1.1	Establish plan check turnaround goals for the PSC that commence immediately after the last agency has completed its plan check.	Planning	Agree. This will be addressed as part of Accela software implementation.	<p>Initial Status, 4/7/15: Partially Implemented. Business practice analysis and initial configuration of Accela are completed and include a plan check turnaround goal for the PSC commencing immediately after the last agency has completed its plan check. Programming is ongoing with an expected implementation of the new system by December 2015.</p> <p>Status Update 9/15/15: Partially Implemented. Updated Accela project will now include an Electronic Plan Check (EPC) module which will speed plan check timing between divisions.</p> <p>Status Update 2/27/17: Implemented. Plan Check turnaround goals have been established. The PSC is immediately notified when the last reviewing agency has completed its plan check and processing times are tracked in Accela Building Permit Module.</p>
			Actual 2/27/2017	

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1.2	Develop policies and procedures that identify not-to-exceed goals for customer wait times and methods to reduce high wait times when they occur. Methods should avoid using supervisors to perform staff work (see related Finding 2 and Recommendation 2.1). When wait times exceed the established goal, PSC management should investigate the reasons to understand why and adjust the policies and procedures as necessary to ensure they are designed to minimize customer wait times as described.	Planning	Agree. The Nemo-Q system is collecting data for management refinement of policies and procedures around customer wait times. As the data becomes more robust we will be able to adjust procedures to ensure that staffing matches peak customer flow and minimizes the time that supervisors are needed to service customer overflow.	Expected 10/1/2018	<p>Initial Status, 4/7/15: Partially Implemented: Wait time goals are established.</p> <p>Status Update 9/15/15: Partially Implemented; no change in status.</p> <p>Status Update 2/28/17: Partially Implemented. A wait time goal of 30 minutes has been set. However additional measures need to be taken before we can achieve this goal. In conjunction with City Information technology staff, PSC management are creating a process map of the permit intake workflow, to culminate with a Business Needs document. This will prioritize changes to PSC customer queueing software, Accela software, and business processes which will ultimately optimize the intake process and reduce wait times. PSC staff expect that these improvements will reach a level which will allow this finding to be deemed "Implemented" within six to 12 months.</p> <p>Status Update 3/13/18: Partially Implemented. A wait time goal of 30</p>

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				minutes has been set. PSC staffing practices have been revised to more quickly expedite customer visits (see Findings 1.3C and 2.1). Electronic plan submittal has sharply reduced the time spent on over-the-counter plan review and the number of plans rejected for re-submittal (Finding 1.3D). Anecdotally, staff believe PSC wait times have been meaningfully improved. However, the PSC currently lacks a system to automatically track actual customer time spent. With City IT support, staff are reviewing software options to govern queueing and measure wait times. Once installed, and in conjunction with improvements to Accela configuration and PSC business practices, staff expect that this finding will be able to be deemed "Implemented" by Fall 2018. In the meantime, a manual customer routing and tracking system has been implemented.
1.3	Establish criteria that plans must meet before PSC staff can accept them: A. Publish clear guidance for permit applicants explaining that existing checklists must	Planning	Agree. Checklists that detail the minimum items required for submittal are appropriate and will be developed. We will define a threshold for	Initial Status, 4/7/15: Not Implemented. Business practice analysis and initial configuration of Accela are completed and a pre-application record type and workflow was included. Paper and online

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<p>be used for all permit applications and that PSC staff will not accept plans that do not meet all applicable requirements in the checklists.</p> <p>B. Establish a routine practice for a Plan Checker to meet with permit applicants, prior to submission of complex permit applications, to verify that all required information is included with the permit application.</p> <p>C. Provide PSC staff with additional technical training they need to better understand the criteria for accepting permit applications, plans, and related documents, and require them to reject plans that do not meet the criteria.</p> <p>D. Establish performance goals and evaluate PSC staff on the percentage of plans they accept that meet and do not meet the criteria.</p>		<p>complex projects to require a plan check meeting prior to application submission. We will ensure that all PSC staff have the appropriate training to perform their job functions. Senior management reserves the right to make decisions on a case-by-case basis regarding the acceptance of plans (i.e., complete or otherwise). We will continue to evaluate PSC staff on appropriate performance measures and develop new performance measures as new management tools (e.g., Nemo-Q and Accela) allow.</p>		<p>forms will be updated as part of final implementation of Accela. Extensive training for staff on new application procedures will be conducted as part of software implementation once programming is finished. Programming is ongoing with an expected implementation of the new system by December 2015.</p> <p>Status Update 9/15/15: Not Implemented; no change in status expected until after Accela roll-out Dec. 2015.</p> <p>Status Update 2/28/17: Partially Implemented.</p> <p>1.3A – Submittal requirements and checklist documents are available to the public, in the Permit Service Center and online, which identify the submittal documents required to obtain a permit.</p> <p>1.3B – Pre-application reviews are help with applicants for complex projects on an ad hoc basis, but this step has not yet been fully implemented for all complex permit applications.</p>

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			Actual 3/13/2018	<p>1.3C – The implementation of Accela and its electronic plan submittal features have provided PSC staff with the required technical training for application review and acceptance.</p> <p>1.3D – Performance goals and evaluation of staff on plan acceptance rates have not yet been implemented.</p> <p>Status Update 3/13/18: Alternative Implemented.</p> <p>1.3A – Newly updated submittal requirements and checklist documents are available to the public, in the Permit Service Center and online, which identify the submittal documents required to obtain a permit. An Electronic Document Management System (EDMS) has been implemented to maintain up-to-date documents and guidelines.</p> <p>1.3B – Rather than attempt to define a threshold for requiring pre-application reviews, and to have staff serve as an arbiter of that threshold, the option of pre-application reviews has now been made available to all applicants for all</p>

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				<p>projects upon request.</p> <p>1.3C –PSC Management meets with permit specialists monthly for individual technical training, which includes policies and procedures for accepting and reviewing permit applications and submittal documents. PSC management also conducts weekly PSC staff meetings to discuss any challenges and to provide on-going technical training and guidance on processing permit applications. Furthermore, PSC Management meets weekly with the HR Training Officer to develop targeted specialized customer service training tailored to permit specialists.</p> <p>1.3D. With the implementation of Accela electronic plan submittal processes, there is no longer a reason to reject the plans at the time of submittal. If a permit specialist determines that the plans do not meet the criteria, the clients are provided with a checklist identifying missing items and instructed to upload completed and corrected submittal documents electronically after the application has been initiated. This service saves the</p>

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				clients repeated visits to the permit center to submit plans.
1.4	Routinely verify the reliability of reports generated by the building permit module (and Accela, after implementation) to ensure the information is accurate and reliable to use to monitor performance and improve customer service.	Planning	Agree. We will institute a regular quality control check on the veracity of reports generated by Accela once implemented. Accela itself includes greatly improved quality control capacity for reports.	<p>Initial Status, 4/7/15: Not Implemented. Business practice analysis and initial configuration of Accela are completed and a number of reports are included as part of the configuration of the program. Programming is ongoing with an expected implementation of the new system by December 2015.</p> <p>Status Update 9/15/15: Not Implemented; no change in status expected until after Accela roll-out Dec. 2015.</p> <p>Status Update 2/28/17: Partially implemented. Most basic reports have been implemented in Accela, however development of reports to meet staff needs is an ongoing process. Validation of such reports is a necessary part of the development process.</p>

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			Expected 10/1/2018	Status Update 3/13/18: Partially implemented; no change from last update. Significant IT resources will be required to develop and validate required reports. Those resources are currently dedicated to more immediate priority Accela configuration needs.
1.5	Work with Information Technology to ensure that the Accela software is configured to require staff to input the information listed below and that it is incorporated into system reports. Require Planning management to regularly review the reports and use the information to monitor both individual and overall department performance, and to develop and implement changes in practices to improve service delivery through increased efficiency and timeliness. Recorded and monitored information should include: <ul style="list-style-type: none"> A. Start and end dates and times for each phase of the plan check process, and the specific reason(s) for each missed turnaround goal. Management 	Planning	Agree. We will work with Information Technology to configure Accela to provide the appropriate information necessary to track department and individual performance and to improve service delivery.	Initial Status, 4/7/15: Partially Implemented. Business practice analysis and initial configuration of Accela are completed and these items have been built-in to the architecture and basic functionality of the program. Several items are automated in the configuration, including: the amount of time spent performing each plan review, the number of times a set of plans was resubmitted, and the reasons for resubmittal of plans. Programming is ongoing with an expected implementation of the new system by December 2015. Status Update 9/15/15: Partially Implemented; no change in status expected until after Accela roll-out Dec. 2015.

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<p>should identify a list of reasons that will allow them to determine changes needed to improve performance.</p> <p>B. Amount of time spent performing each plan check review.</p> <p>C. Number of times plans were required to be resubmitted before Planning had sufficient information to review them, and the reason for each resubmission.</p>				<p>Status Update 2/28/17: Partially Implemented.</p> <p>The 'BP Plan Check Turn Around' report was developed to indicate the number of plan checks completed and those completed within the estimated completion date. This report is currently used to monitor overall plan check performance. Full implementation of all three sub-findings listed here will depend upon full use of Accela's Ad Hoc reporting capacity, which is pending further IT department work.</p> <p>Status Update 3/13/18: Partially implemented; no change from last update. Significant IT resources will be required to develop and validate required reports. Those resources are currently dedicated to more immediate priority Accela configuration needs.</p>
1.6	When implementing Accela, identify the fields that should have restrictions as to the type of data that can be entered and work with Information	Planning	Agree. During Accela implementation we will work with Information Technology to identify fields to be	<p>Initial Status, 4/7/15: Not Implemented. Permissions for each field will be determined during user acceptance testing of the Accela software, based on</p>

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Technology to establish edit controls that will prevent inappropriate data, such as dates in the future, from being entered.		restricted, to establish edit controls to prevent inappropriate data entry.	Actual 2/28/2017	<p>the recommendations of division managers, the audit report, and identified best practices. User acceptance testing is scheduled to happen once configuration is finalized and before implementation. Programming is ongoing with an expected implementation of the new system by December 2015.</p> <p>Status Update 9/15/15: Partially Implemented. Initial user acceptance testing for Accela has been completed, and data editing controls have been configured, based on the recommendations of division managers, the audit report, and identified best practices. No further change in status expected until after Accela roll-out Dec. 2015.</p> <p>Status Update 2/28/17: Implemented. The applicable business rules were identified in the development of Accela and field validation or limitations have been designed into the system.</p>

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Finding 2: The risk is high that staff could steal, make errors, or inflate performance results				
2.1	Clearly identify what is staff work and what is supervisory work. Develop and implement procedures that prioritize solutions for addressing times of heavy workloads to ensure that supervisors perform staff work only on rare occasions. The procedures should identify another supervisor to review and approve staff work that supervisors perform to ensure that all work undergoes a higher-level supervisory review. (See related Recommendation 1.2.)	Planning	Agree. We will program Accela workflows to clearly define checks and balances between line staff work and supervisory review. We will configure the Accela software to ensure that an inappropriate combination of activities cannot be performed by a single individual, be it supervisor or line staff. See related response to Recommendation 1.2.	<p>Initial Status, 4/7/15: Not Implemented. Permissions for each field and for different user groups (e.g. line staff, supervisor) will be determined during user acceptance testing of the Accela software, based on the recommendations of division managers, the audit report, and identified best practices. User acceptance testing is scheduled to happen once configuration is finalized and before implementation. Programming is ongoing with an expected implementation of the new system by December 2015.</p> <p>Status Update 9/15/15: Partially Implemented. Initial user acceptance testing for Accela has been completed, and data editing controls have been configured. No further change in status expected until after Accela roll-out Dec. 2015.</p> <p>Status Update 2/28/17: Implemented. The PSC has hired two dedicated cashiers</p>

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				and a second Senior Permit Specialist. All staff have their own login credentials, and those who handle financial transactions have their own register. Procedures are in place to reduce supervisors performing staff functions to only rare occasions, and in such rare instances, a senior manager will review the supervisor's work. Accela is programed to provide checks and balances to ensure staff and supervisory review and activities are defined and function separately.
2.2 Ask the Department of Information Technology to prioritize implementation of Windows 7 so staff can quickly and easily switch between users using their own login credentials. Require all PSC staff to adhere to the requirements in AR 3.17 by performing all work only under their own user identification and password, ensure that supervisors understand the importance of and enforce this requirement, and take disciplinary action when the requirements are not followed or enforced. (See related	Planning	Agree. Installation and testing of Windows 7 has begun. Staff will be trained on the requirements of AR 3.17. Implementation of Accela will allow greater conformance to this recommendation but management maintains the discretion to determine when disciplinary action is appropriate.		Initial Status, 4/7/15: Partially Implemented. All PSC staff have computers running Windows 7, in total, 91 of the 96 computers in the Planning Department have been upgraded to Windows 7. Business practice analysis and initial configuration of Accela are completed. Programming is ongoing with an expected implementation of the new system by December 2015. In order to fully comply with AR 3.17, the Planning Department has obtained authorization to add a position from the appropriate classification to function as a cashier in the

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Recommendation 4.1.)				<p>PSC. This recruitment is currently open.</p> <p>Status Update 9/15/15: Partially Implemented. All PSC computers are now running updated operating systems. The PSC has hired a dedicated cashier to improve internal controls around cash handling. Accela has been configured to eliminate all shared credentials once roll-out takes place in Dec. 2015.</p> <p>Status Update 2/28/17: Implemented. All Building and Safety computers have been updated to Windows 7. Each PSC staff uses their own login credentials and performs all work under their own user identification and password. The PSC has a dedicated cashier to improve internal controls around cash handling.</p>
2.3	Ensure that no staff can perform combinations of activities that would allow them to both steal and conceal a theft, or to make errors that would not be identified through another person’s review. Planning should:	Planning	Agree. We will ensure that staff will attend appropriate City of Berkeley trainings (e.g. Cash Handling 101) to better be able to recognize and address activities that increase the risk of theft and	<p>Initial Status, 4/7/15: Not Implemented. Permissions for each field and for different user groups (e.g. line staff, supervisor) will be determined during user acceptance testing of the Accela software, based on the recommendations of division managers, the audit report, and identified</p>

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<p>supervisors to recognize activities that increase the risk of theft and errors.</p> <p>B. Identify the specific activities in the plan review, approval, and payment processes that should be performed by different staff to prevent theft and errors. Train supervisors to notice them quickly if they do occur.</p> <p>C. Require supervisors to know, understand, and monitor the functions that each of their staff is authorized to perform in systems used to approve permits and receive payments (currently the FUNDS Building Permits and Cash Receipts Modules; the BP Module will be replaced with Accela in 2014).</p> <p>D. Work with the Department of Information Technology during the Accela implementation to ensure that no staff will be able to perform inappropriate combinations of activities,</p>		<p>errors. As part of Accela implementation we will configure the software to appropriately separate activities and processes to minimize theft and error potential, maximize supervisory monitoring capabilities and maximize accountability. See Recommendation 2.1. As we develop the workflows in Accela we will use this opportunity to refine internal processes and procedures to increase internal controls and theft prevention while encouraging a clear, quick, easy-to-use permit process.</p>	<p>Actual 2/28/2017</p>	<p>best practices. User acceptance testing is scheduled to happen once configuration is finalized and before implementation. Programming is ongoing with an expected implementation of the new system by December 2015.</p> <p>Status Update 9/15/15: Not Implemented. Initial user acceptance testing for Accela has been completed, and new user permissions are being configured with IT staff to prevent inappropriate combinations of activities by staff. No further change in status expected until after Accela roll-out Dec. 2015.</p> <p>Status Update 2/28/17: Implemented.</p> <p>A. PSC supervisor and cashiering staff have taken PCI Training.</p> <p>B. Accela now includes an audit log of plan review, approval, payment and fee history. Additionally, Accela maintains an Audit Table which provides a permanent record of all changes to the</p>

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	<p>identified during the second step above, when Accela is implemented. <i>This will likely require some restructuring of individual job responsibilities.</i></p> <p>E. Work with the Department of Information Technology to restructure FUNDS\$ authorizations in the CR Module to align with the authorizations established during the Accela implementation.</p>				<p>database, which is viewable by the system administrator and is not alterable.</p> <p>C. Supervisors are fully knowledgeable and monitor line staff and cashiering functions.</p> <p>D. Supervisors, permit specialists and cashiers duties are clearly defined and separated, ensuring that no staff can perform inappropriate combinations of activities.</p> <p>E. FUNDS\$ authorizations in the CR Module align with authorizations established with Accela user permissions.</p>
Finding 3: Fee calculation errors cause Planning to lose revenue					
3.1	<p>To reduce the potential for fee errors:</p> <p>A. Combine fees that support a service provided to the majority of permit applicants into the building permit fee.</p> <p>B. Continue to separately assess fees that support a service provided only to certain types</p>	Planning	<p>Agree. The ability to implement this recommendation is contingent upon City Council approval of a revised fee structure. Staff will present fee structure options to the City Council for their consideration as part of the</p>		<p>Initial Status, 4/7/15: Partially implemented. We have configured Accela to allow for combined permit fees building, mechanical, electrical and plumbing under a single permit type. Further work on this recommendation will come when a revised fee schedule is sent to City Council for consideration closer to</p>

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<p>of projects (e.g., commercial projects), but assess them only on those projects.</p> <p>C. Alternatively, develop separate fee structures for residential and commercial construction projects that incorporate all fees required for those specific projects.</p>		FY 16 budget process.		<p>the software implementation date of December 2015.</p> <p>Status Update 9/15/15: Implemented. The updated Planning fee schedule adopted by Council 5/26/15 more clearly distinguishes between fees on commercial and residential projects.</p> <p>Status Update 2/28/17: Partially Implemented. Application of fees has been improved by reorganizing fees in a user friendly manner, prompting staff for the correct input, adjusting the formulas to utilize consistently formatted input and remove redundant fee items when they actually represent a single service. The PSC is on track to implement these fee reconfiguration improvements in early 2017.</p> <p>3.1A – There are fees derived from the Building Permit Fee which potentially could be absorbed as they always apply concurrently. However, doing so reduces the transparency of the fees charged,</p>

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			Actual 3/13/2018	<p>takes significant staff resources to analyze and provides little benefit as the fees are applied automatically and thus their continued existence separate from the Building Permit Fee do not contribute to errors.</p> <p>The PSC is continuing to separately assess fees that support a service provided only to certain types of projects (e.g. commercial vs residential projects), as has been a long-standing practice.</p> <p>Status Update 3/13/18: Implemented. These fee reconfiguration improvements were fully implemented in the PSC after the May 2017 Fee Schedule re-adoption.</p>
3.2	Submit a proposed resolution to the City Council authorizing Planning to always use a current building valuation table from a recognized industry expert, such as the International Code Council, Marshall and Swift, or RS Means. The valuation table selected should be one that allows adjustment for factors that would affect costs in	Planning	Agree. We will propose a resolution to City Council to authorize the use of a current building valuation table. Staff will present options for Council consideration prior to the beginning of the FY 2016 fiscal year.	<p>Initial Status, 4/7/15: Partially implemented. We have configured Accela to allow for the use of a current building valuation table. Further work on this recommendation will come when a revised fee schedule is sent to City Council for consideration closer to the software implementation date of December 2015.</p>

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Berkeley, such as regional cost adjustments. Ideally, the table selected should provide a consistent and equitable means of valuing projects that are based on square footage, as well as those that are not, such as reroof projects, remodels, and renovations.			Actual 9/15/2015	Status Update 9/15/15: Implemented. At its meeting of 5/26/15, the City Council adopted legislation updating the building valuation tables to use the most current ICC values, and to update those values annually to the latest ICC rates without further Council action required.
3.3 If the valuation table selected in Recommendation 3.2 does not provide the capability to value projects based on factors other than square footage, develop and implement clear criteria and guidance for valuing projects to ensure staff value such projects consistently and equitably. If necessary, modify the permit application form to ensure it includes the type of information needed to accurately calculate the project value, based on the valuation table and/or selected criteria.	Planning	Agree. We will develop clear criteria for project valuation supplementary to the guidance provided by the valuation table to ensure equitable and consistent staff valuation of projects. Once the criteria are developed, the permit application form will be revised, if needed, to provide any additional information required to calculate project value.		<p>Initial Status, 4/7/15: Not Implemented. Business practice analysis and initial configuration of Accela are completed and project valuation is part of the configuration of the program. Paper and online forms will be updated as part of final implementation of Accela. Programming is ongoing with an expected implementation of the new system by December 2015.</p> <p>Status Update 9/15/15: Not Implemented. In Dec. 2015, in conjunction with the Accela roll-out and publication of related materials, staff will publish guidelines for valuing building projects to better inform the public.</p>

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			Actual 2/28/2017	Status Update 2/28/17: Implemented. Resolution 67,047-N.S. specifically provides guidelines of how to provide proper minimum valuations for all construction types using area as a variable. The valuations can be entered in Accela based on construction type, use and areas as applicable at each story. Staff have been trained how to verify proper minimum valuations based on scope and extent of the project, type of materials, amount of custom work included, etc.
3.4 To ensure that project valuations and fees are accurate: <ul style="list-style-type: none"> A. Require Plan Checkers to: <ul style="list-style-type: none"> o Verify quantities on permit applications that are used as a basis for calculating fees (e.g., electrical, plumbing, and mechanical) with those on the plans, and update the quantities in the Building Permit Module/Accela as necessary. Plan Checkers should note and initial on the permit application any changes they make. 	Planning	Agree. We will utilize Accela to provide an easier and better set of tools to update valuations and ensure valuation accuracy before issuance of permits. Accela will also allow the automatic recalculation of fees when quantities change, as well as provide an audit trail of when, where, and how valuations change. We also adjust procedures and monitoring processes		Initial Status, 4/7/15: Not Implemented. Business practice analysis and initial configuration of Accela are completed and project valuation is part of the configuration of the program. The configuration includes a valuation history table to provide an audit trail of changes to valuation. Additionally, the configuration automatically recalculates fees when quantities are changed. Programming is ongoing with an expected implementation of the new system by December 2015.

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<ul style="list-style-type: none"> ○ Verify permit applicants’ stated project valuations and always use the higher valuation to calculate fees, unless the Building Official provides a reasonable basis for exceptions, such as when the permit applicant can show detailed estimates. Planning’s calculation should be done through Accela, if possible (see Recommendation 3.5 below). B. Require permit applicants to submit new applications or update and initial changes when changing the type and quantity of work to be performed and for PSC staff to enter the updated information into Accela. C. Develop and implement a process that establishes responsibility for ensuring that all corrections to project values are updated in the BP Module screen (Accela, after implementation) that is used to calculate permit fees. The process should not require staff 		<p>accordingly to match the changes made possible by Accela.</p>		<p>Status Update 9/15/15: Not Implemented. No further change in status expected until after Accela roll-out Dec. 2015.</p> <p>Status Update 2/28/17: Partially Implemented.</p> <p>3.4A – Plan review procedures require that plan check staff verify the pertinent information, including project valuation, to confirm that it accurately reflects the scope of work shown on the approved construction drawings. The itemizing of trade details is part of the assessment of fees done by Permit Specialists as part of the permit issuance process.</p> <p>3.4B – In the new electronic plan check environment, changes to the application information are made directly within Accela based on the information provided by the applicant or on the construction drawings.</p> <p>3.4C – Processes have been implemented through which plan check staff correct valuations prior to any plan approval or</p>

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<p>who collect fees to update those values.</p> <p>D. Require PSC supervisors to monitor and review, on a sample basis, the accuracy of their staff’s building permit data entry, including square footage and quantities.</p>			<p>Actual 3/13/2018</p>	<p>permit issuance. No staff who revise valuations may also collect fees. Accela has been configured to include the valuation history table, which records each valuation change, date, time and staff entering the valuation change; this information cannot be edited after the fact.</p> <p>3.4D – Filters have recently been developed to allow PSC supervisors to monitor overall permit application activity, including a comparison of information provided and then entered into the system. Policies are being created to establish criteria for sample monitoring and review to confirm accuracy.</p> <p>Status Update 3/13/18: Implemented. Procedures have been established for PSC management to monitor, review and verify accuracy building permit entry data in Accela.</p>
<p>3.5 Work with Information Technology during the Accela implementation to ensure it is configured so each element used to calculate permit fees (e.g.,</p>	<p>Planning</p>	<p>Agree. We will configure Accela to make all permit-fee-calculation-dependent entries required fields.</p>		<p>Initial Status, 4/7/15: Not Implemented. Designation of required fields will be determined during user acceptance testing of the Accela software, based on</p>

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<p>square footage, number of meters or receptacles, furnace) is a required field that, if left blank, would prevent PSC staff from completing data entry for a permit.</p>				<p>the recommendations of division managers, the audit report, and identified best practices. User acceptance testing is scheduled to happen once configuration is finalized and before implementation. Programming is ongoing with an expected implementation of the new system by December 2015.</p> <p>Status Update 9/15/15: Partially Implemented. User acceptance testing has identified all fields to be set as requiring some staff input before completing the forms. No further change in status expected until after Accela roll-out Dec. 2015.</p> <p>Status Update 2/28/17: Partially Implemented. Accela is configured to auto-calculate permit fees, but does not yet require all elements to be completed before permit issuance. There are several hundred such elements in the permit application template. PSC and IT staff are examining better default options for Accela fields in cases where they are not applicable to a particular permit</p>

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			Actual 3/13/2018	<p>application in order to fully resolve this finding.</p> <p>Status Update 3/13/18: Alternative Implemented. Previous revisions to the Planning Fee Schedule for clarity have been synchronized with Accela’s configuration, minimizing the potential for data entry errors. Additionally, larger projects (>1,000 sq.ft.) are now charged on a square footage basis, making the question of fixture counts moot. The combination of these steps makes it extremely unlikely that data entry errors can result in revenue shortfalls of any appreciable amount. PSC staff are trained to identify and select all permit specific elements. Considering Accela native functionality, this alternative implementation strategy is the most practical way of addressing this finding.</p>
3.6	After obtaining approval to always use a current building valuation table and if allowed by the publisher, work with Information Technology to: A. Build the new costs into	Planning	Agree. If possible, we will create dynamic building valuation in Accela, reflective of the current building	Initial Status, 4/7/15: Not Implemented. Business practice analysis and initial configuration of Accela are completed and the ability to reflect a current building

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<p>Accela.</p> <p>B. Update the costs whenever the industry expert publishes updates.</p> <p>C. Ensure that, when implemented, Accela is configured to calculate the minimum project value for every permit, based on the required cost elements for the project.</p> <p>If the publisher does not allow the costs to be built in, develop and implement policies and procedures to ensure that Plan Checkers verify the accuracy of the permit applicant's stated project value, and update the values in Accela as appropriate.</p>		<p>valuation table, that can be updated as necessary and can calculate minimum project value per permit based on required cost elements.</p>	<p>Actual 2/28/2017</p>	<p>valuation table and to calculate minimum project value is part of the configuration of the program. Programming is ongoing with an expected implementation of the new system by December 2015.</p> <p>Status Update 9/15/15: Partially Implemented. Accela configuration efforts have incorporated updated building project valuation tables and determined that future annual valuation table changes can also be incorporated. No further change in status expected until after Accela roll-out Dec. 2015.</p> <p>Status Update 2/28/17: Implemented.</p> <p>3.6A – As addressed in Response 3.2, Accela has been configured to utilize the adopted building valuation tables and user input when calculating project valuation.</p> <p>3.6B – The valuation table is annually updated every February.</p> <p>3.6C – Project valuation is affected by many variables which are not captured by square footage alone. The plan check staff</p>

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				are trained to validate project valuations as provided by applicants.
3.7	Work with Information Technology to ensure that Accela is configured to calculate fees based on the criteria in the fee schedule rather than rounded project valuations.	Planning	Agree. We will configure Accela to calculate fees based on fee schedule criteria.	<p>Initial Status, 4/7/15: Not Implemented. Business practice analysis and initial configuration of Accela are completed and fee calculation based on the fee schedule is part of the configuration of the program. Programming is ongoing with an expected implementation of the new system by December 2015.</p> <p>Status Update 9/15/15: Partially Implemented. Current authorized Planning fees have been set in Accela for use in project fee calculations; no further change in status expected until after Accela roll-out Dec. 2015.</p> <p>Status Update 3/13/18: Implemented. Fee calculations in Accela have eliminated valuation rounding errors found in the previous system. Fee formulas programed into Accela are regularly tested and validated to ensure they are in accordance with the adopted</p>

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				fee schedule. An additional review of Accela fee calculations took place during 2017 and validated that fee calculation formulas are working correctly.
3.8	Work with the City Clerk’s Office to revive the project for making construction documents (i.e., plans, permits, and related documents) readily available for public and staff viewing. Develop a timeline for imaging all older documents and set aside time for staff to image those documents within the timeline. If necessary, and feasible within budget constraints, hire temporary staff to locate, prepare, and image the multi-year backlog of documents.	Planning	Agree. We will revive the construction document imaging/accessibility project, develop a timeline for imaging older documents, and earmark the requisite staff time to assist in imaging-related tasks.	<p>Initial Status, 4/7/15: Not Implemented. Business practice analysis and initial configuration of Accela are completed and electronic plans and permits are part of the configuration of the program. Programming is ongoing with an expected implementation of the new system by December 2015. The City Clerk’s Office obtained and is in the process of implementing a new content management system. We will revive the construction document imaging/accessibility project once the software is in place.</p> <p>Status Update 9/15/15: Partially Implemented. City staff have issued an RFP for a vendor to convert paper-only building plans to digital files, which will then be imported into the City Clerk’s new Electronic Data Management System for access by staff and ultimately by the</p>

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					<p>public. Staff expect a contract award in Oct 2015, with all paper plans converted into digital files by June 2016.</p> <p>Status Update 2/28/17: Partially implemented. Work is nearly complete under the imaging contract to scan and convert paper-only building plans into digital files. The resulting images will be imported into the City Clerk’s new Electronic Data Management System for access by staff and ultimately by the public.</p> <p>Status Update 3/13/18: Implemented. Work has been completed under the imaging contract to scan and convert paper-only building plans into digital files. The resulting images are now available for staff use and for public review upon request.</p>
Finding 4: High-risk cashiering and credit card practices significantly increase the risk of employee theft					
4.1	When implementing Accela, require each PSC cashier to have, and use, his or her own cash drawer, user identification, and password when	Planning	Agree. Accela will improve the situation by requiring staff to use their own login credentials. However, the		Initial Status, 4/7/15: Not Implemented. Business practice analysis and initial configuration of Accela are completed and this item is part of the configuration of the

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<p>cashiering. The cash register must identify the employee responsible for every cash register entry. In the meantime, implement procedures, such as limiting use of each register to the person who is logged into it or changing out cash drawers as register users change, to mitigate the risk of not being able to assign responsibility for individual transaction errors, including overages and shortages.</p>		<p>physical configuration of the building makes individual cash drawers difficult to implement at this time. We agree with the potential solutions and will develop a plan within a year to address the finding.</p>	<p>Actual 2/28/2017</p>	<p>program. Programming is ongoing with an expected implementation of the new system by December 2015. Additionally, the Planning Department has obtained authorization to add a position from the appropriate classification to function as a cashier in the PSC. This recruitment is currently open.</p> <p>Status Update 9/15/15: Partially Implemented. The PSC has hired a dedicated cashier to improve internal controls around cash handling. Accela has been configured to eliminate all shared credentials once roll-out takes place in Dec. 2015.</p> <p>Status Update 2/28/17: Implemented. The PSC now employs two dedicated cashiers. Both cashiers and Senior Permit Specialists that serve as back-up cashiers during absences, have their own cash drawer, user ID, and password. Procedures have been established which restrict cash registers to only the individual responsible for cashiering, eliminating all shared user credentials and</p>

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				improving internal controls around cash handling.
4.2	As soon as possible, implement the process identified by the Planning Director for securing faxed credit card information. Require staff to enter credit card information immediately when a permit applicant drops off a credit card authorization form and then shred the form. This will likely mean not accepting a dropped-off credit card authorization form unless the project has already been entered into the permit system. Alternatively, Planning could set up a computer in the PSC that would allow customers to enter their credit card information online without PSC staff ever seeing that information.	Planning	Agree with alternative. We are currently working with Information Technology on the solution for securing faxed credit card information. The other problems identified in Findings and Recommendation 4.2 will be addressed by Accela, in particular, its capacity to accept and process credit card payments in a secure online environment.	<p>Initial Status, 4/7/15: Not Implemented. Business practice analysis and initial configuration of Accela are completed and this item is part of the configuration of the program. Programming is ongoing with an expected implementation of the new system by December 2015. Additionally, the Planning Department has obtained authorization to add a position from the appropriate classification to function as a cashier in the PSC. This recruitment is currently open.</p> <p>Status Update 9/15/15: Partially Implemented. The PSC has hired a dedicated cashier to improve internal controls around cash handling. Accela has been configured to eliminate all shared credentials once roll-out takes place in Dec. 2015.</p> <p>Status Update 2/28/17: Implemented. PSC procedures have been updated.</p>
			Actual	

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			2/28/2017	Credit card information is no longer submitted by fax, e-mail or drop off. The PSC cashier enters credit card information directly into the register at the time it is submitted by clients in the PSC or over the telephone.