Program Performance Review

Building Code Services Division of the Urban Planning and Redevelopment Department

May 3, 2007

Report No. 07-18

Office of the County Auditor
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County Auditor
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Executive Summary

In this Program Performance Review of the Building Code Services Division, we:

(1) Assess the quality of its accountability system,
(2) Evaluate its performance using available information, and
(3) Examine the potential consequences of discontinuing program services

Section 1: Assessment of Building Code Services Division’s Accountability System
(See pages 8-19)

We examined the extent to which the Division developed and implemented six key components of its performance measurement and reporting system.

In the past couple years the Division made strides to improve its accountability system. For example, the Division established a complete set of performance measures for Fiscal Year 2007, meeting Office of Management & Budget (OMB) requirements. Also, the Division took significant steps to develop or modify systems to collect reliable unit cost data for inspections and plan reviews, to monitor employee productivity, and to justify staffing levels. However, we noted several deficiencies that need to be addressed.

To further enhance the Division’s accountability system, we make the following recommendations in this report:

• Continue to modify systems to collect reliable unit cost data for inspections and plan reviews, refine methodology to set more precise hourly service rates, report results of Fiscal Year 2007 revenues and expenditures for partial services contracts to the Board of County Commissioners by December 31, 2007;
• Complete work on “time management system” to obtain accurate employee productivity, record results in employees’ annual performance evaluations, report results of monitoring efforts to the Board by December 31, 2007;
• Continue to work with OMB to identify appropriate peer agencies and key measures to benchmark performance, report results to the Board by December 31, 2007;
• Continue to develop and implement written data verification procedures, report implementation status to the Board by September 30, 2007; and
• Conduct staff workload analysis for Fiscal Year 2007, refine existing methodologies to justify future staffing levels, report results to the Board by December 31, 2007.

Section 2: Assessment of Building Code Services Division’s Performance
(See pages 20-26)

We analyzed performance data for measures reported to OMB and other pertinent information about Division operations for the past several years. We also interviewed officials from Broward municipalities that contracted for County building code services.

Our assessment was hindered by two primary problems:
- A lack of reliable data for many key OMB performance measures prior to Fiscal Year 2005, which Division officials attribute to automation system constraints, adversely affected our ability to gauge performance across time; and
- Building Code Services officials expressed concerns that peer agency data may not be comparable because other Florida counties (1) use different methodologies to count inspections, and (2) do not adhere to the stricter standards established in Broward County ordinances.

We conclude that:

- Although the Division has not met its goal to perform 96% of all inspections within 24 hours of request, its performance appears to be better than the performance of its counterpart agencies in Miami-Dade and Palm Beach counties;
- The Division’s Fiscal Year 2006 performance exceeded the industry standard for inspector productivity of performing 15 inspections per inspector per day;
- While the Division’s customer satisfaction rating has improved slightly over time, results are problematic due to survey instrument and collection methodology limitations, which Division officials corrected during our review period; and
- A majority of city building representatives we interviewed said they were generally satisfied with the quality of work performed by Division inspectors, plan reviewers and building officials, but some of them expressed concerns that inspectors were unavailable when needed, current rates were too high, and were frustrated by what they perceive to be poor communications with Building Code Services managers.

To further improve Building Code Services’ performance, we recommend the Division:

- Develop an action plan to meet inspection timeliness goal, continue to work with OMB to compare the Division’s performance to peers, including Miami-Dade and Palm Beach counties, report benchmarking results to Board by December 31, 2007; and
- Continue to pursue the feasibility of hiring part-time inspectors, especially certified roofing inspectors to supplement existing structural inspection staff, analyze customer satisfaction information collected by contract cities, and identify ways to improve communications with contract city building departments.

Section 3: Potential Consequences of Discontinuing Program Services
(See pages 27-29)

Based on stakeholder feedback, we identified potential benefits and drawbacks to continuing and discontinuing the program (see Exhibit 10, page 30, for summary of stakeholder opinions). Keeping the program makes sense because (1) many customers are generally satisfied with the quality of program services, (2) it recoups some indirect administrative costs, (3) it is designed to be self-sustaining, and (4) it may provide some balance to private vendor pricing of services. Eliminating the program is possible because (1) it is only mandated for unincorporated areas, which are expected to be annexed by cities by 2010, (2) it does not directly support current County Commission goals, and (3) it eliminates the risk of having to use general funds if program does not break-even.
Purpose and Scope

This report presents the results of a Program Performance Review of the Building Code Services Division within the Urban Planning and Redevelopment Department.

The purpose of this review is to assess the quality of the Building Code Services Division’s accountability system, to evaluate the Division’s performance, and to identify options for improving its services and reducing operating costs. To accomplish our objectives, we:

- Reviewed pertinent performance measurement, general management and building construction literature;
- Analyzed available performance data on Building Code Division operations;
- Analyzed information provided by Building Code Division managers and employees relative to specific management processes and controls;
- Reviewed applicable Building Code Division records and documents, including relevant policies and procedures;
- Reviewed applicable Florida Statutes and Broward County Ordinances pertaining to code enforcement;
- Interviewed code enforcement officials in other jurisdictions, and city building department and building construction industry representatives; and
- Interviewed Building Code Division managers and employees

Background

The Building Code Services Division is responsible for ensuring construction projects in unincorporated Broward County and in those municipalities under contractual agreement conform to the Florida Building Code and applicable Broward County ordinances. Appendix A, on page 30, shows a listing of municipalities contracting with the County for building code services.

For Fiscal Year 2007, the Building Code Services Division has an operating budget of $19.7 million and 141 authorized full-time equivalent (FTE) positions.

Program Services

According to Section 8.13, Broward County Administrative Code, the Building Code Services Division is authorized to:

- Administer and enforce the Florida Building Code, Minimum Housing and other Broward County ordinances related to permitting services;
- Provide building department services on a cost-reimbursable basis to municipalities under contract with the County;
- Provide liaison and administrative support to the Broward County Central Examining Boards, the Unsafe Structure Board, Code Enforcement Board, and other related regulatory boards;

- Enforce the Florida Building Code by performing plan review, inspections, and issuing permits and Certificate of Occupancies for construction projects;

- Establish and collect fees as may be prescribed by the Board of County Commissioners for providing Division services and related functions to the public; and

- Perform inspections of buildings for proposed businesses to ensure compatibility with the intended use and as a prerequisite to obtaining an occupational license.

**Program Organization**

The Building Code Services Division consists of five sections: Building Code Services, Central Examining Board, Elevator Inspection, Zoning Code Services, and Administrative and Support. Exhibit 1 on the next page provides pertinent information about each of the Division’s sections.

The **Building Code Services Section**’s goal is to enforce compliance with the Florida Building Code and applicable rules and regulations to ensure an acceptable level of life safety to unincorporated areas of Broward County and cities under interlocal agreement. For Fiscal Year 2006, this Section’s staff reviewed 67,873 plans, conducted 138,923 building inspections and issued 14,615 building permits.

The **Central Examining Board Section**’s goal is to ensure sound construction by verifying that tradespersons are licensed and qualified to perform the work they have contracted to do for a homeowner and address complaints to protect the public safety and welfare of Broward County residents by ensuring proper construction methods are employed. In Fiscal Year 2006, this Section’s staff issued 4,754 tradespersons certifications and investigated 1,233 complaints against licensed and unlicensed contractors.

The **Elevator Inspection Section** is responsible for establishing elevator safety and quality service through reviewing plans, issuing construction permits, performing inspections, conducting annual testing, and processing and issuing Certificates of Operation. In Fiscal Year 2006, this Section’s staff performed 13,467 elevator inspections, issued 10,910 new/renewal Certificates of Operation and performed 4,847 witness tests.

The **Zoning Code Services Section** administers and implements the Broward County Zoning Code and the Broward County Code of Ordinances through zoning plan reviews, residential and business licensures, and community code compliance inspections. For Fiscal Year 2006, this Section’s staff reviewed 539 zoning plans, conducted 504 zoning permit inspections, and conducted 1,097 community code compliance inspections.
The **Administrative and Support Section** oversees compliance with the Division’s policies, regulations and procedures, and provides administrative planning, implementation, coordination and support to the Division’s operations.

### Exhibit 1
**Fiscal Year 2007 operating budget, full-time equivalent (FTE) positions and major activities for the Building Code Division's five sections**

<table>
<thead>
<tr>
<th>Section</th>
<th>Budget</th>
<th>FTE</th>
<th>Major Activities</th>
</tr>
</thead>
</table>
| Building Code Services       | $7,080,170           | 77  | --Issue construction permits  
|------------------------------|----------------------|-----|-------------------------------------------------------|
| Central Examining Board (CEB)| $1,516,920           | 20  | --Investigate complaints against licensed and unlicensed contractors; issue citations  
| Elevator Inspection          | $2,765,630 (Including $1.4 M in reserves) | 12  | --Perform annual elevator inspections  
| Zoning Code Services         | $478,910             | 5   | --Review zoning plans  
| Administrative and Support   | $7,900,530 (Including $4.6 M in reserves) | 27  | --Perform permit-related research  
| **Total**                    | **$19,742,160**      | 141 | --Collect and process revenues from fees              |

Source: Office of Management & Budget

### Program Resources

As shown in Exhibit 2 below, the Building Code Services Division’s Fiscal Year 2007 appropriation of $19.7 million consists of three funds.

### Exhibit 2
**Building Code Services Division’s Fiscal Year 2007 Operating Budget**

<table>
<thead>
<tr>
<th>Funding Source</th>
<th>Revenues</th>
<th>% of Budget</th>
</tr>
</thead>
<tbody>
<tr>
<td>Special Purpose Fund¹</td>
<td>$14,980,700</td>
<td>75.9%</td>
</tr>
<tr>
<td>General Fund²</td>
<td>$4,282,550</td>
<td>21.7%</td>
</tr>
<tr>
<td>Municipal Service District Fund³</td>
<td>$478,910</td>
<td>2.4%</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>$19,742,160</strong></td>
<td><strong>100%</strong></td>
</tr>
</tbody>
</table>

Source: Office of Management & Budget

¹ The Special Purpose Fund is comprised of fees for services; it is Broward County policy that building code services fees “bear reasonable relationship to the cost of providing building code services”

² Includes $2.3 million in fees collected for Central Examining Board activities and elevator inspections

³ The Municipal Service District Fund consists of tax assessments to residents living within unincorporated areas of the County; as of February 2007, the Division provided building code services to approximately 14,000 people residing in unincorporated areas
Section 1: Assessment of Building Code Services’ Accountability System

This section presents our assessment of the Building Code Services Division’s accountability system. Establishing an effective accountability system is essential to ensure public funds are spent to achieve desired results and to improve public services.

An effective accountability system provides quality information to enable:

- Citizens to hold elected officials, managers, employees and private contractors accountable for the efficient and effective use of public funds;
- Elected officials and other policymakers to make informed budget and policy decisions; and
- Managers to detect and correct operational problems in order to improve program results

Our assessment examines the extent to which the Building Code Services Division has developed and implemented six key components of its performance measurement and reporting system; specifically, whether the Division has:

- Established a complete set of performance measures, as required by the Office of Management & Budget (OMB);
- Collected and analyzed unit cost data for each major service and activity;
- Collected and analyzed data to assess operational efficiency and effectiveness;
- Contacted other local government building departments that provide similar services to benchmark performance;
- Established processes to ensure performance data reliability; and
- Used performance data to modify practices or change operational processes to achieve better program results

Building Code Services has made strides to improve its accountability system, but should take steps to further enhance accountability

We noted several significant steps the Division took in the past couple years to improve its accountability system, including developing systems to collect pertinent performance data. However, there are several deficiencies that need to be corrected. To further enhance accountability, the Division should (1) collect reliable unit cost data for inspections and plan reviews and refine its methodology to set more precise hourly service rates, (2) complete work on its “time management initiative” to obtain accurate employee productivity data that is essential to effectively monitor employee productivity, (3) identify peer agencies and key performance measures to benchmark performance, (4) develop an action plan with timetable for establishing written data verification procedures, and (5) analyze current fiscal year workload and refine methodologies to provide OMB with sufficient justification for Fiscal Year 2008 staffing levels.

Exhibit 4 on the following page summarizes our conclusions about the quality of the Building Code Services Division’s performance measurement and reporting system.
<table>
<thead>
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<th>Best Practice</th>
<th>County Auditor’s Assessment</th>
<th>Recommendation</th>
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<tr>
<td>Establish a complete set of performance measures</td>
<td>Building Code Services’ Fiscal Year 2007 set of measures meet Office of Management &amp; Budget (OMB) requirements</td>
<td>None (See page10)</td>
</tr>
<tr>
<td>Collect and analyze unit cost data for major services and activities</td>
<td>In Fiscal Year 2007, Building Code Services plans to collect unit cost data for inspections and plan reviews, which can be used to validate hourly rates charged to partial service contract cities; in the two previous fiscal years hourly fees were insufficient to recoup full costs of service provision but Division officials expect current fees will be sufficient to break-even in Fiscal Year 2007</td>
<td>Collect reliable unit cost data for all other major services; report Fiscal Year 2007 results of revenues/expenditures to Board no later than December 31, 2007 (See pages 10-12)</td>
</tr>
<tr>
<td>Collect and analyze internal operational data</td>
<td>In Fiscal Year 2006, Building Code Services began collecting data to track employee productivity, but system limitations hinder data accuracy; Division officials expect to have reliable employee productivity data by September 30, 2007</td>
<td>Collect reliable employee productivity data for Fiscal Year 2007; report results to Board no later than December 31, 2007 (See pages 12-14)</td>
</tr>
<tr>
<td>Contact outside sources to benchmark performance</td>
<td>While Building Code Services has not analyzed its performance against peer agencies, staff have contacted outside sources to obtain some useful information; benchmarking performance against peers is essential to identify best practices and improve program results</td>
<td>Identify best practice agencies, compare performance using meaningful measures (See pages 14-16)</td>
</tr>
<tr>
<td>Establish a process to ensure performance data reliability</td>
<td>Building Code Services reported inaccurate data to OMB in Fiscal Years 2005 &amp; 2006; improving data verification processes, policies and procedures would help avoid errors and is essential to ensure data reliability</td>
<td>Develop and implement written data verification procedures (See page 17)</td>
</tr>
<tr>
<td>Use performance data to improve results</td>
<td>Building Code Services lacks sufficient data to justify current fiscal year staffing levels and methodology flaws diminish reliability of future staffing projections</td>
<td>Conduct staff workload analysis for Fiscal Year 2007; refine existing methodologies to justify future staffing levels (See pages 17-19)</td>
</tr>
</tbody>
</table>

Source: Office of the County Auditor analysis
Best Practice 1: Establish a complete set of performance measures

According to performance measurement literature, a comprehensive set of performance measures provides information to enable policymakers and managers to assess each agency’s workload, operating efficiency, effectiveness, and societal impacts. The Office of Management & Budget (OMB) requires County agencies to collect and report information relative to four types of performance measures: work output, efficiency, client benefit/effectiveness, and strategic outcome.4

Beginning in Fiscal Year 2007, Building Code Services established a complete set of performance measures

For Fiscal Year 2007, the Division met OMB requirements by establishing a complete set of performance measures. Each of Building Code Services’ five sections established measures that included work output, client benefit/effectiveness, efficiency, and strategic outcome measures, as required by OMB (see Appendix B, pages 31-32).5

Best Practice 2: Collect and analyze unit cost data for major services

Unit cost refers to the cost of producing an output or outcome.6 Collecting and analyzing unit cost data is important because it can be used to:

- Compare an agency’s performance to similar service providers,
- Predict how changes in the demand for services will affect an agency’s budget,
- Assess how changes in operations could affect costs,
- Identify wasteful processes, and
- Estimate the impact of budget decisions

In Fiscal Year 2007, Building Code Services plans to develop a system to collect and report unit cost data for inspections and plan reviews

Two performance measures the Florida Benchmarking Consortium (FBC) requires participating agencies to collect and report are “average annual cost per inspection” and “average annual cost per plan review.”7 Prior to Fiscal Year 2007, the Division did not collect and report data for these two measures. However, as part of its participation in FBC, Division officials plan to develop a system to collect the unit cost of inspections and plan reviews. Division officials told us they expect to have this system fully operational by September 2007.

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4 “Work output focuses on the quantity of service provided; efficiency measures the ratio of output per input; client benefit/effectiveness assesses the quality of the service from the clients’ perspective; and strategic outcome states the consequences of the program in a ‘big picture’ sense.”
5 The Office of Management & Budget (OMB) does not require sections that provide administrative services to report a strategic outcome measure.
6 Source: Florida Legislature’s Office of Program Policy Analysis and Government Accountability (OPPAGA)
7 Established in 2004, FBC is a collaboration of nearly 30 Florida cities and counties seeking to “improve upon or implement performance management programs.”
Reliable unit cost data can be used to validate rates for services

Currently the Division charges municipalities with partial service contracts an hourly rate for inspection and plan review services. As of April 2007 Building Code Services had partial service contracts with 14 municipalities (see Appendix A, page 30). Partial service contract inspections and plan reviews account for most of the work performed by the Building Code Services Section. For example, partial service contracts accounted for 73% of all inspections and 71% of all plan reviews conducted by Section staff in Fiscal Year 2006.

To validate the accuracy of these hourly service rates the Division needs reliable data on the actual cost of conducting each inspection and plan review and the exact amount of time each of these activities takes to complete. Our review identified deficiencies with the Division’s data relative to unit cost of inspections and plan reviews (see below) and the average amount of time spent conducting these activities (see Best Practice 3, pages 12-14).

For the past two years, hourly fees were insufficient to recoup full costs of providing inspections and plan reviews to partial service cities

As stated in the Building Code Services Division’s website, the County’s policy is that “fees shall be so designed as to bear reasonable relationship to the cost of providing building code services.” Thus, the Division should set rates to “break-even,” meaning the fees that are collected should be sufficient to recover the full cost of service provision.

In the past two fiscal years, hourly service rates were insufficient to recover the full cost of providing inspections and plan reviews to partial service contract cities. As a result, the Division experienced a shortfall of $1.1 million and $455,847 for fiscal years 2005 and 2006, respectively.

Division officials cited several factors contributing to these shortfalls and reported making improvements in the past couple years, including increasing productivity, evaluating staff assignments, and reducing expenses. For Fiscal Year 2006, Division officials said that the shortfall was primarily due to an unanticipated 12% salary increase for all inspectors and plan reviewers. This salary adjustment was not factored into the hourly service rates, as it was enacted after the contracts had been developed and finalized with cities.

Using Division data, we estimated the “break-even” hourly rates for Fiscal Year 2006. To break-even, the hourly service rates should have been $62.27 for inspections, which is

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8 A partial service contract is an interlocal agreement between the County and municipality for inspection and plan review services billed at an hourly rate; Fiscal Year 2007 hourly billable rates are $65 for an inspector and $75 for a plans examiner
9 Division officials said the 12% salary increase was necessary to recruit and retain qualified staff that was highly desired by municipalities and private companies after several hurricanes in Fiscal Year 2005.
15.2% more than the actual rate of $54.05, and $62.02 for plan reviews, or 8.3% more than the $57.29 actual rate.  

**Building Code Services officials believe current hourly rates should be enough to recover full costs in Fiscal Year 2007**  

In Fiscal Year 2007, the Division increased partial service rates. The Board of County Commissioners approved municipal service contracts, which increased the hourly inspection fees by 20.3%, from $54.05 to $65 and hourly plan review fees increased by 30.9%, from $57.29 to $75. This fairly substantial increase can be attributed primarily to a $10,000 pay raise given to inspectors and plan reviewers in October 2006.  

In April 2007, Division officials told us they believed that Fiscal Year 2007 hourly rates should be sufficient to break-even. They based their opinion on a six-month analysis of revenues and expenditures. However, we believe this conclusion may be questionable because it does not take into account that plan reviewers bill for inspections at the inspector rate even though they have on average 19.9% higher salaries, which could significantly decrease revenues. Currently we cannot estimate the effect of this discrepancy because the Division does not have reliable data on the actual amount of time plan reviewers spend performing inspections (see Best Practice 3, page 13).  

**Building Code Services has not collected reliable unit cost data for elevator inspections**  

For Fiscal Year 2006, the Division estimated its unit cost for elevator inspections. Their calculation was based on forecasted expenditures of $1,244,871, an estimate that employees work 1,763 hours annually, and data showing each elevator inspection takes on average 1.21 hours to perform. To more precisely determine unit cost for elevator inspections, the Division should use actual—rather than forecasted or estimated—data. Division officials said they would calculate the elevator inspection unit cost using actual data before the end of the fiscal year.  

**Building Code Services should collect reliable unit cost data for all major services and activities**  

To provide Division officials with meaningful information to help them ensure services are provided as economically as possible, we recommend that the Board of County Commissioners direct the County Administrator to take the following actions:  

1. By September 30, 2007, fully implement the system to collect and report accurate unit cost data for inspections, plan reviews, elevator inspections and all other major services and activities identified by Division officials; and

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10 Our estimate of the break-even point is intended to be for illustrative purposes only; we could not be more precise because the Division does not collect reliable data on the actual amount of time plan reviewers spend performing inspections, as addressed in Best Practice 3, page 13.
2. By December 31, 2007, submit a report to the Board of County Commissioners showing revenues and expenditures for inspections and plan reviews, and an explanation of the extent to which hourly fees for partial service contracts recouped full costs of service provision.

Best Practice 3: Collect and analyze internal operational data

To effectively manage County programs and operations, managers need more data than what is reported in the annual budget. The data reported in the annual budget generally relates to an entity’s overall performance rather than specific functions and activities. While the budget data is useful for accountability purposes, it provides limited information for managers to use in managing their programs on a daily basis.

In Fiscal Year 2006, Building Code Services began collecting data to track employee productivity

Measuring employee productivity is important to help ensure quality services are provided at the lowest cost possible. Productivity is generally defined as the ratio between the quantity of goods and services produced to the quantity of resources used to produce them. Typically this ratio is expressed as output to input; for example, the number of inspections completed per staff each day.

In January 2005, the Division began transitioning from an old information system to a new one called POSSE. This new system generates daily reports that supervisors use to track the number of inspections and plan reviews completed by each employee every day. Supervisors told us that these reports are useful because they help identify employees who have produced a relatively low volume of work. Supervisors said that they regularly communicate with subordinate inspectors and plan reviewers to determine if they could properly justify their productivity levels; for instance, a more complex inspection will typically take longer to complete than a more straightforward one.

However, system limitations hinder Building Code Services’ ability to obtain accurate data to effectively monitor employee productivity

In the first quarter of Fiscal Year 2007, Building Code Services began reporting data on two employee productivity measures suggested by the Florida Benchmarking Consortium and Building Officials Association of Florida: “number of inspections per inspector per day” and “number of plan reviews per reviewer per day.” However, we found that this data for full-service contract work is inaccurate due to system glitches preventing it from capturing (1) employees’ actual direct service hours, and (2) the actual amount of time plan reviewers spend performing inspections.

Employee productivity data for partial service contract work, which accounts for a sizable majority of building code services, appears to be reasonably accurate. We analyzed this data to evaluate the Division’s performance for Fiscal Year 2006 (see Section 2—Assessment of Building Code Services Division’s Performance, pages 20-26.)
Division officials are taking steps to correct system limitations

To correct system glitches, in March 2007, Building Code Services tested the reliability of a pilot intended to obtain accurate information about the actual amount of time each employee spent on specific activities. This “time management initiative” consists of employees recording their job start/stop times in an Excel spreadsheet. Division officials said they expect to fully implement this initiative, thus obtain accurate productivity data for full-service inspections and plan reviews, and to obtain accurate employee productivity data for all other major Division services and activities by September 30, 2007.

Building Code Services should continue efforts to effectively monitor employee productivity

In the past couple years the Division has made progress in developing a system that will enable Division managers to effectively monitor employee productivity. To help ensure Division services are provided at the lowest cost possible, we recommend that the Board of County Commissioners direct the County Administrator to take the following actions:

3. Complete work on the “time management initiative” to obtain accurate productivity data for full-service work;
4. Collect employee productivity data for all other major Division services and activities no later than September 30, 2007;
5. Once accurate employee productivity data is available it should be used to evaluate each employee’s productivity and the results should be incorporated in each employee’s annual performance evaluation; and
6. By December 31, 2007, submit a report to the Board of County Commissioners describing the status of efforts to effectively monitor employee productivity

Best Practice 4: Contact outside sources, such as industry and other government agencies, to “benchmark” performance

The Government Finance Officers Association recommends benchmarking as a method of obtaining information that can be used to identify inefficient practices and strategies to achieve better results. Benchmarking refers to “performance comparisons of organizational business processes against an internal or external standard of recognized leaders.” County managers should systematically and routinely compare policies, practices, and performance measures against those of high-performing organizations, other local governments and private industry that provide similar services.

The Building Code Services Division has not systematically evaluated its performance against peer agencies

In response to our request for documentation of benchmarking activities, Building Code Services officials said they have not conducted any systematic analysis comparing the Division’s performance to other high-performing organizations. They said that all building departments, however, are held to standards established in the Florida Building...
Division staff have periodically contacted outside sources to obtain useful information

Building Code Services officials provided documentation that they contacted other governmental agency and private industry representatives to obtain information to determine competitive employee salaries and appropriate rates and fees.

- In Fiscal Year 2005, Division staff conducted internet research and interviewed city and private industry officials to determine competitive salaries for several certified staff positions, including inspector and plans examiner. As a result, Division officials recommended two salary adjustments which were subsequently approved; a 12% increase of professional salaries in Fiscal Year 2006 and a $10,000 increase for Fiscal Year 2007.

- Division staff also contacted city officials in Fiscal Year 2005 to obtain rates for permitting services such as inspections and plan reviews. This information was used to develop the internal fee schedule and to increase rates in November 2005.

- In Fiscal Year 2006, Division staff conducted internet research and interviewed officials of other populous Florida counties to obtain contractor licensing fees. As a result, Division officials proposed and received approval from the Central Examining Boards to increase various licensing fees during the subsequent renewal period.

While these examples show Division officials have made periodic contact with industry peers, it is not a substitute for systematic analysis of the Division’s performance against peer agencies, which is essential to identify best practices and improve program results.

Beginning in Fiscal Year 2007, the Division will participate in the Florida Benchmarking Consortium (FBC)

Building Code Services is one of five County divisions that provide data to the FBC, an effort coordinated by the University of Central Florida’s Institute of Government to obtain meaningful performance data for selected local government programs. In February 2007 Building Code Services submitted data for 17 performance measures for Fiscal Year 2006. As of July 2006, there were nearly 30 Florida cities and Counties participating in the FBC. Comparative data will be available to participating members in May 2007.

Office of Management and Budget officials believe participation in the FBC is beneficial and important because it “promotes collection and sharing of comparative data to assess service delivery and costs.” OMB officials also believe that sharing knowledge and insights will foster positive relationships with other Florida jurisdictions.
However, Building Code Services submitted incomplete and inaccurate data for Fiscal Year 2006 to the FBC

We identified deficiencies with the data the Division submitted to the FBC for Fiscal Year 2006:

- The Division submitted incomplete data for most measures because it reported work done for full-service contracts only, not for partial service contracts; FBC officials believe it would be more appropriate for them to report data for all the work they do; and
- The Division submitted inaccurate data relative to two measures: “number of inspections per inspector per day” and “number of plan reviews per reviewer per day” (see discussion regarding problems with the reliability of employee productivity data, Best Practice 3, pages 12-14).

Building Code Services officials indicate comparability issues may affect the usefulness of FBC data, but remain committed to continue benchmarking efforts

Division officials said that comparative analysis for building departments can be difficult to do for three primary reasons: (1) inspections are not counted the same in other FBC jurisdictions; for example, some jurisdictions may count one inspection for the same work that Broward County breaks out as separate discipline (trade) inspections, and (2) most FBC participating agencies in central and north Florida do not have the same stricter standards established through Broward County ordinances. While Division officials believe these comparability issues may impede their ability to benchmark performance against other FBC agencies they vow to seek comparative data to continue their benchmarking efforts.

Building Code Services officials said that their preliminary perspective is that Miami-Dade and Palm Beach counties would be the most appropriate peer agencies to benchmark for two primary reasons. First, they are more likely than other counties in the state to be similarly affected by hurricanes, especially in circumstances such as dealing with the increased workload associated with the aftermath of Hurricane Wilma. Second, because they are Broward County’s neighbors to the immediate north and south their operating costs are most likely to be similar to ours than other counties in the state, thus making unit cost comparisons more valid.

Building Code Services should continue to support FBC participation and evaluate its performance against peer agencies in Fiscal Year 2007

To identify strategies to better manage operations and achieve better outcomes, we recommend that the Board of County Commissioners direct the County Administrator to take the following actions:

7. Identify high-performing building departments with similar characteristics to Broward County’s to enable comparison;
8. Determine meaningful measures to be compared;
9. Continue to support participation in the FBC by providing reliable and timely data for the specific FBC measures;
10. Conduct benchmark analysis, independent of FBC, if necessary, by September 30, 2007;
11. Develop action plan and implementation timetable for modifying practices based on benchmarking results; and
12. Report its progress in implementing the action plan to the Board of County Commissioners in a preliminary report by September 30, 2007, and a final status report no later than December 31, 2007

Best Practice 5: Establish a process to ensure performance data reliability

According to the U.S. Government Accountability Office (GAO), performance data should be reasonably timely, complete and accurate to be useful for budget allocation and policymaking purposes. To ensure reliable performance data, government agencies should implement internal controls, such as establishing clear and unambiguous performance measure definitions, having front line and middle managers independently review performance data, and testing a sample of performance data at least quarterly.

In Fiscal Years 2005 & 2006, Building Code Services found and corrected discrepancies in reported performance data to the Office of Management & Budget (OMB)

Building Code Services stated they had reported inaccurate performance data to the OMB for the following measures:

- In Fiscal Year 2005 the Division reported 80% of building code inspections was performed within 24 hours of customer request, but Division officials discovered a calculation error during our review and subsequently restated the performance as 92%.
- Although the Division reported its Fiscal Year 2006 customer satisfaction rating as 79%, supporting documentation showed actual performance was 75%.
- For the first three quarters of Fiscal Year 2006 the Division reported inaccurate data on two output measures: “number of inspections performed” and “number of plans reviewed.” Division officials believe these errors occurred from using data pulled from wrong reports. Before the end of the fiscal year, these officials found the mistake and submitted correct data to OMB.

Building Code Services should take steps to improve data verification processes

Division officials told us that they have not established written policies and procedures to verify the accuracy of data reported to the OMB. We believe errors such as those that occurred in Fiscal Years 2005 & 2006 may have been avoided if sufficient controls, such as independent supervisory review, had been in place.
Therefore, to ensure performance data reliability, we recommend that the Board of County Commissioners direct the County Administrator to take the following actions:

13. Develop and implement written data verification policies and procedures, containing clear and unambiguous measure definitions to ensure data is collected consistently, and independent supervisory review and sample testing of performance data, which offer quick and easy methods of detecting errors; and

Best Practice 6: Use performance data to modify practices or change operational processes to achieve better results

According to the U.S. Government Accountability Office (GAO), the benefit of collecting performance information is only fully realized when the information is actually used by managers to make decisions directed towards improving results. Managers can use performance information to identify operational problems and their causes, and to develop corrective actions; to effectively plan and prioritize workload and resources; and to identify more effective approaches to program implementation.

Building Code Services lacks sufficient information to justify base staffing levels for inspection services

In a March 2006 report, Assessment of Broward County Staffing Levels, the Office of the County Auditor concluded that “Broward County officials have effectively managed the size and growth of Broward County employment over the past decade, but further actions are needed to ensure appropriate Broward County employment levels in the future.” One of our recommendations was that County agencies, the Office of Management and Budget and the Office of Information Technology work jointly to justify existing base staffing levels. To justify base staffing levels each County agencies should conduct a staff workload analysis comparing its workload to an industry benchmark.

As addressed in Best Practice 3, pages 12-14, the Division lacks accurate data for the amount of time inspectors and plan examiners actually spend doing their work for full-service contracts. Without this information the Division cannot conduct a staff workload analysis, thus the Division cannot effectively justify its base staffing levels.

Building Code Services’ methodology for projecting Fiscal Year 2007 staffing levels has flaws, diminishing its reliability

Division officials told us that forecasting future Division staffing needs is difficult and unscientific because of the somewhat volatile nature of the construction industry. While we agree that fluctuations in construction activity make it difficult to precisely project future staffing levels we believe it is possible to better forecast staffing needs if a sound methodology is employed.
To the Division’s credit, it has used a reasonably sound methodology for forecasting future staffing levels. However, we noted some deficiencies with the methodologies used by the Division to forecast Fiscal Year 2007 staffing levels that reduces its reliability:

- The methodology used to project staffing levels for partial service work appears to be flawed because it (1) relies on estimates provided by municipalities contracting for this work, which historically have been substantially higher than actual usage, and (2) is based on an estimate of employees spending 1,744 hours annually in direct service provision, which seems unrealistically high because it does not take into account the amount of time staff spend in staff meetings and training; and
- The methodology used to project staffing levels for full service work appears to be flawed because it includes the City of Weston that is no longer under contract, which would reduce the full-service workload by 20%, thus possibly reducing the need for as many as 3 FTE positions.

**Building Code Services should analyze its current fiscal year staff workload and refine its methodologies to more precisely project Fiscal Year 2008 staffing levels**

Determining the Division’s appropriate staffing levels is important because allocating more staff than is necessary to perform activities is wasteful of limited County resources and having too few staff may impede the Division’s ability to achieve desired outcomes. To justify its current staffing levels and more precisely project future staffing levels, we recommend that the Board of County Commissioners direct the County Administrator to take the following actions:

15. Conduct a staff workload analysis for Fiscal Year 2007, which would involve using reliable workload data (see discussion under Best Practice 3, pages 12-14) and submit a report of results to the Board of County Commissioners by December 31, 2007; and
16. Refine its methodologies for projecting future staffing levels to more accurately reflect need, and submit a report of results to the Board of County Commissioners by September 30, 2007.
Section 2: Assessment of Building Code Services Division’s Performance

To evaluate Building Code Services’ performance, we analyzed performance data reported to the Office of Management & Budget (OMB) for the past several years and other pertinent information about Division operations. We also interviewed building department officials from Broward municipalities that contracted for County building code services in the past two years.

Our assessment of the Building Code Services Division’s performance was hindered by two primary problems:

- Lack of reliable data for many OMB performance measures prior to Fiscal Year 2005 precludes comparing the Division’s performance across time; and
- Division officials had concerns about the comparability of data obtained from FBC peer agencies (as discussed previously on page 16) that make analyzing Building Code Services’ performance to other jurisdictions difficult and impractical.

To facilitate our assessment, we compared Building Code Services’ performance on selected measures to two other peer counties: Miami-Dade and Palm Beach. We used these peer agencies because Division officials told us that these two counties were the most comparable to the Division of any of the FBC agencies. Exhibit 5 below shows selected characteristics of the two peer agencies whose performance we analyzed in our assessment.

Exhibit 5
Selected Fiscal Year 2006 characteristics of Building Code Services’ peer agencies

<table>
<thead>
<tr>
<th>Agency</th>
<th>Operating Budget</th>
<th>Full-Time Employees</th>
<th>Inspections Completed</th>
<th>Plan Reviews Completed</th>
</tr>
</thead>
<tbody>
<tr>
<td>BROWARD COUNTY</td>
<td>$9.2 million</td>
<td>104</td>
<td>138,923</td>
<td>67,873</td>
</tr>
<tr>
<td>Miami-Dade County</td>
<td>$40.5 million</td>
<td>344</td>
<td>650,830</td>
<td>290,867</td>
</tr>
<tr>
<td>Palm Beach County</td>
<td>$22.9 million</td>
<td>225</td>
<td>278,742</td>
<td>N/A</td>
</tr>
</tbody>
</table>

Source: Office of the County Auditor analysis

Timeliness in Conducting Inspections

The Division’s set of performance measures reported to OMB include several effectiveness indicators of the Division’s responsiveness to community demand. For example, the Division collects and reports data on three timeliness measures: percentage of inspections performed within 24 hours, percentage of code enforcement complaints responded to within four days, and percentage of plan reviews reviewed within 15 days.

11 To be comparable to Miami-Dade and Palm Beach counties, Broward’s operating budget and FTE figures only consists of the Building Code Services and Administrative and Support sections combined
Of these three measures, we were only able to analyze the percentage of inspections performed within 24 hours because it was the only measure for which (1) accurate historical data was available, and (2) comparable data from Miami-Dade and Palm Beach counties was available.

The 24-hour turnaround is mandated by the Florida Building Code. Section 109.5 requires that inspection requests made to a building department before 12 p.m. must be performed before the end of the following business day. However, the Building Code Services Division’s internal procedure is that inspection requests made before 3 p.m. must be performed before the end of the following business day. Division officials said they apply this more stringent application of the Florida Building Code to allow contractors more time to assess whether a job will be ready for an inspection the next day. This helps reduce the possibility of inspectors traveling to job sites that are not yet ready for inspection and the number of last minute cancellations by contractors.

As shown in Exhibit 6 below, the Division has fallen short of meeting inspection timeliness goals for the past three fiscal years. Division data shows inspectors completed 92% of all inspections within 24 hours of request for each of the past three fiscal years. Division officials believe that filling staff vacancies would enable them to meet the 96% performance target in the current fiscal year.

Exhibit 6
For the past three fiscal years Building Code Services did not meet its inspection timeliness goals

<table>
<thead>
<tr>
<th>Fiscal Year</th>
<th>Goal</th>
<th>Actual</th>
</tr>
</thead>
<tbody>
<tr>
<td>2004</td>
<td>100%</td>
<td>92%</td>
</tr>
<tr>
<td>2005</td>
<td>96%</td>
<td>92%</td>
</tr>
<tr>
<td>2006</td>
<td>96%</td>
<td>92%</td>
</tr>
</tbody>
</table>

Source: Building Code Services Division

As shown in Exhibit 7, on the following page, Building Code Services’ performance for Fiscal Year 2006 slightly surpassed the performance levels of its primary peers—Miami-Dade and Palm Beach counties. Although Miami-Dade and Palm Beach counties do not report the percentage of inspections conducted within 24 hours, we were able to calculate their performance by obtaining Fiscal Year 2006 data on the total number of inspections.
performed and the number of “carry-over” inspections. The 24-hour turnaround performance was 86.9% and 87.5% for Miami-Dade and Palm Beach, respectively.

**Exhibit 7**
**Building Code Services conducted more timely inspections last year compared to its primary peers**

| Percentage of Inspections Completed within 24 hours of Request |
|-----------------|-----------------|-----------------|
| 100%            | 92%             | 87%             |
| 75%             | 50%             | 88%             |
| BROWARD         | Miami-Dade      | Palm Beach      |

Source: Office of the County Auditor analysis

**Productivity of Inspectors and Plans Examiners**

As addressed previously in this report, on pages 13-14, measuring employee productivity is important to help ensure quality services are provided at the lowest cost possible. In February 2007, Building Code Services reported its Fiscal Year 2006 performance on two employee productivity measures suggested by the Florida Benchmarking Consortium (FBC) and the Building Officials Association of Florida: “number of inspections per inspector per day” and “number of plan reviews per reviewer per day.”

We found data reliability problems with Building Code Services’ employee productivity data for full-service cities that limited its usefulness. However, this data for partial service contract work, which represents a large majority of the Building Code Services’ activities, appears to be reasonably accurate.

As shown in Exhibit 8 on the next page, the Division’s Fiscal Year 2006 performance for partial service contract work exceeded the industry standard for inspector productivity of performing 15 inspections per inspector per day. We calculated the Division’s performance to be 19.8 inspections per inspector per day. Our calculation was based on the FBC’s operational definition, which estimates inspectors work 1,760 direct service hours annually, and data showing the Division billed cities for 41,195 hours of

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12 Miami-Dade and Palm Beach county officials defined a “carry-over” inspection as an inspection that was completed on the day after its scheduled completion date, thus not meeting the 24-hour turnaround goal.
inspections in Fiscal Year 2006. We could not obtain comparable data from Miami-Dade and Palm Beach counties because they do not collect hourly inspection data since they only conduct inspections for unincorporated areas.

**Exhibit 8**
Division inspectors exceeded the industry productivity standards of completing 15 inspections per inspector per day

<table>
<thead>
<tr>
<th>Number of Inspections Completed</th>
<th>Per Inspector Per Day</th>
</tr>
</thead>
<tbody>
<tr>
<td>BROWARD</td>
<td>19.8</td>
</tr>
<tr>
<td>Industry Standard</td>
<td>15</td>
</tr>
</tbody>
</table>

Source: Office of the County Auditor analysis

**Meeting Customer Needs**

Assessing client satisfaction is important to determine program outcomes and identify modifications that need to be made to improve results. To determine the extent to which Division services meet the needs of its clients, we analyzed the results of customer satisfaction surveys administered by the Division in the past three years and solicited input from the Division’s main clients—municipal building department officials.

**Customer satisfaction surveys**

As stated in the Office of Management & Budget’s (OMB) budget preparation manual, “customer satisfaction surveys provide a tool to systematically measure the extent to which products and services meet the expectations and requirements of customers.” OMB requires all County agencies to annually conduct a customer satisfaction survey using a standardized survey instrument, which solicits the opinions of the quality of customer service in the following areas:

- Accessibility,
- Greeting,
- Courtesy,
- Cooperation,
- Staff knowledge,
- Response time,
- Procedures, and
- Quality of product/service

However, OMB guidelines specify that agencies may customize the standard survey instrument to include additional questions that are more specific to its individual operations. OMB guidelines also specify that surveys may be administered through a variety of methods, including mail, email, by telephone or in person.

For the past several years, Building Code Services has administered the standard customer satisfaction survey to walk-in customers of the central permitting office, located at 955 South Federal Highway in Fort Lauderdale. Exhibit 9 below shows the Division’s customer satisfaction rating improved over time and met its performance goal for Fiscal Year 2006.13

Exhibit 9
The Division’s customer satisfaction rating has improved in the past several years

<table>
<thead>
<tr>
<th>Fiscal Year 2003</th>
<th>Fiscal Year 2005</th>
<th>Fiscal Year 2006</th>
</tr>
</thead>
<tbody>
<tr>
<td>100%</td>
<td>75%</td>
<td>75%</td>
</tr>
<tr>
<td>66%</td>
<td>73%</td>
<td>75%</td>
</tr>
</tbody>
</table>

Source: Building Code Services Division

However, these results provide limited information about customer satisfaction for two primary reasons. First, the Division used the standard survey instrument required by OMB, which provides some useful information about the permit counter staff’s performance, but does not necessarily solicit input about other aspects of Division services. Although some comments made by survey respondents in the past couple years relate to other Division services, such as inspections and plan reviews, the Division cannot be assured that it has obtained sufficient information about all aspects of its operations to gauge customer satisfaction. Second, to collect information the Division relies solely on voluntary comment cards available at the central permit counter. This collection methodology limits the scope of responses because only a small portion of the Division’s customers actually access services through the permit counter. For example, the Division only received a total of 89 customer surveys during Fiscal Year 2006.

During our fieldwork, Division officials said that they planned to address our concerns during Fiscal Year 2007. They planned to customize the survey instrument to explicitly solicit opinions about other Division services and to put the survey on the Division’s website so that more customers could access it. We believe these modifications should help them obtain more information to better assess customer satisfaction.

Customer feedback

We solicited the opinions of the Division’s current and former customers because prior to Fiscal Year 2005 accurate data for many OMB measures was unavailable, diminishing our ability to evaluate the Division’s performance across time. In March and April 2007 we contacted representatives from 19 municipalities that had contracted with the Division for building code services in the past two fiscal years. We obtained responses, via focus groups, telephone interviews, and email correspondence, from 10 municipalities that currently contract for services and one municipality for which the Division previously provided inspection and plan review services.14

Our objective was to determine these customers’ perceptions about the strengths and weaknesses of the Division’s operations and their opinions about alternative practices that would result in improved outcomes. We found a fairly strong consensus of opinion about aspects of Division operations that customers perceive work well and areas that need to be improved.

Most (7 of 11) of the municipal building department representatives had positive comments about the quality of work performed by County inspectors, plan reviewers and building officials. These city representatives described those County employees using terms such as “highly skilled,” “professional,” “outstanding,” and “quality.” Many city representatives expressed satisfaction with the quality of the working relationship they had with County inspectors, plan reviewers and building officials. Some expressed the desire to only work with a specific County inspector, plan reviewer or building official they found to be exceptional.

The most frequently mentioned unfavorable comments made by the municipal building department representatives were:

- Most respondents (6 of 11) expressed the viewpoint that the County has been unable to provide their city with inspectors when requested, four city officials specifically mentioned the unavailability of structural inspectors when they were most needed;
- Six city representatives articulated concerns about the Division’s current rates for services, stating that recent rate increases were excessive, current rates no longer offered an advantage over private vendor rates, and/or permit fees are inconsistent; and

14 Respondents were building department representatives from Coconut Creek, Dania Beach, Hillsboro Beach, Lauderdale by the Sea, North Lauderdale, Oakland Park, Plantation, Southwest Ranches, Tamarac, West Park, and Wilton Manors.
• Five city officials also expressed frustration with communications with Building Code Services managers, their chief complaint being that telephone calls to managers are not returned quickly enough.

Summary and Recommendations

Our ability to fully evaluate the Division’s efficiency and effectiveness was impeded by the limited availability of accurate performance data prior to Fiscal Year 2005 and comparability concerns about data obtained from the Division’s peer agencies. However, we obtained accurate data on the Division’s timeliness in conducting inspections and the productivity of the Division’s inspectors and plan reviewers. In addition, we obtained information on customers’ opinions about the Division’s operations through reviewing customer satisfaction survey results for the past several years and through interviews with city building department representatives.

We concluded that:

• Although the Division has not met its goal to perform 96% of all inspections within 24 hours of request, its performance appears to be better than the performance of its counterpart agencies in Miami-Dade and Palm Beach counties;
• The Division’s Fiscal Year 2006 performance of conducting 19.8 inspections per inspector per day exceeded the industry standard for inspector productivity of 15 inspections per inspector per day;
• While the Division’s customer satisfaction rating has improved slightly over time, results are questionable due to survey instrument and collection methodology limitations, which Division officials corrected during our review period; and
• City building department representatives we interviewed said they were generally satisfied with the quality of work performed by Division inspectors, plan reviewers and building officials, but expressed concerns that inspectors were unavailable when needed and current rates were too high, and they told us they were frustrated by what they perceive to be poor communications with Building Code Services managers.

To further improve Building Code Services’ performance, we recommend that the Board of County Commissioners direct the County Administrator to:

17. Develop action plan to meet inspection timeliness goal, annually compare Division’s performance against peer agencies, including Miami-Dade and Palm Beach counties, report initial benchmarking results to Board no later than December 31, 2007;
18. Explore feasibility of hiring part-time inspectors, especially certified roofing inspectors to supplement existing structural inspection staff, making it easier for the Division to respond to city requests;
19. Analyze customer satisfaction information collected by contract cities to supplement information collected from the Division’s survey; and
20. Identify ways to improve communications with city building officials and respond to their telephone calls more expeditiously.
Section 3: Potential Consequences of Discontinuing Building Code Services Program

For every Program Performance Review the Office of the County Auditor conducts we analyze information to determine whether:

- There are alternative practices that would result in the program being run more efficiently and effectively; and
- It would be sound public policy to continue or discontinue funding the program.

In previous sections of this report, we identified actions the Division should take to improve its accountability structure and program results. When implemented, our recommendations will help to improve the Division’s operational efficiency and effectiveness.

In this section of the report, we examine the potential consequences of discontinuing the County’s building code services program; organizationally we refer specifically to the Building Code Services Section. To identify potential benefits and drawbacks to continuing and discontinuing the program, we conducted a literature review, interviewed building code officials from other Florida counties and representatives of building associations, and solicited feedback from key stakeholders, including previously identified city building department representatives and Division managers and supervisors.

We identified five primary reasons for keeping the program:

- As previously stated in Section 2, page 25, many customers are generally satisfied with the quality of the County’s inspections and plan reviews; they believe that eliminating or reducing the County’s presence would (1) disrupt service delivery because the city would be forced to either create or expand its own inspection and plan review infrastructure or contract with private vendors, (2) impair the County’s ability to promptly respond to their city’s needs following hurricanes, and (3) diminish the independent and objective work that they believe County employees do because of a commonly held perception that government employees have high integrity and a commitment to protect public safety.

- Decrease the ability of the County to do rapid assessment after an emergency.

- The County recoups some indirect administrative costs through fees imposed on municipalities; for example, the Division paid $615,490 in overhead expenses for Fiscal Year 2006.

- Except for a relatively small amount of general funds used to supplement some top managers’ salaries ($487,530 for Fiscal Year 2006, for instance), the Building Code Services Section is designed to be self-sustaining; each of the Section’s 77 FTE positions are revenue-generating.
Availability of County building code services may provide some balance to private vendor pricing of services.

We identified three primary reasons why the program services could be discontinued:

- Beginning in 2010, when all remaining unincorporated areas in the County are expected to be annexed by cities, Broward County government will no longer be mandated to enforce provisions of the Florida Building Code. According to the Florida Building Code, Broward County government is only responsible for inspection and enforcement of Florida Building Code provisions in unincorporated areas, whereas cities have responsibility for this function within their jurisdictional boundaries.

- There is no direct link between building code services and any of the eight goals adopted by the Board of County Commissioners, as outlined in the five-year workplan in effect from 2006 through 2010.

- Abolishing the building code services program would eliminate the risk of having to use general funds if the program does not recover sufficient revenues from fees to break-even.

To improve program performance, the Division should implement recommendations addressed in previous sections of our report. If the Board of County Commissioners decides that a proper course of action would be to discontinue program services, we recommend that the Board of County Commissioners direct the County Administrator to take the following actions:

21. Develop an action plan with timetable showing the most reasonable and feasible manner to divest the County of building code services; and
22. Submit report to the Board of County Commissioners no later than ninety days of the Board’s action

Exhibit 10 on the next page summarizes stakeholder opinions on the potential advantages and disadvantages of continuing and discontinuing the program.
Exhibit 10
There are potential advantages and disadvantages to continuing and discontinuing the Building Code Services program

<table>
<thead>
<tr>
<th>Policy Option</th>
<th>Potential Benefits</th>
<th>Potential Drawbacks</th>
</tr>
</thead>
<tbody>
<tr>
<td>Continue Program</td>
<td>Most current customers are generally satisfied with quality of inspections and plan reviews; fear service delivery disruption if program is abolished</td>
<td>In 2010, when all unincorporated areas are expected to be annexed, Broward County will no longer be mandated to provide program services</td>
</tr>
<tr>
<td></td>
<td>County recoups some administrative costs through fees ($615,490 in Fiscal Year 2006)</td>
<td>Provision of program services is not specified as a County Commission goal in five-year workplan, 2006-2010</td>
</tr>
<tr>
<td></td>
<td>Program is designed to be self-sustaining; revenue from general fund is relatively minimal ($487,530 in Fiscal Year 2006)</td>
<td>Risk of having to use general funds if program does not break-even</td>
</tr>
<tr>
<td></td>
<td>Availability of County services may provide some control over private vendor pricing of services</td>
<td></td>
</tr>
<tr>
<td>Discontinue Program</td>
<td>In 2010, when all unincorporated areas are expected to be annexed, Broward County will no longer be mandated to provide program services</td>
<td>Potential service delivery disruption because cities would be forced to either create or expand their own inspection and plan review infrastructure or contract with private vendors</td>
</tr>
<tr>
<td></td>
<td>Provision of program services is not specified as a County Commission goal in five-year workplan, 2006-2010</td>
<td>Loss of infrastructure would impede County’s ability to help cities deal with hurricane aftermath</td>
</tr>
<tr>
<td></td>
<td>Reduces risk of having to use general funds to subsidize program if it does not break-even</td>
<td>Potential loss of independent and objective inspections and plan reviews</td>
</tr>
</tbody>
</table>

Source: Office of the County Auditor analysis
## Appendix A

**Municipalities contracting with Building Code Services Division, as of April 2007**

<table>
<thead>
<tr>
<th>Municipality</th>
<th>Full-Service Contract</th>
<th>Partial Service Contract</th>
<th>No Contract with Division</th>
</tr>
</thead>
<tbody>
<tr>
<td>1  Coconut Creek</td>
<td></td>
<td>X</td>
<td></td>
</tr>
<tr>
<td>2  Cooper City</td>
<td>X</td>
<td></td>
<td></td>
</tr>
<tr>
<td>3  Coral Springs</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>4  Dania Springs</td>
<td>X</td>
<td></td>
<td></td>
</tr>
<tr>
<td>5  Davie</td>
<td></td>
<td></td>
<td>X</td>
</tr>
<tr>
<td>6  Deerfield Beach</td>
<td>X</td>
<td></td>
<td></td>
</tr>
<tr>
<td>7  Ft Lauderdale</td>
<td></td>
<td>X</td>
<td></td>
</tr>
<tr>
<td>8  Hallandale Beach</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>9  Hillsboro Beach</td>
<td>X</td>
<td></td>
<td></td>
</tr>
<tr>
<td>10 Hollywood</td>
<td></td>
<td></td>
<td>X</td>
</tr>
<tr>
<td>11 Lauderhill</td>
<td></td>
<td></td>
<td>X</td>
</tr>
<tr>
<td>12 Lauderdale Lakes</td>
<td></td>
<td></td>
<td>X</td>
</tr>
<tr>
<td>13 Lauderdale by the Sea</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>14 Lazy Lake</td>
<td></td>
<td></td>
<td>X</td>
</tr>
<tr>
<td>15 Lighthouse Point</td>
<td></td>
<td></td>
<td>X</td>
</tr>
<tr>
<td>16 Margate</td>
<td>X</td>
<td></td>
<td></td>
</tr>
<tr>
<td>17 Miramar</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>18 North Lauderdale</td>
<td>X</td>
<td></td>
<td></td>
</tr>
<tr>
<td>19 Oakland Park</td>
<td>X</td>
<td></td>
<td></td>
</tr>
<tr>
<td>20 Parkland</td>
<td></td>
<td></td>
<td>X</td>
</tr>
<tr>
<td>21 Pembroke Park</td>
<td></td>
<td></td>
<td>X</td>
</tr>
<tr>
<td>22 Pembroke Pines</td>
<td></td>
<td></td>
<td>X</td>
</tr>
<tr>
<td>23 Plantation</td>
<td>X</td>
<td></td>
<td></td>
</tr>
<tr>
<td>24 Pompano Beach</td>
<td>X</td>
<td></td>
<td></td>
</tr>
<tr>
<td>25 Sea Ranch Lakes</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>26 Southwest Ranches</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>27 Sunrise</td>
<td>X</td>
<td></td>
<td></td>
</tr>
<tr>
<td>28 Tamarac</td>
<td>X</td>
<td></td>
<td></td>
</tr>
<tr>
<td>29 Weston</td>
<td>X</td>
<td></td>
<td></td>
</tr>
<tr>
<td>30 West Park</td>
<td>X</td>
<td></td>
<td></td>
</tr>
<tr>
<td>31 Wilton Manors</td>
<td></td>
<td></td>
<td>X</td>
</tr>
</tbody>
</table>

**TOTALS**  
3  14  14

Source: Building Code Services Division

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15 In a full-service contract the County functions as the municipal building department, providing a full-range of services including inspections, plan reviews, enforcement activities and permitting services; in a partial service contract the Division provides municipalities with inspection and plan review services on an hourly basis in accordance with the terms of an interlocal agreement.
## Appendix B
The Building Code Services Division’s Fiscal Year 2007 Performance Measures

<table>
<thead>
<tr>
<th>Section</th>
<th>Work Output</th>
<th>Efficiency</th>
<th>Client Benefit (Effectiveness)</th>
<th>Strategic Outcome</th>
</tr>
</thead>
<tbody>
<tr>
<td>Building Code Services</td>
<td>Number of plans reviewed for full service cities</td>
<td>Number of plans reviewed per plans examiner for full service cities</td>
<td>Percent of FBC permit inspections performed within 24 hours of request</td>
<td>Percent of unsafe structures or code enforcement violations brought to FBC compliance via permit issuance</td>
</tr>
<tr>
<td></td>
<td>Number of plans reviewed for contract cities</td>
<td>Number of plans reviewed per plans examiner for contract cities</td>
<td>Customer satisfaction rating (%)</td>
<td></td>
</tr>
<tr>
<td></td>
<td>Number of inspections performed for full service cities</td>
<td>Number of inspections performed per inspector for full service cities</td>
<td>Percent of code enforcement complaints responded to within four days</td>
<td></td>
</tr>
<tr>
<td></td>
<td>Number of inspections performed for contract cities</td>
<td>Number of inspections performed per inspector for contract cities</td>
<td>Percent of plan reviews reviewed within 15 days</td>
<td></td>
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<tr>
<td></td>
<td>Permits issued</td>
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<tr>
<td></td>
<td>Certificates of Occupancy issued</td>
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<tr>
<td></td>
<td>Number of unsafe structure inspections performed</td>
<td></td>
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<tr>
<td></td>
<td>Number of FBC code violation inspections performed</td>
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<tr>
<td></td>
<td>Number of Certificate of Use inspections performed</td>
<td></td>
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<tr>
<td>Zoning Code Services</td>
<td>Land Clearance Inspections</td>
<td>Average clearing and disposal cost per lot</td>
<td>External customer satisfaction rating (%)</td>
<td>Percentage of cases complying prior to presentation before the code enforcement board</td>
</tr>
<tr>
<td></td>
<td>Junk Property Inspections</td>
<td></td>
<td>Percent of complaints inspected within three (3) days</td>
<td></td>
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<tr>
<td></td>
<td>Community Standards Inspections</td>
<td></td>
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<tr>
<td></td>
<td>Customers served at zoning counter</td>
<td></td>
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<td></td>
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<tr>
<td></td>
<td>Number of Zoning permits reviewed</td>
<td></td>
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<tr>
<td></td>
<td>Number of Certificate of Use applications processed</td>
<td></td>
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<tr>
<td></td>
<td>Zoning Permit Inspections</td>
<td></td>
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<tr>
<td></td>
<td>Certificate of Use inspections</td>
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<tr>
<td></td>
<td>Lots cleared by vendors</td>
<td></td>
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<tr>
<td><strong>Elevator Inspection</strong></td>
<td>Number of plans reviewed</td>
<td>Plans reviewed per plan reviewer</td>
<td>Customer satisfaction rating (%)</td>
<td>Elevator violations</td>
</tr>
<tr>
<td>------------------------</td>
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<tr>
<td>Number of inspections performed</td>
<td>Inspections performed per inspector</td>
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<tr>
<td>Number of new certificates of operation issued</td>
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<tr>
<td>Number of renewal certificates of operation issued</td>
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<tr>
<td>Number of witnessed tests on elevators performed</td>
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</tbody>
</table>

<table>
<thead>
<tr>
<th><strong>Central Examining Board</strong></th>
<th>Number of Certificates of Competency issued, new &amp; renew</th>
<th>Number of Certificates of Competency issued, new &amp; renewals per support staff</th>
<th>Customer satisfaction rating (%)</th>
<th>Percent of cases complying voluntarily or by Nuisance Abatement Board action</th>
</tr>
</thead>
<tbody>
<tr>
<td>Number of complaints against licensed contractors</td>
<td>Number of complaints against licensed contractors per inspector</td>
<td></td>
<td></td>
<td>Total dollars in mediation reimbursements to victims of contractor fraud from the Restitution Trust Fund</td>
</tr>
<tr>
<td>Number of complaints against unlicensed contractors</td>
<td>Number of complaints against unlicensed contractors per inspector</td>
<td></td>
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<tr>
<td>Number of citations issued to licensed/unlicensed contractors</td>
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<td>Number of outreach activities educating the public about contractor fraud</td>
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<tr>
<td>Number of cases processed by Nuisance Abatement Board staff</td>
<td></td>
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</tbody>
</table>

<table>
<thead>
<tr>
<th><strong>Administrative and Support</strong></th>
<th>Microfilm copies made</th>
<th>Microfilm copies made per support staff</th>
<th>Percentage of information on requested research inquiries provided within 2 working days</th>
<th>Percent compliance with public record retention standards</th>
</tr>
</thead>
<tbody>
<tr>
<td>Customer research requests completed</td>
<td>Customer research requests processed per support staff</td>
<td></td>
<td></td>
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<tr>
<td>Number of pages scanned</td>
<td>Number of pages scanned per support staff</td>
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</tr>
</tbody>
</table>

Source: Office of Management & Budget