



CITY AUDITOR'S OFFICE

# Fire & Life Safety Inspections

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November 2, 2018

AUDIT REPORT NO. 1908

**CITY COUNCIL**

Mayor W.J. "Jim" Lane

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Virginia Korte

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Vice Mayor Guy Phillips

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November 2, 2018

Honorable Mayor and Members of the City Council:

Enclosed is the audit report for *Fire & Life Safety Inspections*, which was included on the Council-approved FY 2018/19 Audit Plan as Fire Marshal Inspections. With a departmental reorganization of this area, the Fire & Life Safety Division now encompasses this function. This audit was conducted to review controls and recordkeeping for Fire & Life Safety inspection activities.

We found that departmental goals for inspecting target properties on an annual basis and other properties on a triennial basis are not being met. According to Fire & Life Safety, the division completes approximately 48% of annual target inspections per year. Program performance can be improved through more effective information management and performance measures. As well, program administration can be improved.

If you need additional information or have any questions, please contact me at (480) 312-7867.

Sincerely,

A handwritten signature in blue ink that reads "Sharron Walker".

Sharron E. Walker, CPA, CFE, CLEA  
City Auditor

Audit Team:

Kyla Anderson, CIA, CLEA – Senior Auditor  
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## TABLE OF CONTENTS

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AUDIT HIGHLIGHTS .....	1
BACKGROUND .....	3
Figure 1. Fire & Life Safety Division Organizational Chart .....	4
Table 1. Types of Fire & Life Safety Inspections .....	5
Figure 2. Fire & Life Safety Revenues, Expenses and Full-Time Equivalentents .....	6
OBJECTIVES, SCOPE, AND METHODOLOGY .....	7
FINDINGS AND ANALYSIS .....	9
1. Departmental inspection goals for target and other properties are not being achieved.....	9
Table 2. Results for Target Inspections Sample.....	9
2. Program performance can be improved through more effective information management and performance measures.....	11
3. Program administration can be improved. ....	13
MANAGEMENT ACTION PLAN.....	15





# AUDIT HIGHLIGHTS

## Fire & Life Safety Inspections

November 2, 2018

Audit Report No. 1908

### WHY WE DID THIS AUDIT

This audit was included on the Council-approved FY 2018/19 Audit Plan to review controls and recordkeeping for Fire Marshal Inspection activities. With a departmental reorganization, the Fire & Life Safety Division now performs this function.

### BACKGROUND

The Fire & Life Safety Division of the Scottsdale Fire Department is responsible for reviewing plans and inspecting structures for compliance with the City's Fire Code. Two Deputy Fire Chiefs oversee the division and inspectors are available 24-hours a day.

The division performs inspections for commercial, community and residential sites, safety surveys, special permits and homeowner-requested reviews. The division coordinates with the City's Planning and Development Services department to complete the fire inspections for construction and remodels. Third-party contractors provide the department with copies of sprinkler, alarm system and cooking hood inspections they have performed for property owners.

### City Auditor's Office

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### WHAT WE FOUND

**Departmental inspection goals for target and other properties are not being achieved.**

Fire & Life Safety has not been meeting its goal of inspecting higher-risk sites annually and other sites once every three years.

**Program performance can be improved through more effective information management and performance measures.**

- The Fire Prevention System has not been validated for completeness and contains mislabeled, duplicate information. Fire inspection results must be manually entered into both FPS and the Community Development System.
- Some system reports are not accurate and third-party fire inspection reports were typically not recorded or retained.
- A timeframe has not been established for re-inspections after an initial inspection finds noncompliance, and the Fire & Life Safety performance measure in the Budget Book is not a meaningful indicator of performance.

**Program administration can be improved.**

- Some users have more FPS access than needed.
- Refunds were not documented in accordance with City requirements.
- The third-party inspection fee should be submitted for Council approval.

### WHAT WE RECOMMEND

We recommend the Fire & Life Safety division:

- Evaluate inspectors' schedules to ensure that the higher-risk target sites receive annual inspections and determine if the goal of reviewing non-target sites every three years is realistic.
- Develop an accurate and complete database of sites and inspection data and establish reinspection policies and monitoring.
- Ensure system access is controlled, refunds are documented, and fees are approved.

### MANAGEMENT RESPONSE

The department generally agreed with the recommendations, noting work that is underway to improve data, scheduling and results.





## BACKGROUND

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The Fire & Life Safety Division of the Scottsdale Fire Department is responsible for ensuring that building plans, existing businesses, residences and other structures comply with the City Fire Code. The City Fire Code is adapted from the 2015 edition of the International Fire Code and the National Fire Protection Agency standards. Within the Fire & Life Safety Division, plan reviewers and inspectors review construction plans submitted to Planning & Development Services, perform business and residential fire inspections, and perform investigations to determine the cause and origin of the incident. This audit focuses on the division's inspection activities.

As illustrated in the Figure 1 organization chart, the Fire & Life Safety Division includes two Deputy Chiefs (Fire Marshal and Prevention), a Senior Deputy Fire Marshal and three Shift Deputy Fire Marshals who are sworn firefighters serving as inspectors and fire investigators. The department indicated that using sworn 56-hour firefighters as Deputy Fire Marshals allows them to provide inspections and investigative services 24-hours a day. Civilian staff include four Fire Inspectors, a Fire Plans Review Coordinator and three Senior Fire Plan Reviewers. However, as of October 8, 2018, the Fire Review Plans Coordinator position has been converted to another Fire Inspector position.

In the past, all inspectors and plan reviewers reported to the Fire Marshal, but in June 2018 the division was reorganized. Currently, Plan Reviewers who review and approve the fire safety-related aspects of building plans report to the Deputy Chief - Fire Marshal while the Deputy Fire Marshals and Fire Inspectors report to the Deputy Chief - Prevention. According to the department, the reorganization will develop organizational flexibility as well as improved span of control.

Scottsdale Fire Department has four divisions:

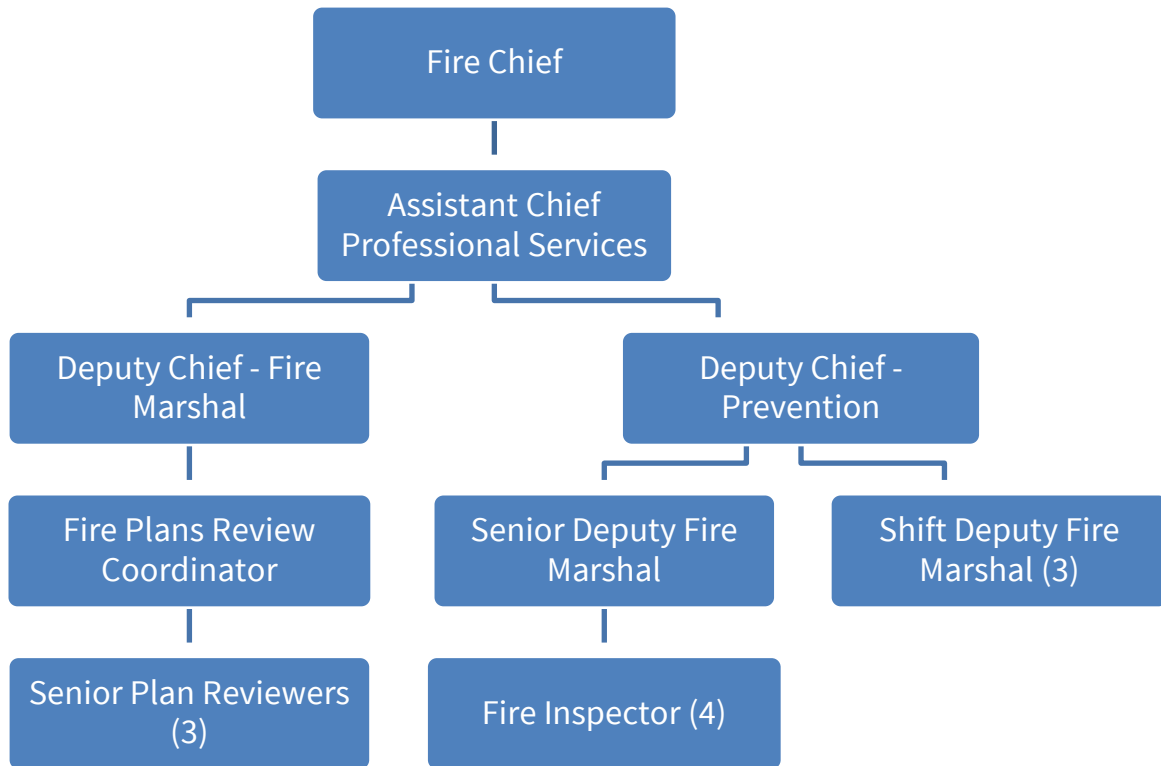
- Operations
- Professional Services
- Fire & Life Safety
- Office of the Fire Chief

Source: Auditor analysis of City Budget Books FY 2014/15 through FY 2017/18

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**Figure 1. Fire & Life Safety Division Organizational Chart**



Note: As of October 8, 2018, the Fire Review Plans Coordinator has been converted to a fifth Fire Inspector position.

**SOURCE:** Auditor analysis of Scottsdale Fire Department’s organization.

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The Fire & Life Safety Division performs different types of inspections, including construction, target properties, safety surveys (non-target properties), special permits, and homeowner requests, as described in Table 1 on page 5.

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**Table 1. Types of Fire & Life Safety Inspections**

Construction	Plan reviewers review building plans and inspectors perform on-site inspections as part of the City's processes to issue a Certificate of Occupancy
Target	Annual fire inspections are intended to target high-risk properties, which include schools, large commercial, government and residential properties, hospitals, nursing homes, daycares and properties storing hazardous materials.
Safety Survey	Triennial fire inspections, which are conducted by fire crews, are intended to review other lower risk properties to identify risks or potential hazards, such as blocked exits. According to the department, these inspections also allow fire units to become familiar with potential hazards in their primary coverage area.
Special Permits / Special Hazards	Fire permits and the associated inspections are required for certain events, such as those with large or multiple tents, vehicle displays, bonfires or fireworks displays. Special hazards include materials such as liquid propane (LP), carbon dioxide (CO2) and underground storage tanks.
Homeowner Requests	Homeowners can request a fire inspection to review concerns such as wildland fire prevention.

**SOURCE:** Auditor analysis of interviews with and information provided by the Fire & Life Safety Division.

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In addition to the inspections performed by the Fire & Life Safety Division, the Code requires commercial buildings to have sprinklers and alarm systems tested annually and cooking hoods tested semi-annually. The property owners hire third-party contractors to perform the required inspections and submit the inspection results to the Fire Department.

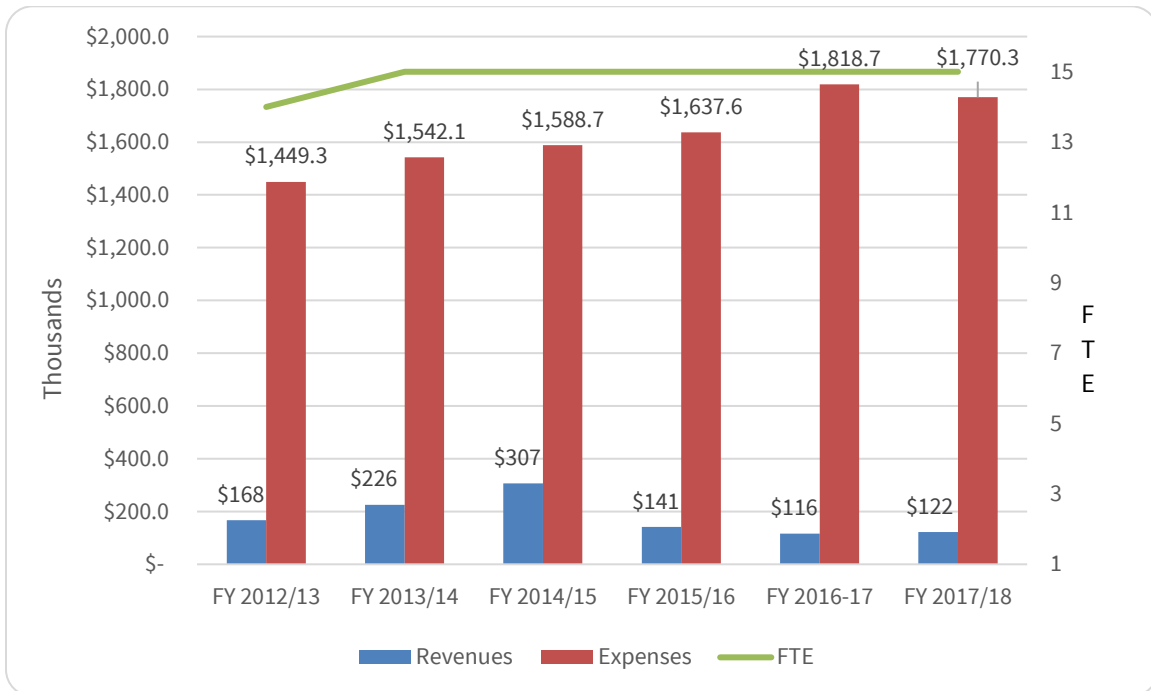
### Budget

Fire & Life Safety revenues, as illustrated in Figure 2, include fees for fire permits, after-hours and weekend building inspections, fire re-inspections and fire reviews not associated with a building permit. Some special event-related revenues were previously credited to the division but beginning with FY 2015/16, these revenues were moved to a separate center.

The number of full-time equivalent staff (FTEs) in the Fire & Life Safety Division increased from 14 to 15 in FY 2013/14 and has since remained constant. Over the same period, expenditures have increased from \$1.4 million to \$1.8 million. The largest single-year increase, from \$1.6 million to \$1.8 million in FY 2016/17, was due to increases in the City's internal charges such as Fleet Replacement and Property, Liability and Workers Compensation insurance, and an extra pay period occurring in the fiscal year.

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**Figure 2. Fire & Life Safety Revenues, Expenses and Full-Time Equivalents**



**SOURCE:** Auditor analysis of City Budget Books FY 2012/13 through FT 2017/18.

### Fire Prevention System (FPS)

Fire & Life Safety staff use the Fire Prevention System to schedule, record and track fire inspections by site. FPS is a City-developed database that is based on and interacts with the Community Development System (CDS) used by the Planning and Development Services department. The departments' staff are able to look up current permit and inspection information in the other department's system. The FPS also interacts with the City's eServices portal, which allows contractors to request and schedule inspections and apply and pay for permits. For residential properties, the homeowners can call the Fire Department to schedule an inspection.

Based on the available FPS data, Fire & Life Safety performed more than 20,200 inspections in FY 2016/17 and FY 2017/18 including approximately 2,500 Certificate of Occupancy (construction) fire inspections, 1,350 target inspections, 1,500 safety inspections and 8,500 sprinkler inspections for commercial and residential properties.

## OBJECTIVES, SCOPE, AND METHODOLOGY

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An audit of Fire Marshal Inspections was included on the City Council-approved fiscal year (FY) 2018/19 Audit Plan. The audit objective was to review controls and recordkeeping for Fire Marshal inspection activities. With a departmental reorganization of the area, the Fire & Life Safety Division now performs this function, therefore, this audit is titled *Fire & Life Safety Inspections*.

To prepare for this audit, we reviewed the Scottsdale Fire Department *Standards of Coverage and Deployment Plan* (2015). We also reviewed related audit reports recently completed by other auditors. Further we reviewed relevant sections of the Scottsdale City Code and National Fire Protection Agency (NFPA) Standards including:

- Scottsdale City Code Chapter 36 which incorporates the 2015 edition of the International Fire Code and Scottsdale-specific amendments to create the City Fire Code.
- NFPA 17A – *Standard for Wet Chemical Extinguishing Systems*, 2017
- NFPA 25 – *Standard for the Inspections, Testing, and Maintenance of Water-based Fire Protection Systems*, 2017
- NFPA 72 – *National Fire Alarm and Signaling Code*, 2016
- Scottsdale Fire Department *Interpretations and Applications of NFPA 72* (2016 edition)

To gain an understanding of the Fire Marshal Inspectors duties, programs and internal controls we interviewed several members of the Fire Department including the Deputy Chief who previously served as Fire Marshal, the current Deputy Chief Fire Marshal, the Deputy Chief of Prevention, the Deputy Chief of Professional Standards, the Senior Deputy Fire Marshal and the Fire & Life Safety Services Administrative Secretary. Further, we reviewed the department's website and related information in the City's budget books.

To perform our audit tests, we worked with the City's Senior Software Engineer who created the Fire Prevention System (FPS) to create a test version of the fire inspection database for use in the audit. Auditors compared the test version to the live version of the database to verify its accuracy and completeness as of its creation date.

To accomplish the audit objective, we:

- Reviewed access and access levels for the Fire Prevention System (FPS).
- Requested information from Planning and Development Services for all construction-related fire permits issued in FY 2016/17 and FY 2017/18 and reviewed a sample of the issued-permits to determine whether they were included in FPS.
- Selected a sample of target properties in FPS to determine whether inspections were performed annually.
- Selected a sample of non-target properties in FPS to determine whether they were inspected once within the past three years.
- Reviewed eServices fire inspection requests for FY 2016/17 and FY 2017/18 and compared them to FPS inspection reports to evaluate data reliability and inspection performance.

- Selected a sample of older target inspections from the FPS Uncompleted Activity Queue report to determine why the inspections have not been completed.
- Obtained records of third-party contractor fire inspections at City buildings from the City Facilities Department and selected a sample to determine whether they were recorded in FPS.
- Analyzed Fire & Life Safety schedules and inspections performed to evaluate scheduling and efficiency.
- Reviewed fire inspection refunds processed through eServices to determine whether they were processed appropriately and documented in accordance with City policy.

Our audit found that departmental inspection goals for target and other properties are not being achieved. Also, program performance can be improved through more effective information management and performance measures, and program administration can be improved.

We conducted this performance audit in accordance with generally accepted government auditing standards as required by Article III, Scottsdale Revised Code §2-117 et seq. Those standards require that we plan and perform the audit to obtain sufficient, appropriate evidence to provide a reasonable basis for our findings and conclusions based on our audit objectives. We believe that the evidence obtained provides a reasonable basis for our findings and conclusions based on our audit objectives. Audit work took place from July to October 2018.

## FINDINGS AND ANALYSIS

### 1. Departmental inspection goals for target and other properties are not being achieved.

In addition to reviewing the plans and inspecting construction, the Fire Department inspects existing buildings on an ongoing basis to lessen the risk of fire incidents. The department's goal is to annually inspect higher risk sites, identified as "targets," and to inspect other sites once every three years.

Target sites include shopping centers; schools; large commercial, government and residential properties; restaurants, bars and other assembly sites with capacities over 1,000; hospitals, nursing homes, and daycares; and properties storing hazardous materials. Non-target sites include small retail establishments and single-story office buildings.

#### A. Fire & Life Safety is not meeting the goal of performing annual inspections for target sites.

As summarized in Table 2, only 6 of 38 sample sites we selected from the Fire Prevention System, or 15.8%, received an annual target inspection in both FY 2017/18 and FY 2016/17. Of the remaining sites, 7 received target inspections only in FY 2017/18, 3 had target inspections only in FY 2016/17, 18 had not received a target inspection in the past two years. Four daycare facilities, though listed as active, were subsequently determined to no longer be in business.

**Table 2. Results for Target Inspections Sample**

	Total sites sampled	Sites with:			
		Annual target inspections	Target inspection only in FY 2017/18	Target inspection only in FY 2016/17	Sites without target inspections in 2 years
Large Retail	2	1	0	1	0
Restaurants / Bars	4	0	3	0	1
Schools	5	3	1	0	1
Home Daycares / Childcare Providers	9 <sup>a</sup>	1	1	0	3
Worship, Recreation or Amusement Assembly Sites	9	0	1	1	7
Hazardous Material Storage Sites	9	1	1	1	6
<b>Total</b>	<b>38</b>	<b>6</b>	<b>7</b>	<b>3</b>	<b>18</b>

<sup>a</sup> Four home daycare sites selected were listed as active but were determined to no longer be in business.

**SOURCE:** Auditor analysis of Fire Protection System records.

- B. The Fire Department is not achieving its goal of completing Safety Surveys at non-target sites every three years. Currently, fire crews perform these inspections as time is available.

Of 10 non-target locations we selected from the Fire Prevention System for testing, only 3 sites received safety inspections during the most recent three years. Further, for 3 sites there were no records of any inspections since 2006.

Fire & Life Safety stated these inspections are used to identify common fire hazards for correction and so fire crews can become familiar with the buildings.

According to Fire & Life Safety, the division completes approximately 48% of target inspections annually. They could not determine the annual percentage of safety surveys completed.

One reason for not meeting inspection goals may be inefficient scheduling. In our analysis of inspector schedules, both civilian and sworn (firefighter) inspectors appeared to have unscheduled time available.

Fire & Life Safety has three types of inspectors as described in the text box. We selected two weeks of work schedules for analysis, one week in January 2018 and one in August 2018. After excluding 8 sleep hours, 90 physical training minutes and 90 minutes for meals per shift for Shift Deputy Fire Marshals, approximately 40 hours of unscheduled time remained of the 168 hours available in each week. Although the Fire Department had indicated that staffing Shift Deputy Fire Marshals would allow inspections and investigations to occur 24-hours a day, the hours between 5:00 p.m. and midnight were generally unscheduled. With the infrequent use of their 24-hour availability, the department may find staggering Fire Inspector schedules for the necessary coverage to be more cost-effective.

Unscheduled Senior Deputy Fire Marshal and Fire Inspector hours were more intermittent than the blocks of Shift Inspector time. However, in the January 2018 week that we analyzed, the 6 inspectors had 68 unscheduled hours of the 240 available hours. In August 2018, the 5 inspectors had 56 unscheduled hours of the 200 available hours.

#### Senior Deputy Fire Marshal

- Sworn firefighter who works four 10-hour days per week
- Supervises Fire Inspectors
- Serves as fire investigator and inspector as needed.

#### Fire Inspectors

- Civilian employees who work four 10-hour days per week.

#### Shift Deputy Fire Marshal

- Sworn firefighters who work a rotating 48-hour shift.
- Serves as fire investigator as needed in addition to inspections.

### Recommendations:

The Fire Chief should direct the Fire & Life Safety division to:

- A. Evaluate inspectors' schedules to find efficiencies to ensure that the higher-risk target sites receive annual inspections.
- B. Determine if performing safety inspections every three years is a realistic department goal. If the department goal is retained, evaluate schedules and find efficiencies to work toward accomplishing the goal.



## 2. Program performance can be improved through more effective information management and performance measures.

The Fire & Life Safety division uses the Fire Prevention System (FPS) to track buildings and other sites within the City, but the information contained in the system has not been validated against other City databases and is not complete. The higher-risk target locations are not correctly identified, and the department does not record or retain the submitted third-party inspection reports. Without accurate information management, Fire & Life Safety cannot evaluate whether its inspection goals are achievable or being effectively performed.

A. FPS contains unreliable site information. Specifically, our review found that the database has not been validated for completeness and contains duplicate site listings and inaccurately labeled target sites.

1. While FPS lists more than 87,000 sites, this number includes duplicate listings and single-family homes. Fire & Life Safety has not compared FPS to similar City databases to ensure its completeness to fulfill the program's purposes.

- For example, according to the City's Land Information System (LIS), there are nearly 170,000 individual addresses in the City, far more than are in FPS. Of these, just over 90,000 are the commercial properties, resorts or multi-family housing on which fire inspections are primarily focused.
- Our analysis found that FPS contains at least 10,000 duplicate listings. Using the property address as a key field, we determined that approximately 12% of sites in FPS are duplicate rather than unique properties.

The Fire Marshal stated that each time a site changes owners or usage, the system automatically creates a new Site ID even though the address is the same. Having the same location listed multiple times results in information being spread among several records and limits the inspectors' ability to quickly review a site's entire history.

With approximately 77,000 unique properties after removing duplicates, the FPS contains substantially fewer properties than are in LIS. Therefore, Fire & Life Safety's target risk assessment and inspection site information would be incomplete.

2. As of July 26, 2018, FPS identifies almost 7,600 sites as target properties.

- These target sites include 1,700 single-family residences, a category which is not included in the department's definition of high-risk locations.
- The most recent available risk assessment of target properties was updated in 2009. Many locations identified as targets in 2009 have discontinued business, changed ownership and/or changed business use, all of which factor into an effective fire risk assessment.
- Several newer significant properties, such as the Scottsdale Quarter and SkySong, would not have been included in the 2009 target risk assessment. To be useful, the target risk assessment needs to be more frequently updated.

Because the FPS database is unreliable, its management information reports do not provide a sound basis for program management and decision-making purposes.

B. FPS does not include all final fire inspections done for Certificates of Occupancy.

Before the City's Planning & Development Services department will issue a Certificate of Occupancy for buildings under construction, fire inspectors must perform various inspections including alarm and sprinkler tests along with the final fire inspection. Our review of 50 randomly sampled final fire inspections from FY 2016/17 and FY 2017/18 from Planning & Development Service's system, the Community Development System, found that the FPS system did not include three of the sampled inspections. Inspectors must manually enter inspection results into both systems. While Planning & Development staff are checking to ensure that these fire inspection results have been entered into the CDS system, such a process is not in place for FPS. Without complete fire inspection histories, Fire & Life Safety is limited in the risk assessments it can perform to ensure effective scheduling.

- C. System reports are not accurate or useful in determining whether Fire & Life Safety is meeting departmental goals.

From the 63 sites listed in the *Uncompleted Activity Report*, we sampled 5 of the 23 sites designated as target sites. Our review of FPS data found that although they were not reflected in the report, target inspections had been performed for all 5. In 2 of these, the target inspection was entered into the site history, but the activity was not marked as complete because other inspections remained open. For the other 3, the target inspections were completed by a different inspector than the one initially assigned the task.

Additionally, during the audit Fire & Life Safety management realized that another system report, *Uncompleted Target Queue*, was also omitting relevant inspection activity. This report, which listed almost 5,400 uncompleted target inspections, was excluding target inspections that had been performed.

Without accurate reports, the department cannot schedule effectively to meet its Fire & Life Safety goals.

- D. The third-party inspectors submitted reports are not entered into the Fire Prevention System if there are no issues found. Further, these third-party reports are not retained.

The City's Fire Code requires businesses to have their fire alarms, sprinklers, fire extinguishers and other fire suppression items checked on an annual basis by third-party contractors. The contractors are then required to submit their reports to the Fire department. However, Fire & Life Safety only records third-party inspections that identify deficiencies. After recording only those with deficiencies, they dispose of third-party inspection reports. The third-party inspections, with or without deficiencies, could be used as a risk assessment factor in determining where to use the division's resources for maximum benefit.

The department is currently working to contract out this reporting function.

- E. There is not a specified timeframe for re-inspections to be performed after violations are found.

According to the Fire Marshal, an inspector finding violations or hazards during an inspection would inform the building owner of the issue and later return to ensure that the violation has been corrected. The inspector is allowed to determine when to schedule the return visit using his/her professional judgment of the severity of the issue. However, Fire & Life Safety has not developed a policy requiring that re-inspections be completed within a specified period or monitoring mechanisms to ensure they are not overlooked.

- F. The Budget Book metric *Total number of building inspections and fire plans reviewed* is not an effective indicator of this area's performance.

As a reference for citizens and the City Council, the Budget Book includes performance measures for each functional area within the City. Currently, a general Fire Department metric is the total number of building inspections and fire plans reviewed. However, building inspections and fire plan reviews are separate activities conducted within Fire & Life Safety. In addition, there is no context provided for this metric, such as total number of properties requiring inspections, or a more meaningful measure, such as the percentage of required inspections that have been completed.

### Recommendations:

The Fire Chief should require the Fire & Life Safety division to:

- A. Develop an accurate and complete database by comparing the sites list to other City systems such as the LIS and conducting a current fire risk assessment to properly identify target properties.
- B. Establish a recurring review procedure to verify that all fire inspections have been entered in FPS.
- C. Establish a review procedure to verify that FPS reports include relevant inspection information.
- D. Require the new contracted system to record all submitted third-party fire safety inspections, not just those with identified issues, so that the division has a complete record of fire safety inspections performed in the City.
- E. Create policies and procedures to ensure that re-inspections occur within a specified time period based on the type of site and violation.
- F. Reevaluate the effectiveness of performance metrics being tracked and reported in the Budget Book. The fire plan review and fire inspection metrics should be presented separately and include context, such as percentage of required target inspections completed.

### 3. Program administration can be improved.

Currently, several users have more access to the FPS than needed for their duties, refunds were not fully documented in accordance with City requirements, and Council approval has not yet been obtained for adding third-party inspection report submittal fees.

- A. Access to the Fire Prevention System does not follow the least privilege access principle and the access rights for current inspectors is inconsistent. Users with unnecessary system access increase the risk of data errors and other changes.

The 'least privilege' principle means providing a user with the least amount of system access needed to carry out assigned duties or functions. When reviewing system access, we found 7 users with "Special User" Administrator access and 34 users with Administrator access. In addition, some current inspectors have Administrator access while others have Inspector access.

These more powerful access roles should be restricted to as few users as possible. For example, among other functions, the Administrator access allows the user to assign work schedules, modify system users and access credit card transactions. Beyond what the Administrator user can do, the Special User-Administrator can also edit or delete locked inspection records or delete documents from the system.

After auditors brought this issue to their attention, Fire & Life Safety management started working with IT to adjust users' access levels.

B. Refunds were not documented in compliance with City cash-handling requirements.

Since October 2017 when the department started using the City's online eServices system for fire inspection and permit fees, the Fire & Life Safety staff seldom directly handles receipts. In the past year, Fire & Life Safety has processed 14 refunds for after-hours inspections that were either cancelled or overpaid. None of these refunds included documentation of the customer request or management review. Further, for some refunds the documentation did not include the inspection addresses or copies of the original transaction.

City Administrative Regulation 268 requires refunds to be accompanied by documentation including a written request from the customer that is dated and signed. In addition, management should be reviewing and signing off on all refunds, and complete information is needed for an effective review.

C. Fire & Life Safety is currently working to contract with one company to collect third-party inspection reports and submit them electronically to the division. As part of this contract, the company was going to collect a \$30 fee, of which Fire & Life Safety would require the company to remit \$15 to the City. However, before any fee can be imposed on a business, it must first be approved by City Council after a minimum 60-day notice period. So the contract is now being delayed for the division to receive the required Council approval.

### Recommendations:

The Fire Chief should require the Fire & Life Safety division to:

- A. Ensure system access is provided in accordance with the least privilege principle and adjusted as duties change and require a Fire Prevention System access review at least annually.
- B. Ensure refunds are documented in compliance with AR 268, including written customer requests and management review.
- C. Ensure that the 60-day notice period is met and Council approval is obtained before requiring fees for inspection report submittals.

## MANAGEMENT ACTION PLAN

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### 1. Departmental inspection goals for target and other properties are not being achieved.

#### Recommendations:

The Fire Chief should direct the Fire & Life Safety division to:

- A. Evaluate inspectors' schedules to find efficiencies to ensure that the higher-risk target sites receive annual inspections.
- B. Determine if performing safety inspections every three years is a realistic department goal. If the department goal is retained, evaluate schedules and find efficiencies to work toward accomplishing the goal.

**MANAGEMENT RESPONSE:** Partially Agree

#### PROPOSED RESOLUTION:

- A. While we don't agree with the assessment of unscheduled time, as there were other components of day-to-day shift and general work operations not considered, and no similar comparative metrics were used to measure it, we do agree that opportunities exist to streamline our completion of Target inspections. Currently Target inspections are completed when inspectors are available. Their schedules are typically dictated for them through the automated scheduling system for construction related customer driven requests.

Step one is to continue to revise our list of potential Target occupancies. We had identified this issue prior to the audit and have been working through the cleanup process throughout. Approximately 2,000 target sites have been corrected in their classification thus far. Step two is to schedule dedicated inspector time to Target inspections. Our plan is to do this by assigning geographic responsibility areas and dedicating inspector time to those inspections. Unfortunately, based on our staffing, this has the potential to push out inspector availability for customer requested inspections. When we have better statistics with the planned changes we will reassess whether annual target inspections are a realistic goal.

- B. At the very beginning of the audit, and unrelated to it, we rolled out a new process for conducting engine company safety inspections. The prior convoluted process was streamlined into an iOS-based platform that directly links to the City's eServices and feeds into our record management system. When we have a good data set of completion statistics we will reevaluate the efficacy of this new process and determine if the three-year goal is realistic.

**RESPONSIBLE PARTY:** Prevention Services Division

**COMPLETED BY:** 7/1/2019

*(Continued on next page)*

## 2. Program performance can be improved through more effective information management and performance measures.

### Recommendations:

The Fire Chief should require the Fire & Life Safety division to:

- A. Develop an accurate and complete database by comparing the sites list to other City systems such as the LIS and conducting a current fire risk assessment to properly identify target properties.
- B. Establish a recurring review procedure to verify that all fire inspections have been entered in FPS.
- C. Establish a review procedure to verify that FPS reports include relevant inspection information.
- D. Require the new contracted system to record all submitted third-party fire safety inspections, not just those with identified issues, so that the division has a complete record of fire safety inspections performed in the City.
- E. Create policies and procedures to ensure that re-inspections occur within a specified time period based on the type of site and violation.
- F. Reevaluate the effectiveness of performance metrics being tracked and reported in the Budget Book. The fire plan review and fire inspection metrics should be presented separately and include context, such as percentage of required target inspections completed.

**MANAGEMENT RESPONSE:** Agree, with changes to recommendation

### PROPOSED RESOLUTION:

- A. As previously discussed, we are and have been in the process of cleaning up our records management database. Specifically, we have been focused on Target site classification and duplicate sites. We will investigate opportunities to compare to other City systems for comparison, recognizing that each system is used for a different purpose and may not directly correlate.
- B. In August 2018 it was emphasized to staff that uncompleted activities be cleaned up on a regular basis. This component of our system tracks inspections that were placed on a schedule and never resulted. Since that time the division has done a much better job ensuring completeness of the record. We will continue to monitor these results and focus on completion.
- C. Agree. As part of our policy/guideline revision we will be implementing a review procedure process.
- D. The new contracted system implementation has been in development prior to the audit, as explained during the audit process. Our expectation is that the new system will meet the interest of this recommendation. We will monitor the process to ensure that it provides accurate record keeping.
- E. Often re-inspection procedure timelines are dictated by the type of inspection and the infractions encountered. For example, a rough sprinkler inspection in an unoccupied building is dictated by the contractor rescheduling. A target or night inspection in an occupied

structure may require immediate correction and next-day re-inspection. As part of our policy/guideline revision we will be implementing a more formalized re-inspection procedure process.

- F. We do not necessarily agree with this recommendation. Despite the lack of clarity in our record management system the inputs are accurate. Those inputs reflect the workload of the division as desired for budget performance measures. Comparing to “required inspections” is difficult since most of our inspections are requested by the customer as needed. We will however work with our budget analyst to look at opportunities for improvement.

**RESPONSIBLE PARTY:** Prevention Services Division & Budget Analyst

**COMPLETED BY:** 7/1/2019

### 3. Program administration can be improved.

#### Recommendations:

The Fire Chief should require the Fire & Life Safety division to:

- A. Ensure system access is provided in accordance with the least privilege principle and adjusted as duties change and require a Fire Prevention System access review at least annually.
- B. Ensure refunds are documented in compliance with AR 268, including written customer requests and management review.
- C. Ensure that the 60-day notice period is met and Council approval is obtained before requiring fees for inspection report submittals.

**MANAGEMENT RESPONSE:** Agree

#### PROPOSED RESOLUTION:

- A. The access level discrepancies provided by the auditors were corrected during the audit and were reported as such. As part of the audit exit conference it was brought to our attention that there was an additional level referred to as “Special User.” That level was not visible from our system, as it is simply an Admin level with expanded authorities and is held in an area that we only have access to through work orders and Application Development. We have confirmed with Application Development that all current “Special Users” are at the appropriate level. We will continue to monitor access levels consistent with the least privilege principle.
- B. We have reviewed our practices and will be implementing steps to ensure compliance with AR 268.
- C. We are currently in the process of posting the required notice of proposed fee for the 60-day period as per ARS 9-499.15 and will then go to council for approval.

**RESPONSIBLE PARTY:** Prevention Services Division, Budget Analyst and Administrative Services

**COMPLETED BY:** 4/1/2019

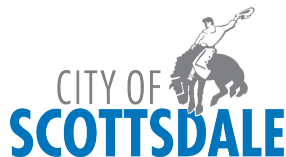
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