



Office of
Nikki Alvarez-Sowles, Esq.
Pasco County Clerk & Comptroller

Development Service's Private Provider Refunds

Report No. 2021-06

Department of
Inspector General
June 30, 2023

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Office of Nikki Alvarez-Sowles, Esq. Pasco County Clerk & Comptroller

June 30, 2023

Michael J. Carballa
County Administrator
8731 Citizens Drive
New Port Richey, FL 34654

Re: Report No. 2021-06, Development Service's Private Provider Refunds

Dear Mr. Carballa:

The Clerk & Comptroller's Department of Inspector General (IG) conducted an audit of the Development Service's private provider refunds. This audit tested the completeness of permits identified as eligible for private provider refunds and if refunds were issued in compliance with established policies and procedures.

The audit background, objectives, scope, methodology, conclusion, and opportunities for improvement are presented in this report. We appreciate the cooperation, professional courtesy, and responsiveness received from management during this audit.

Respectfully Submitted,

Patrice M. McBride

Patrice Monaco-McBride, CIG, CIGA, CGFO, CPM
Inspector General/Chief Audit Executive

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EXECUTIVE SUMMARY

Background Information

As part of the Department of Inspector General (IG) 2021 Annual Audit Plan, the IG conducted an audit of Development Service's (the Department) private provider refunds. The purpose of this audit was to test the completeness of permits eligible for a private provider fee refund and verify refunds were issued in compliance with established policies and procedures. The audit was initiated on May 10, 2021.

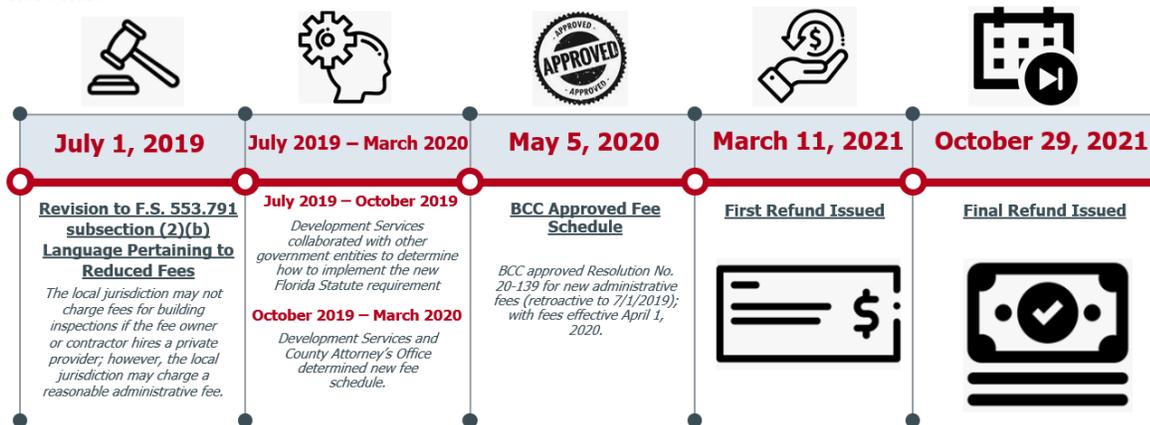
The Department was responsible for issuing, reviewing, maintaining, recording, and tracking permits for all new construction, alterations, additions, repairs, and demolitions. The Department was also responsible for inspecting building projects to ensure compliance with the Florida Building Code, Pasco County Ordinances, and the Pasco County Land Development Code.

Section 553.791(2)(a) of the Florida Statutes provided owners and contractors an alternative method for traditional plans reviews and inspection services required to receive a Certificate of Occupancy. Owners and contractors had the option to hire a private provider to perform these types of services and were not required to use Pasco County Board of County Commissioner's (BCC) Development Service's inspectors and reviewers. Private providers were independent third-party entities and were required to be licensed architects or engineers. For some permit types, plans reviews and inspection services were not allowed to be performed by private providers, and not eligible for a refund.

Pursuant to section 553.791(2)(b), the local jurisdiction may not charge fees for building inspections if the fee owner or contractor hires a private provider to perform such services. However, the local jurisdiction may charge a reasonable administrative fee. Local jurisdictions were required to reduce the permit fees by the amount of cost savings realized by the local enforcement agency (the Department) for not having to perform plans review and required building inspection services. The purpose of the administrative fee was to recapture labor costs attributable to the Department for clerical and supervisory assistance involved in processing those permits. However, from July 1, 2019, through March 31, 2020, the Department did not reduce the permit fees collected. The BCC sought to resolve the over-collection of fees by issuing refunds to applicable customers.

A timeline of events related to the private provider refunds is illustrated below:

Timeline



The Department created two Excel spreadsheets for the purpose of tracking customers with permits eligible to receive a refund (Schedule of Refunds List) and refunds issued (Private Provider Refund Log). The permitting system (Accela) included two data fields (one for plans review and one for inspection services) for the permit applicant to select "yes" or "no." Selecting "yes" indicated plans review and/or inspection services were outsourced to a private provider. The Department added permits to the Schedule of Refunds List if the permit reflected "yes" entered in the Accela data field for outsourcing.

After the Department identified a permit eligible for a refund and compiled all required documentation, the refund was processed via Accounts Payable and recorded to the general ledger under Vendor 20. This process kept the refunds separate from regular payments. The Vendor 20 Payment Report was generated from the financial software system (Munis) as of a specific date and reflected the net refund by payee. This report listed all checks issued to customers who received a private provider refund. The Department stated this report was intended to be used as supporting documentation in tracking and reconciling payments to the general ledger.

Customers eligible to receive a private provider refund included homeowners and contractors. Contractors were required to complete a Release, Satisfaction, and Settlement Agreement prior to receiving a refund. Homeowners received refund checks in the mail, enclosed with a letter indicating the permit that was eligible for the refund. As of November 18, 2021, the Vendor 20 Payment Report provided to the IG reflected a total of 307 refund checks issued to customers totaling \$450,704.08.

Objectives

The audit objectives were to:

- Verify the accuracy and completeness of permits identified as eligible for private provider refunds.
- Verify if private provider refunds were processed and issued in compliance with established policies and procedures.

Scope and Methodology

The scope of this audit included permits that used a private provider to perform inspections and/or plans reviews. The audit period was July 1, 2019, through March 31, 2020. This covered the period from when the statute limited fees the Department was allowed to collect when private providers were used, up to the day before the new administrative fees took effect.

Although the IG exercised due professional care in the performance of this audit, this does not mean unreported noncompliance and/or irregularities did not exist. The deterrence of fraud and employee abuse is the responsibility of management within the Department. The audit procedures alone, even when carried out with professional care, could not guarantee that fraud, waste, or abuse were detected.

The audit was neither designed nor intended to be a detailed study of every relevant system, procedure, or transaction. The purpose of this report was to provide an independent, objective analysis, present information concerning the activities reviewed, and offer recommendations for improvement. It was not an appraisal or rating of the Department's management team.

This audit was conducted in accordance with the *International Standards for the Professional*

Practice of Internal Auditing, and accordingly, included such tests of records and other auditing procedures as considered necessary in the circumstances. The IG planned and performed the audit to obtain sufficient, appropriate evidence to provide a reasonable basis for the conclusion. The evidence and documentation obtained during the audit process provided this reasonable basis.

To achieve the objectives, the procedures performed included, but were not limited to, the following:

- Developed an understanding of the procedures and controls related to the private provider refund process. Information obtained and reviewed included internal policies, procedures, Florida Statutes, and other state criteria.
- Interviewed key Department personnel involved in the private provider refund process.
- Interviewed the Senior Account Manager from Accela regarding the controls and reporting capabilities of the Accela permitting system.
- Obtained, reviewed, and analyzed permit reports generated from Accela. These reports were verified for completeness. Testing was performed to identify gaps in the sequential permit numbers and to verify the total number of unique permit numbers agreed with the permit reports.
- Obtained and reviewed the Department's manual spreadsheets used to identify permits eligible for private provider refunds and to track refunds issued. Verified the total refunds issued agreed with the eligibility list and net refund amount. Obtained and reviewed the Vendor 20 Payment Report generated from Munis. This report listed all checks issued to customers who received a private provider refund. Verified the refund checks issued (check number, amount, and date) matched the refund information reflected on the Private Provider Refund Log.
- Tested a random sample of 53 permits to verify the data fields in Accela properly identified the status of whether inspections/plans reviews were outsourced.
- Tested a random sample of 40 refund checks to verify proper supporting documentation was on file, and that the refund was accurately reflected on the Private Provider Refund Log and the Schedule of Refunds List.

Audit Challenges

The IG team encountered several challenges which negatively affected the audit process and caused delays. Overall, there were difficulties obtaining reports needed to perform testing, and some reports were incomplete or reflected conflicting information.

On July 16, 2021, the IG requested a report of all permits issued during the audit period. The IG specified that the report include data fields identifying permits with outsourced inspections and/or plans reviews. On August 10, 2021, a report was provided to the IG; however, the report did not contain all the requested data fields. The IG had multiple discussions with the Department's management between August 2021 and October 2021 to determine Accela's reporting limitations and the Department's ability to provide the IG with the data required to proceed with the audit.

On August 27, 2021, the Department presented three Accela report options with varying delivery dates (1 to 45 days), dependent upon which option was selected. Prior to deciding, the IG needed

some questions answered by the Department. After multiple delays and incomplete responses by the Department, a meeting was held on September 27, 2021, to discuss IG expectations. The Department provided sufficient information on October 6, 2021, and the IG selected a report option the next day.

On October 18, 2021, the Department provided the selected report. However, the report was incomplete and did not include two months of data (November and December 2019). The IG requested the missing data on November 1, 2021, which was provided by the Department the same day.

Delays in the Department's response to requests for data, documentation, and clarification for audit observations resulted in additional testing and revisions. This contributed to delays in the fieldwork and reporting phases that resulted in the delay of reporting final audit findings. For example, on December 30, 2021, the IG requested documentation to clarify items related to refund testing. On January 10, 2022, the Department provided information to the IG. The information that was provided needed further clarification, and subsequently, the Department satisfied the IG's documentation request on May 24, 2022.

Additionally, on May 20, 2022, the IG received approval from the Clerk & Comptroller to place open projects in a pending status. This was in response to the announcement of the transition of the County Correctional Facility to BCC management. Because the IG team had a 50% vacancy rate until August 2022, it was necessary to focus all IG resources on the jail transition project. The IG was able to resume this project in July 2022.

On January 27, 2023, an exit conference was held for the purpose of discussing the draft report. In response to discussion at the exit conference, County Administration and the IG agreed that additional meetings were necessary to:

- Address questions and concerns identified during the exit conference,
- Clarify expectations for management responses to the audit comments, and
- Resolve additional IG comments noted in the draft report.

At the exit conference, management also informed the IG that a new Development Service's Senior Program Manager for Accela was recently added to its staff and would be able to assist. The IG collaborated with the Department between March 2023 and May 2023 to gain additional documentation and resolve concerns.

On June 1, 2023, the Department provided final revised responses to the IG's audit recommendations for all five (5) opportunities for improvement (OFIs). The new Senior Program Manager also provided the IG with documentation to explain gaps in permit sequence numbers that were identified during audit testing. As a result, four out of five additional IG comments were removed from the draft report and the comment related to OFI #2 (recommendation E) was revised.

Scope Limitation

A scope limitation is a restriction on an audit that results in one or more of the engagement objectives not being met. When an auditor does not timely receive all information and supporting documentation deemed necessary for the completion of an audit, a limitation of the scope exists.-

Incomplete data fields in the Accela permit records caused a scope limitation. Data fields for identifying whether outsourced inspection and/or plans review services were used were not always

complete. 32,353 permits reflected incomplete data fields for identifying whether inspections/plans review services were outsourced to private providers. Without complete data points needed to generate a report that reflected permits eligible for a refund, testing could not be performed to verify that the Department identified all affected customers during the refund process.

Statutory Requirements and Pasco County Guidelines

To conduct this audit, the IG relied on the following criteria:

- Chapter 218.33, Florida Statutes – Local governmental entities; establishment of uniform fiscal years and accounting practices and procedures.
- Chapter 553.791 Florida Statutes – Alternative plans review and inspection.
- Chapter 2019-165, Florida House Bill No. 7103 – Community Development and Housing.
- GS1-SL Item #216, General Records Schedule for State and Local Government agencies – Architectural/Building Plans: Commercial, February 19, 2015.
- GS1-SL Item #252, General Records Schedule for State and Local Government agencies – Architectural/Building Plans: Residential, February 19, 2015.
- GS1-SL Item #286, General Records Schedule for State and Local Government agencies – Architectural/Building Plans: Building, February 19, 2015.
- GS1-SL Item #332, General Records Schedule for State and Local Government agencies – Architectural/Building Plans and Permits: Abandoned/Withdrawn, February 19, 2015.
- Development Service's Private Provider Refund Policy and Procedure, revised March 10, 2021.
- BCC approved Resolution No. 20-139, May 5, 2020.

Conclusion

Due to the scope limitation documented above, the IG was not able to verify that all customers eligible for a private provider refund were identified and refunded. However, 90% of refunds tested (40 refunds tested) were processed and issued in accordance with established policies and procedures.

Prior to the inception of the audit, the Department developed procedures to ensure compliance with its private provider refund process. The following was noted:

- The Department worked with the County Attorney's Office and the Clerk & Comptroller's Finance Department to develop and implement internal policies and procedures for requesting and processing private provider refunds.
- The Department created a Private Provider Refund Log that tracked refunds issued to eligible customers.
- The Department was knowledgeable and demonstrated proficiency in internal policies and procedures related to requesting, processing, and tracking private provider refunds.

The audit disclosed opportunities for improvement related to compliance with refund procedures and internal controls over permit data in Accela. The IG provided recommendations related to monitoring and oversight of permit data. Recommendations were also provided for more efficient and accurate procedures related to outsourced inspections and plans reviews. Opportunities for improvement and recommendations were discussed with management and their verbatim responses are included in the report. Based on documentation reviewed and audit procedures performed, the IG identified five opportunities for improvement:

No.	Description	Page Reference
Compliance:		
1.	The Department was not in compliance with supporting documentation requirements for some refunds, in accordance with the Private Provider Refund Policy and Procedure.	7
Controls:		
2.	The permit report generated from Accela reflected gaps in sequential permit numbers.	8
3.	The permit report generated from Accela did not reflect complete and reliable private provider information.	11
4.	Permit information in Accela did not always reflect accurate information in the outsource data fields.	12
5.	The Private Provider Log and Schedule of Refunds List did not reconcile to the general ledger.	14

OPPORTUNITIES FOR IMPROVEMENT AND RECOMMENDATIONS

Compliance: Compliance is adhering to approved policies and procedures, agreements, contracts, laws, rules, and regulations. Listed below are comments that represented instances of noncompliance with these requirements.

1. The Department was not in compliance with supporting documentation requirements for some refunds, in accordance with the Private Provider Refund Policy and Procedure.

Four of the 40 refunds tested did not have proper supporting Sunbiz documentation for the refund, in accordance with the Private Provider Refund Policy and Procedure. On December 30, 2021, the IG requested the supporting documentation for these refunds that were issued between April 8, 2021, and October 7, 2021. The Department gave the IG documents with an electronic date stamp of May 10, 2022, which appears that they were created after-the-fact.

The following was noted:

- A. For one refund, the name reflected on the Release, Satisfaction, and Settlement Agreement did not agree with the name reflected on the Sunbiz documentation on file with the Department.
- B. For three refunds, Sunbiz documents were requested by the IG, but were not included in management's response, which suggested that the requested documentation did not exist.

Recommendation:

Since compliance with agreements, contracts, laws, rules, regulations, policies, and procedures are required, a recommendation was not provided.

Management Response:

Acknowledged.

Corrective Action Plan:

Files were reviewed, verified, and updated in the filing system on site.

Target Implementation Date:

Completed 4.30.2023

<p>Control Activities: Listed below are comments that represented opportunities to strengthen the internal controls. For each comment, a recommendation was included.</p>
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2. The permit report generated from Accela reflected gaps in sequential permit numbers.

A complete list of all permits issued during the audit period (July 1, 2019, through March 31, 2020) could not be generated from Accela. The following was noted:

- A. Of the 43,742 permits included on the Accela permit report, the IG identified a total of 1,113 gaps (approximately 3%) in the system-generated, sequential permit numbers and sent them to management for review. Management provided responses which attributed the breaks in sequence of the 1,113 permit numbers to four explanations as follows:
 - 1. 1,054 permits that were not included on the report reflected permit numbers that were in the sequence of permits within the audit period. The IG noted that the file creation dates for those permits were not within the audit period. During fieldwork testing, management did not provide verifiable documentation as to why and how this occurred in the system. The IG contacted Accela on several occasions and spoke with the Senior Accounts Manager and Customer Success Manager to gain further understanding of the issue. According to Accela, this was not an issue with the software; permit numbers are generated in sequential order and there should be no gaps.
 - 2. 10 permits were deleted. The IG verified these permits were included on the Deleted Permit Report. However, documentation to support why these were deleted did not exist. Management stated due to an unknown error, the delete records function was unintentionally enabled and used in error. Once discovered, the ability to delete records was disabled. Documentation of when and who enabled and disabled the delete function was requested by the IG but was not provided by the Department.
 - a. On April 1, 2022, management responded to IG requests for additional information regarding the 10 deleted permits. Management provided a report reflecting 227 deleted permits, including 83 that were outside the audit period. The report appeared to be generated from Accela for the period July 1, 2019, through August 18, 2021.

3. 48 permits had "no records." Management explained that these permit numbers occurred due to a system glitch, or because a "child" data record was created, which incorrectly increased the number sequence. The IG requested documentation for further testing to support management's explanation, and none was provided.
4. One permit reflected "inactive" status, which excluded it from the permit report, and there was no documentation to support why that permit was marked inactive.

The Department did not have a formalized procedure established for monitoring and reviewing gaps in sequential permit numbers. Documented management approvals were not required for deleted or inactivating permits. This increased the risk of unauthorized permitting transactions going undetected in addition to noncompliance with records retention requirements.

Recommendations:

- A. Prohibit all staff from deleting records within Accela. Create and implement alternative methods of identifying and reporting permits that were not appropriate for processing, or that had to be replaced for a valid reason.
- B. Collaborate with the Information Technology Department and Accela to understand Accela's reporting capabilities. Determine if there is a way to query the system to generate ad-hoc reports depending on specific permit status criteria (e.g., cancelled, terminated, error, etc.).
- C. Establish documented policies and procedures that provide clear guidance for monitoring and reviewing gaps in sequential permit numbers and permits marked inactive.
- D. Require and maintain documented preapprovals by management and justifications for changing the permit status to *inactive*.
- E. Review permits in paragraph numbered 2A.1. above and identify changes needed in the workflow to increase the completeness and accuracy of Accela reports.
- F. Plan and document a detailed review of the Deleted Permit Report provided to the IG on April 1, 2022. Identify and document all questionable or unusual activity, or patterns related to deleted permits. If identified, report suspicious activity to the Assistant County Administrator for proper and timely action.
- G. Review Accela users' permissions to verify access is appropriate for their position.
- H. Contact Accela vendors to determine the cause of nonexistent records for permit numbers and how this issue can be resolved.

Management Response:

- A. *Acknowledged.*
- B. *Acknowledged.*
- C. *Acknowledged.*
- D. *Acknowledged. The record in question (20B06011) with a status of Inactive, was a clone of 20B04144 that errored out when being created so the system set it to Inactive. A second successful clone (20B06020) is now the permit of record. The*

original (20B04144) was then Withdrawn.

- E. *Acknowledged. The 1,054 records stated were outside the date range requested. These records showed up outside the date range requested but had numbers that were close to the sequences of the records provided because records can be started in the system but saved for later. When the customer does not complete it but saves it instead, it will stay as a temporary record that does not consume a sequence number. Once the submission has been completed it will be assigned a sequence number, potentially several days after the temporary record was created.*

Example: 19B13437 – This record was started in the system on 6/25/2019 but not fully submitted until 7/1/2019. So even though the sequence number is within the range that was being looked at, the file date is registered as 6/25/2019 which would be outside the date range requested.

F. *Acknowledged.*

G. *Acknowledged.*

H. *Acknowledged.*

Corrective Action Plan:

- A. *The delete option was removed for staff as soon the issue was identified by the IG. Staff was reminded to use to the “Withdrawn” status where applicable.*
- B. *Accela’s Enhanced Reporting Database was purchased in December 2022 to help with reporting capabilities.
We will establish quality control reports and a process to review those reports.*
- C. *We will establish quality control reports and a process to review those reports.*
- D. *IT has established a new software to enter and track tickets. The Accela team is using this software to track changes to the system. The Inactive status on records is set by the system as a fail-safe when an error occurs while creating them.*
- E. *No corrective action plan required. The records in question are outside the audit period and were not provided in the audit report. An updated report for the expanded date range is being provided.*
- F. *Will review the report and if identified, will report suspicious activity to the Assistant County Administrator.*
- G. *Will update current user report to reflect user permission levels that can be regularly monitored by management.*
- H. *Vendor had been contacted and their response indicated that there may be a skip in the sequence, but it does not cause a loss in data.*

Target Implementation Date:

- A. *Completed October 2020*
- B. *Completed December 2022 with purchase of ERD.*
- C. *To be completed by December 2025*
- D. *Completed. New IT ticket system active from December 2022.*
- E. *Updated report provided. June 1, 2023*
- F. *To be completed by December 2024*
- G. *To be completed by December 2024*
- H. *Completed August 2021*

Additional IG Comment: The IG reviewed the updated report provided on June 1, 2023, as noted in management’s response for recommendation E. Of the 1,054 gaps in the sequential permit numbers identified during the audit period (July 1, 2019, through March 31, 2020), the following was noted:

- 28 permits were created in the system *prior* to July 1, 2019, and were submitted in the system after July 1, 2019. Therefore, those 28 permits had permit file creation dates outside of the audit period, which explains why they were not included in the Accela permit report.
- 1,026 permits were created and submitted in the system *after* the audit period ending date of March 31, 2020, which explains why they were not included in the Accela permit report.
- Gaps in permit sequence numbers that the IG identified on the Accela permit report were the result of the timing of when the permit was created and submitted in the system. The file date was the date the permit was created in the system by the customer. The submission date was the date the permit was submitted by the customer in the system. When the permit is submitted, it is assigned a permit sequence number. The difference in these two dates explains why there were gaps in permit numbers that appeared on the Accela permit report, which is illustrated below:

<u>Permit #</u>	<u>File Date</u>	<u>Submission Date</u>
20B07482	4/01/2020	4/01/2020
20B07483	4/01/2020	4/01/2020
20B07484*	3/31/2020	4/01/2020

*Included in the Accela permit report.

3. The permit report generated from Accela did not reflect complete and reliable private provider information.

Data fields for identifying permits with outsourced inspection and/or plans review services were not always utilized correctly or consistently. The following was noted:

- A. Of the 43,742 unique permit numbers included on the permit report, the IG excluded 1,791 permits from testing because their permit types were not eligible for outsourcing services. 32,353 of the remaining 41,951 permits, or approximately 77%, reflected incomplete data fields for outsourced inspections and/or plans reviews. The following was noted:
 1. 24,300 permits (approximately 58%) reflected at least two blank data fields.
 2. 8,053 permits (approximately 19%) reflected one blank data field.

The data fields to capture outsourcing information were not mandatory in Accela, which allowed permit technicians or customers to skip those fields and leave them blank. According to Management, staff was required to complete these fields. However, there were no documented procedures requiring secondary review to ensure the accuracy and completeness of data entry for permitting information.

Recommendations:

- A. Review and document all permit types to determine and establish a list of which types of permits are eligible for outsourcing inspections and/or plans review services.

- B. Establish a documented procedure in which Management reviews permit information in Accela to verify if inspections or plan reviews were outsourced. Create a tracking field in Accela to reflect changes in private provider status.
- C. Require the data fields for entering outsourced inspections and/or plans review information be mandatory data entry fields. Require periodic reviews of reports to verify compliance and ensure accuracy and reliability of data.

Management Response:

Acknowledged.

Corrective Action Plan:

Recommendation A:

All permits are eligible; however, cost is the determining factor. More specifically, Private Provider may only apply to review or inspection for code compliance with the Florida Building Code. Private Providers may not be used to review or approve compliance with other codes such as zoning, stormwater, fire, transportation, or any local codes.

Efficiency checklist will be updated to indicate permit types eligible for outsourcing as a quick resource to ensure proper fees are selected and will be part of the training process with documentation to support it.

Recommendation B:

Establish a process/procedure on updating records modified after the application process. Management requested Quality Control Position and laid out a work plan for the position to include the position's role and operating guidelines. A tracking field in Accela will be implemented to reflect changes in private provider status for future permits. Process will be to ensure accuracy and reliability of the data.

Recommendation C:

Outsource fields are mandatory during the application process. Periodic reviews will be completed by the Quality Control position which will ensure accuracy and reliability of the data.

Target Implementation Date:

A: September 30, 2023

B: Full Implementation September 30, 2025

C: Full Implementation September 30, 2025

4. Permit information in Accela did not always reflect accurate information in the outsource data fields.

Testing disclosed that 27 of 53 permits (approximately 51%) reflected an incorrect status in the outsourcing data fields, or the status could not be verified by the IG. The Department did not have a formalized policy that required staff to update the outsource fields in Accela when staff became aware of new or corrected information. The following was noted:

- A. 17 permits reflected data entry errors for the outsource data fields. This included records that reflected "No" instead of "Yes", "Yes" instead of "No", or were blank instead of "No."

1. For three permits, a private provider refund was issued after inspection fees were collected; however, these permits were not included on the Schedule of Refunds List prepared by management. The IG verified a Notice to Building Official of Use of Private Provider Form was attached to the permit in Accela, which reflected that inspections were to be outsourced. However, both outsource fields reflected "No" in Accela. Due to inaccurate data in the outsourcing data fields, these permits were not properly identified by management as eligible for a refund.

According to management, these permits were identified by the contractor and brought to management's attention during the private provider refund process. These three permits were subsequently added to the Schedule of Refunds List (in a separate tab). Although a private provider refund was issued, the Accela system was not updated to reflect the correct status ("Yes") at the time this was discovered by the customer. As of April 1, 2022, management provided documentation that reflected the inspection outsource fields were changed to "Yes" for two of the three permits.

2. For one permit, the inspection outsource field reflected "Yes", but was not included on the Schedule of Refunds List. The IG verified that a Notice to Building Official of Use of Private Provider Form was not in Accela. According to management, inspections were not outsourced and were performed by Pasco County Inspectors. As of April 1, 2022, management provided documentation that reflected the inspection outsource field was changed to "No."
 3. 13 permits reflected both outsource fields blank, and management stated the inspections and plans reviews were not outsourced and were performed by Pasco County Inspectors. The IG verified these permits were not included on the Schedule of Refunds List and that a Notice to Building Official of use of a Private Provider Form was not attached in Accela. As of April 1, 2022, the outsource fields were not updated to reflect "No."
- B. 10 permits reflected one blank outsource field for plans review. The IG verified these permits were not included on the Schedule of Refunds List and that a Notice to Building Official of use of a Private Provider Form related to plans review was not attached in Accela. However, since management did not provide complete responses, the IG was not able to independently verify the status of these plans reviews and conclude if these permits were due a refund.

Recommendations:

- A. Develop a plan to review outsource fields in Accela and make the necessary updates to ensure the permit records reflect the correct outsource field status.
- B. Document and implement a periodic quality review process in the permit workflow to ensure the accuracy of outsource data fields in Accela permit records.
- C. Implement a policy and procedure to require that timely updates in Accela are made when errors or omissions of correct data are detected.

Management Response:

Acknowledged.

Corrective Action Plan:

Recommendation A:

Establish a process/procedure on updating records modified after the application process. Management requested Quality Control Position and laid out a work plan for the position to include the position's role and operating guidelines. Process will be to ensure accuracy and reliability of the data. Outsource Fields have been changed to be mandatory. Request to add extra fields to help businesses track modifications requested after the initial applications has been submitted.

Recommendation B:

Outsource Fields have been changed to be mandatory and will be reviewed by the Quality Control Position to ensure accuracy and reliability of the data.

Recommendation C:

Outsource Fields have been changed to be made mandatory and will be reviewed by the Quality Control Position. A work plan for the position has been developed to include the position's role and operating guidelines which will ensure accuracy and reliability of the data. A process/procedure has been established on updating records modified after the application process.

Target Implementation Date:

A: December 31, 2024

B: September 30, 2025

C: Outsource Completed November 2020. Quality Position with implementation September 30, 2025

5. The Private Provider Refund Log and Schedule of Refunds List did not reconcile to the general ledger.

The Schedule of Refunds List (refund list) and updated Private Provider Refund Log (refund log) were used to identify and track private provider refunds. The Department updated the refund list and the refund log. These were not reconciled, and did not agree with the Vendor 20 Payment Report at the time of review (November 18, 2021). The Vendor 20 Payment Report reflected all checks recorded to the general ledger from the check register that were issued to customers who received a private provider refund. The following was noted:

- A. The IG compared the refund checks reflected on the refund log to the Vendor 20 Payment Report (general ledger) to verify if the check numbers, amounts, and dates matched. Of the 307 refund checks included on the refund log, five unmatched records were identified as follows:
 1. For two checks, the amounts did not agree to the Vendor 20 Payment Report:
 - a) For one check (dated October 7, 2021), the refund log reflected the dollar amount as zero and included a note that it was not processed because "there was a negative amount." However, according to the Vendor 20 Payment Report, a check in the amount of \$2,791.35 was issued on October 7, 2021. The IG brought this to management's attention, who advised the refund log was updated to reflect the correct dollar amount of \$2,791.35.
 - b) For one check, the refund log reflected the check amount as \$30.00. However, according to the Vendor 20 Payment Report, the check amount was \$232.63. The IG brought this to management's attention, who advised the

refund log was updated to reflect the correct dollar amount management provided a screenshot of the update in the refund log.

2. For one check, the check dates did not agree. The refund log reflected the check date as April 7, 2021. However, the Vendor 20 Payment Report reflected the date as April 27, 2021. The IG brought this to management's attention and the refund log was updated to reflect the correct check date of April 27, 2021. Management provided a screenshot of the update in the refund log.
 3. One check reflected on the refund log was not included on the Vendor 20 Payment Report. The refund log reflected the check amount as \$232.63. The IG brought this to management's attention, and the refund log was updated to reflect the correct check number. Management provided a screenshot of the update in the log. The IG verified this was the correct check number on the Vendor 20 Payment Report.
 4. One check reflected on the Vendor 20 Payment was a voided check and the refund log did not include the new check number issued for this refund. The IG brought this to management's attention and the refund log was updated to reflect the correct check number in the amount of \$6,020.79. Management provided a screenshot of the updates in the refund log.
- B. The IG compared the total refund dollar amount that was reflected on the refund list, the refund log, and the Vendor 20 Payment Report, to verify if totals matched. At the time of review (November 18, 2021), the totals did not match. The following was noted:
1. The refund log and the refund list did not agree with the Vendor 20 Payment Report as noted in the table below.
 2. The IG requested management to explain the differences between the three refund totals. Reconciling items were provided by management. The IG was able to reconcile the refund log to the Vendor 20 Payment Report. However, the reconciled refund list amount provided by management (\$450,548.62) did not match the amount on the Vendor 20 Payment Report (\$450,704.08). The variance between these two reports was \$155.46. The table below reflects the reconciled totals verified by the IG:

Report Name	Total Refunds	After Reconciliation	Difference
Schedule of Refunds List (as of June 24, 2021)	\$443,592.01	\$450,548.62	\$ 6,956.61
Updated Private Provider Refunds Log (as of November 17, 2021)	\$447,912.73	\$450,704.08	\$2,791.35
Vendor 20 Payment Report (as of November 18, 2021)	\$450,704.08	\$450,704.08	\$ 0.00

Formal written policy and procedures requiring periodic reviews and reconciliations of private provider refunds to the general ledger did not exist. Periodic reconciliations were not properly or fully performed throughout the private provider refund process.

Recommendation:

Develop and document procedures for periodic reconciliations of refunds from the applicable reports, lists, and logs to the general ledger to ensure accuracy and completeness of the data related to the private provider refund process.

Management Response:

Acknowledged. Management recognizes the need to document periodic reconciliations of refunds to the general ledger with other documents used during the refund process to ensure accuracy and completeness of the data with added controls.

Corrective Action Plan:

Fiscal will take under advisement from the Clerk's Office recommendation of a different approach in the reconciliation process. The process will be updated with additional formal procedures in place to manage and monitor the process to include enhancing our procedure to consider any future variances during the process. Clear guidance will be managed with the team through coaching and implementation of updated processes.

Target Implementation Date:

Complete June 2023



For additional information contact the Public Records Liaison.

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