

CITY AUDITOR'S OFFICE



AUDIT OF PLANNING & DEVELOPMENT – CASE PLANNING DIVISION

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CITY AUDITOR

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BACKGROUND

Case Planning is a division within the City's Planning and Development Department. According to the Department's Strategic Business Plan, "the purpose of the Case Planning Line of Business is to provide planning analysis, reports, and recommendation services to decision makers so they can make informed decisions for the public."

Case Planning is directed by the Planning Manager who oversees the Case Planning Supervisor, five Planners, a Planning Technician, two Agenda Technicians, an Office Specialist, and three part-time employees. Some of the primary functions of Case Planning include:

- Processing land use applications.
- Assisting the public through the land use application process.
- Researching and compiling supporting documentation on subject properties.
- Analyzing land use applications against the City's established planning standards and regulations and creating documented staff reports.
- Routing supporting documentation for land use applications to city departments and other governmental agencies for comments.
- Coordinating public hearing notifications (i.e., postcards for Planning Commission and neighborhood meetings, newspaper postings, sign postings on subject properties).
- Preparing the Planning Commission agenda along with supporting documentation.
- Providing supporting documentation for agenda items to the Planning Commissioners and City Council members.

OBJECTIVES

The audit objectives were to:

- Evaluate the adequacy of documented internal policies and procedures.
- Evaluate the adequacy of the documentation, documentation files, and system data.
- Evaluate the adequacy of controls surrounding public notification procedures.
- Review the accuracy and appropriateness of the Division's key performance measurements.
- Evaluate whether Case Planning is effectively supporting other city departments, other government agencies, the Planning Commission, and the public (as identified in feedback received in the Department annual survey).

SCOPE AND METHODOLOGY

The scope of this audit was limited to the operations of the Case Planning Division. Detailed testing of records was primarily limited to transactions during fiscal year 2009. The last fieldwork date of this audit was June 26, 2009. The scope of our work on internal control was limited to the controls within the context of the audit objectives and the scope of the audit.

Our audit methodology included:

- Research of applicable guidelines,
- Interviews of City personnel,
- Obtaining input from Planning Commissioners,
- Discussions with select outside governmental agency representatives,
- Observations of work processes, and
- Analysis and detail testing of available data.

We conducted this performance audit in accordance with generally accepted government auditing standards except for the requirement for an external peer review every three years. 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.

The exception to full compliance is because the City Auditor's Office has not yet undergone an external peer review. However, this exception has no affect on the audit or the assurances provided.

CONCLUSIONS, FINDINGS, AND RECOMMENDATIONS

The following conclusions were noted:

Adequacy of documented internal policies and procedures

- We identified the need for improved standard operating procedures. (Finding 1)

Adequacy of documentation, documentation files, and system data

- We identified the need for less redundancy in staff reports and less duplication of supporting documentation. (Finding 2)
- We identified the need for increased distribution of documentation electronically. (Finding 3)
- We identified the need for the creation and implementation of formalized procedures for reviewing compliance of the paper documentation files with the document retention policy once final action has been taken on a land use application. (Finding 4)

Adequacy of controls surrounding public notification procedures.

- We identified that certain system data fields are being used incorrectly and the need for management reports for monitoring compliance with the public notification procedures. (Finding 5)

Accuracy and appropriateness of the Division's key performance measurements.

- We identified the need for improved key performance measurements that more appropriately reflect the achievements of Case Planning. (Finding 6)

Adequacy of support of other city departments, other government agencies, the Planning Commission, and the public (as identified in feedback received in the Department annual survey).

- Based on input received, we found that Case Planning is effectively supporting other city departments, other government agencies, the Planning Commission, and the public. However, enhancements are needed in how feedback is obtained and evaluated from these groups. (Finding 7)

Further information is contained in the sections below. While other issues were identified and discussed with management, they were deemed less significant for reporting purposes.

1. STANDARD OPERATING PROCEDURES

Criteria

Standard operating procedures (also known as desk procedures) address the key activities and processes of an organization, how they are performed, and by whom. They assist employees and management in performing the daily functions of an organization. These procedures formally establish employee accountability, provide orientation and reference material for employees, and document the institutional knowledge of existing staff in case of employee turnover or extended absences.

Condition

Case Planning has documented regulations and standards that govern their operations (e.g., Nevada Revised Statutes, Municipal Code, Development Standards). In addition, Case Planning has various documents that are beneficial to staff in understanding and carrying out their responsibilities (i.e., informational documents for the public, checklists, e-mails from management). However, Case Planning Management has not documented formalized standard operating procedures specific to the functions of the Case Planning employees (Office Specialist, Agenda Techs, Planners, and Supervisors). Certain staff members have created their own reference documentation to compensate for the lack of formalized procedures.

The Planning Department routinely rotates its staff members into other divisions within the Department to expand their skills and knowledge base. With this practice, there is the need for well developed and current desk procedures for reference by new staff members.

Cause

- Lack of formalized desk procedures specific to Case Planning's operations.

Effect

- Potential for inconsistencies in practices among staff members.
- Potential for use of outdated reference materials.
- Potential for loss of knowledge base with employee rotations and/or turnover.

Recommendation

Case Planning management should:

- Create formalized desk procedures for their employees (Office Specialist, Agenda Techs, Planners, and Supervisors). Management should begin by evaluating the validity of reference documentation currently available or being used by staff members and where possible incorporate this documentation into approved desk procedures.
- Maintain the desk procedures electronically in an organized manner.
- Identify the date of the most recent changes to the procedures.
- Implement procedures to notify staff members when desk procedures change.

2. DOCUMENTATION REDUNDANCY

Criteria

The creation and distribution of redundant documentation creates inefficiencies for both those involved with creating the documents and those using the documents.

Condition

Development projects on a single property often require multiple land use applications. For example, a single project may require a general plan amendment application, a rezoning application, a site development review application, and a special use permit application. The multiple applications are typically reviewed together when considered at the Planning Commission and City Council meetings.

When there are multiple applications for a single project, a staff report is created for each application. Considering each staff report is addressing the same project, the staff reports

include a significant amount of redundant information. This redundant information creates inefficiencies for those staff members involved in the creation and review of the reports.

In addition to the redundancy in the staff reports, supporting documentation for the project (e.g., maps, site plans, photos, required letters from applicant, protest/support postcards) is duplicated for each application. Redundant supporting documentation is routed to city departments and outside agencies with each application for their review. In addition, redundant supporting documentation is posted on the City's electronic agendas.

Cause

- Current documentation practices were implemented in conjunction with the development of the application processing system.

Effect

- Inefficient use of staff resources in the preparation and review of staff reports and supporting documentation.
- When hard copies of application packages are created, unnecessary paper is used.

Recommendation

Case Planning management should:

- Re-evaluate the current format of its staff reports.
- Consider alternatives for reducing the redundancy in those reports for projects with multiple applications. Consideration should be given to having one staff report per project that includes analysis and findings for all related land use applications.
- Evaluate options for reducing the amount of duplication of supporting documentation.

3. DISTRIBUTION OF CASE DOCUMENTATION

Criteria

Increased use and acceptance of electronic documents by users has created opportunities for reducing the amount of paper documents required in an operation.

Condition

Case Planning continues to pursue opportunities to reduce the use of paper in its operations. Electronic copies of application documentation (e.g., staff reports, maps,

photos, correspondence, protest/support postcards) are now being made available to the Planning Commissioners on CD's and being posted on the City's internet site once meeting agendas are finalized for reference by the public, the Planning Commissioners, and the City Council. Planning will soon begin the implementation of an electronic plan review system which will further reduce the amount of paper used in its operations.

While Case Planning has taken significant steps to reduce the amount of paper used in its operations, staff members continue to photocopy many paper documents on land use applications for distribution to other city departments and other governmental agencies for their review and comment that could otherwise be distributed electronically.

Cause

- Current practice requires that paper copies of documents be distributed to departments and agencies.
- Certain users have a preference or need for paper copies of documents.

Effect

- Copies of paper documentation on land use applications continue to be routed to city departments and outside agencies.

Recommendation

Case Planning management should implement an electronic method for delivery of the land use application documentation to city departments and outside agencies where feasible.

4. PAPER DOCUMENTATION FILES

Criteria

A review of paper documentation files for compliance with an established document retention policy provides assurance that all required documents have been retained and unnecessary documents are removed.

Condition

While Planning has an approved document retention policy, there are no documented procedures for reviewing compliance of the paper documentation files with the policy once final action has been taken on a land use application.

Cause

- Lack of documented procedures.

Effect

- Lack of assurance that documentation files comply with the document retention policy once final action has been taken on a land use application.
- Potential for retention of unnecessary paper documents.

Recommendation

Case Planning management should create and implement formalized procedures for reviewing compliance of the paper documentation files with the document retention policy once final action has been taken on a land use application.

5. USE OF SYSTEM DATA FIELDS

Criteria

Data input into a system should provide useful and consistent information for users and coincide with the data field titles. Data fields should be clearly defined to ensure consistent use of the fields between users.

Condition

Case Planning operations are driven by established deadlines in order to meet public notification requirements and Planning Commission and City Council hearing dates. Case Planning staff members record various dates into the Hansen system. The following data fields exist for documenting the date of certain events prior to and following Planning Commission meetings:

- Development Review Team (DRT) Process Complete*
- Plans Routed for Review*
- Sent to Review Journal
- Public Hearing Notice Sent*
- Memo Sent to Post*
- Sign Posted*
- Memo Sent for Removal
- Action Letter Completed
- Notice of Final Action Form Completed

Based on our review of the current use of these Hansen data fields, we identified that some of the dates being input into the Hansen system are dates when specific actions are *supposed* to take place (i.e., internal deadlines) rather than actual dates of when an action occurred. The data fields being used this way are asterisked above. Based on discussions with management and a review of the data field definitions, this was not the intended use of these data fields.

As a result of the current use of these data fields:

- The postmark date of the public hearing notifications is not being captured in the Hansen system.
- The posting date of the notification signs (or the date of the sign posting affidavit from the outside contractor) is not being captured within the Hansen system.
- The date the public hearing notification is run in the newspaper is not being captured in the Hansen system, only the date that the request is made to the newspaper.

We also found that when an application item is abeyed at the Planning Commission, the “Action Letter Completed” date is not typically being updated with the actual date the final action letter is issued.

While Case Planning staff members are diligent in meeting the public hearing notification deadlines, under current data entry practices Planning management cannot use the Hansen system data to monitor the Division’s compliance and timeliness in meeting public notification requirements as outlined in the municipal code.

Cause

- Lack of clear guidance to staff members on how the data fields are to be used.

Effect

- Hansen users may inappropriately assume the dates within the system are the actual dates of an event.
- Lack of useful data for monitoring compliance with public notification requirements.

Recommendation

Case Planning management should:

- Document which dates should be used by staff members in using the Hansen data fields. Consideration should be given to using the actual public notification postmark date, the date the notification signs are posted or the date of the sign posting affidavit, and the date the public notification is run in the newspaper. Use

- of these dates will allow for monitoring compliance with the public notification requirements.
- Require that the date of the final action letter always be updated to reflect the date the final action letter is issued.
 - Work with Planning's Systems Analyst in creating a management report for monitoring compliance with the public notification requirements using the data fields within Hansen.
 - Evaluate what other management reports may be valuable in monitoring Case Planning's operations. Additional reports could include reports that identify the timeliness of application routings, final action letters, and requests for sign postings.

6. PERFORMANCE MEASUREMENTS

Criteria

Proper performance measurements reflect the direct efforts of an organization in meeting its defined objectives.

Condition

Case Planning has the following three "key measures" against which they are evaluated by City management:

1. Percentage of staff recommendations made to elected and appointed representatives that are upheld.
2. Percentage of abeyances due to staff analysis or notification error.
3. Percentage of ward breakdown reports provided to the City Council within 21 calendar days prior to the Planning Commission meeting.

Key Measure #1 – While this measurement is a valuable measurement, it is not a reflection of the performance of Case Planning but rather the actions of the Planning Commission and the City Council. Case Planning analyzes land use applications and provides recommendations based on the established development code and standards. The appointed and elected officials who refer to Case Planning's recommendations are able to use their discretion in determining whether to approve or deny an application and their decisions are not necessarily a reflection of Case Planning's performance. No direct action by Case Planning can influence this performance measurement.

Key Measure #2 – This performance measurement is appropriate as this is a direct reflection of Case Planning's operations.

Key Measure #3 – While the timely creation and distribution of the ward breakdown reports is an important function of Case Planning, it is more a reflection of the timely actions of one individual than that of the Division.

Cause

- Key measures are being used that do not adequately reflect the performance of Case Planning.

Effect

- The achievements of Case Planning's operations are not being adequately reflected in their current key measures.

Recommendation

Planning & Development management should re-evaluate the key measures being used for Case Planning and identify performance measurements over which they have direct control and that more appropriately measure the Division's achievements.

7. PERFORMANCE FEEDBACK

Criteria

Feedback from customers and organizations served can provide valuable insight into opportunities for operational improvements.

Condition

A component of Planning's annual performance measurements is conducting an annual survey of its customers. The survey is overseen by the Long Range Planning Division. The following questions were included in the 2008 survey:

1. *What section(s) within the Planning Department did you deal with?*
2. *What was your status with the application (Applicant, Representative, Owner)*
3. *Who assisted you?*
4. *Were you satisfied with the access to planning information you received?*
5. *Were you satisfied with the clarity of the planning information that you received?*
6. *Was the planning related information you received relevant to your situation?*
7. *After your experience, do you have a better understanding of the development process and issues?*
8. *What could we have done better to assist you?*

While documented customer feedback was received in response to the annual survey, Case Planning management did not have the opportunity to evaluate the feedback in relation to its operations as there is no formal process in place for completing such an evaluation.

In addition to serving the public, Case Planning also serves other city departments (e.g., Building & Safety, Public Works, City Clerk's Office, City Attorney's Office) and various outside agencies (e.g., Clark County, Clark County School District, METRO) by providing them with information and documentation on submitted land use applications. There is currently no formal program for obtaining feedback from other departments and outside agencies.

Cause

- Lack of a formal process for evaluating the customer feedback from the annual survey.
- Lack of a formal program for obtaining feedback from other departments and outside agencies.

Effect

- Customer feedback from the annual survey may not be adequately evaluated.
- Lack of formal opportunity for other city departments and outside agencies to provide feedback on Case Planning's services.

Recommendation

Case Planning management should:

- Obtain and evaluate the customer feedback received in each annual survey.
- Determine whether changes in its operations are warranted to address the feedback received.
- Evaluate whether the annual survey is adequate for their needs. Consideration should be given to sending out more timely surveys to customers, perhaps following final actions by the Planning Commission and City Council.
- Conduct at a minimum annual meetings with representatives of other city departments and the outside agencies receiving land use application documentation to obtain feedback on whether Case Planning is meeting their needs.

MANAGEMENT RESPONSE

1. STANDARD OPERATING PROCEDURES

Recommendation:

Case Planning management should:

- Create formalized desk procedures for their employees (Office Specialist, Agenda Techs, Planners, and Supervisors). Management should begin by evaluating the validity of reference documentation currently available or being used by staff members and where possible incorporate this documentation into approved desk procedures.
- Maintain the desk procedures electronically in an organized manner.
- Identify the date of the most recent changes to the procedures.
- Implement procedures to notify staff members when desk procedures change.

Management Action Plan:

Management Action Plan

Case Planning will create formalized desk procedures for primary Case Planning tasks as follows:

Agenda Tech Tasks

Office Specialist II Tasks

Planning Techs Tasks

Case Planners Tasks

Case Planning Supervisor Tasks

Desk procedures will be maintained electronically in the Case Planning folder of the P&D drive. Desk procedures will be dated and identified by revision numbers when subsequent changes are made. The P&D Director, P&D Deputy Director, and Case and Planning Manager have the sole authority to review and approve desk procedure revisions.

A procedure will be established to control notification and distribution of revised desk procedures. Prior revisions will be archived.

Estimated Date of Completion:

October 31, 2009 for clerical positions.
February 15, 2010 for planner positions.

2. DOCUMENTATION REDUNDANCY

Recommendation:

Case Planning management should:

- Re-evaluate the current format of its staff reports.
- Consider alternatives for reducing the redundancy in those reports for projects with multiple applications. Consideration should be given to having one staff report per project that includes analysis and findings for all related land use applications.
- Evaluate options for reducing the amount of duplication of supporting documentation.

Management Action Plan:

P&D staff has been attempting to implement this change for some time. P&D staff completely agrees that a single staff report per project including all analysis and findings is appropriate and we can begin immediately.

There is no legal reason preventing this change. No Hansen change is necessary as case numbers will be retained. Only P&D staff is involved in writing the staff reports for PC and those changes can occur promptly.

This will eliminate duplication of vicinity maps, aerial maps, SOFI's, plans, photographs and other repetitive documents.

Estimated Date of Completion:

P&D staff has discussed these matters with the PC members at their PC workshop on July 30th. The PC concurred with the elimination of redundant documents. P&D staff believes full implementation can be accomplished by Jan 30, 2010, barring roadblocks elsewhere in the city.

3. DISTRIBUTION OF CASE DOCUMENTATION

Recommendation:

Case Planning management should implement an electronic method for delivery of the land use application documentation to city departments and outside agencies where feasible.

Management Action Plan:

Currently, the City of Las Vegas is in the process of purchasing software to receive and review plans. Part of the request will be to accept and process land use entitlements elements electronically and then route them to city departments and outside agencies electronically.

In the event the software is not purchased or is not able to route electronically, management will be developing a process of scanning applications and plans. This procedure will create a one point electronic file for city departments to review plans and an email attachment will be sent to outside agencies.

Estimated Date of Completion:

The contract for purchase of software did not make the August agendas. September is anticipated. It will be another 6 to 8 months to implement the new software.

4. PAPER DOCUMENTATION FILES

Recommendation:

Case Planning management should create and implement formalized procedures for reviewing compliance of the paper documentation files with the document retention policy once final action has been taken on a land use application.

Management Action Plan:

The above procedure shall be written and adopted as discussed and addressed herein.

Estimated Date of Completion:

January 30, 2010

5. USE OF SYSTEM DATA FIELDS

Recommendation:

Case Planning management should:

- Document which dates should be used by staff members in using the Hansen data fields. Consideration should be given to using the actual public notification postmark date, the date the notification signs are posted or the date of the sign posting affidavit, and the date the public notification is run in the newspaper. Use of these dates will allow for monitoring compliance with the public notification requirements.
- Require that the date of the final action letter always be updated to reflect the date the final action letter is issued.
- Work with Planning's Systems Analyst in creating a management report for monitoring compliance with the public notification requirements using the data fields within Hansen.
- Evaluate what other management reports may be valuable in monitoring Case Planning's operations. Additional reports could include reports that identify the timeliness of application routings, final action letters, and requests for sign postings.

Management Action Plan:

The agenda technicians are primarily responsible for Hansen data input. As part of the desk procedures, there will be instructions that actual public notification dates will be input versus internal deadline dates. The staff will input actual dates from the following parties:

- i. Postcard mailings dates for public hearing notification obtained from the CLV graphics division;
- ii. Notification sign posting dates obtained by affidavit from the CLV sign vendor;
- iii. Published date of public hearing notification obtained by affidavit from the community newspaper.

In addition, the agenda technician assigned to city council meetings will be responsible for updating the Final Action Letter Completed date subsequent to action taken at the city council meetings.

A management exception report has been created for monitoring compliance with the public notification requirements. This report will be run monthly and reviewed for compliance.

Estimated Date of Completion:

September 30, 2009

6. PERFORMANCE MEASUREMENTS

Recommendation:

Planning & Development management should re-evaluate the key measures being used for Case Planning and identify performance measurements over which they have direct control and that more appropriately measure the Division's achievements.

Management Action Plan:

The P&D Strategic Business Plan has been reviewed with the auditor's recommendation in mind, and it's been determined that one key measure (% of staff recommendations made to elected and appointed representatives are upheld) is considered an important measure but will no longer be a key measure. Instead, a new key measure will be added that reflects planner workload (% cases per planner).

Estimated Date of Completion:

Completed

7. PERFORMANCE FEEDBACK

Recommendation: Case Planning management should:

- Obtain and evaluate the customer feedback received in each annual survey.
- Determine whether changes in its operations are warranted to address the feedback received.
- Evaluate whether the annual survey is adequate for their needs. Consideration should be given to sending out more timely surveys to customers, perhaps following final actions by the Planning Commission and City Council.
- Conduct at a minimum annual meetings with representatives of other city departments and the outside agencies receiving land use application documentation to obtain feedback on whether Case Planning is meeting their needs.

Management Action Plan:

Preparation of the annual survey included all senior staff members and this process will remain in place. The preparation of survey questions will be handled separately from

routine Performance Plus review sessions, however, to ensure more specific attention is paid to the endeavor.

The results of the surveys were included in the P&D Annual Report published July 2009. The comments from all surveys are being compiled for distribution to all managers to prepare a response plan.

After PPET approval of the P&D 2009-10 Strategic Plan, staff will meet to create the surveys for 2010 both content and procedure.

In addition to Homeowner's Nights and Code Training nights, a new annual meeting with outside agencies will be added to our department calendar.

Estimated Date of Completion:

- New surveys and procedures were discussed in a meeting for this purpose on July 10, 2009. A new Outside Agency meeting has been devised and a list of attendees determined on July 16, 2009. A schedule is being prepared.
- A new Planning Supervisor has been designated as survey coordinator. A new survey and procedure will be designed by January 31, 2010.
- Follow up to all submitted comments from the 2009 surveys was distributed to management staff by July 31, 2009.
- First of the annual meetings with outside agencies will occur by November 6, 2009.