

# ANNUAL REPORT FY21

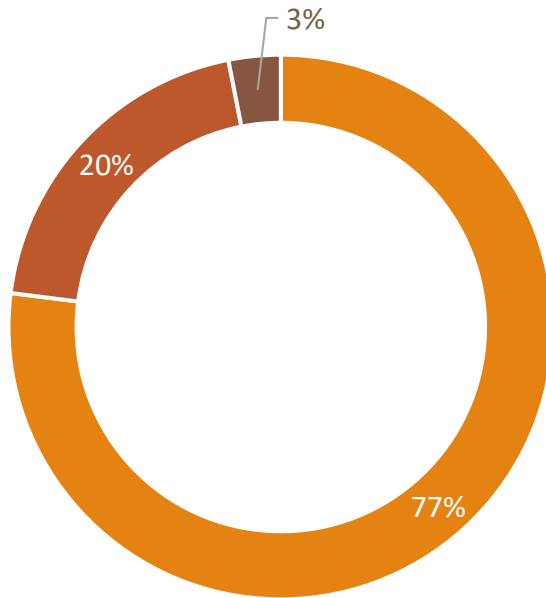
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MUNICIPAL AUDITING DEPARTMENT

# ACTIVITY

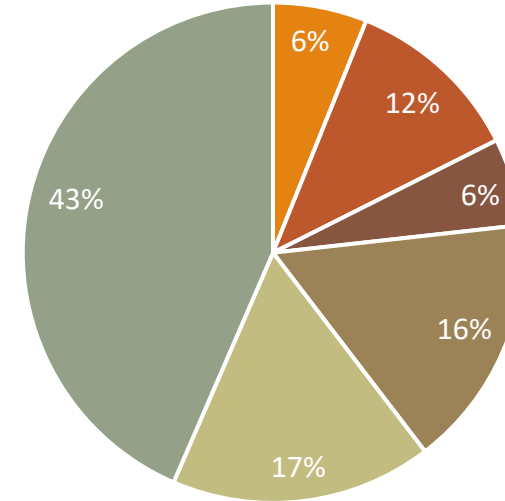
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BY ENTITY



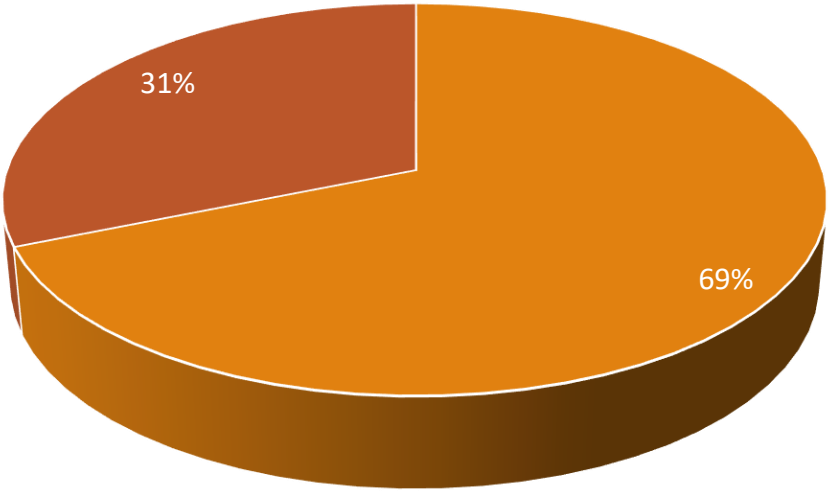
■ CITY ■ RCPS ■ GRTC

BY SERVICE



■ Investigation ■ Follow Up ■ Advisory  
■ Financial ■ Performance ■ PCI Implementation

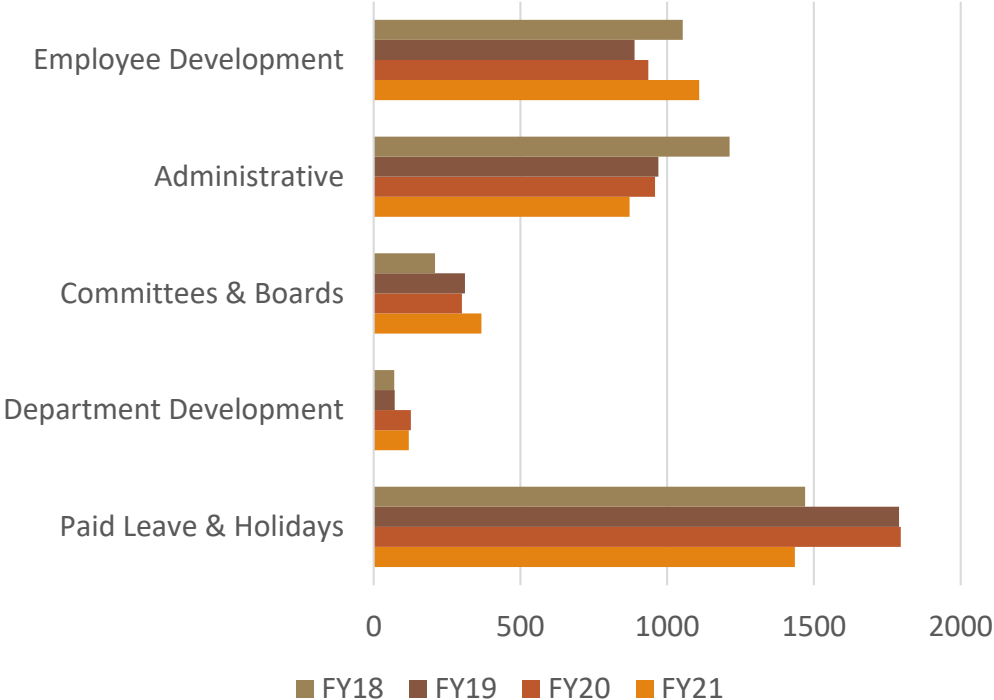
# DIRECT AND INDIRECT TIME



Benchmark = 68% Direct Time

Direct Indirect

## Indirect Hours



# DEPARTMENT PERFORMANCE MEASURES

Offer	Measure	Target	Actual
External Audit	Auditor's Opinions Issued by State Deadline	12/15/20	2/26/21
Internal Audits	Assignments Completed per Full Time Equivalent *	8.00	7.02
Internal Audits	% of Audit Findings Successfully Resolved	80%	72%
Hotline	% of Hotline Reports Investigated and Resolved in 30 Days	100%	78%

*\* The PCI project was excluded from the assignment count due to it being a multi-year project that consumes an extraordinary number of staff hours (> 3,000 in FY21). The # of full time equivalents was likewise adjusted down based on hours worked on the PCI project and to reflect one position being vacant for 4 months.*

# PERFORMANCE AUDITS

Title	Direct Hours	Report Date	Objectives
School Safety & Security	543	5/18/21	<p><b>Did RCPS conduct all required drills mandated by the Code of Virginia?</b> <i>No, some fire drills were not performed within state required timeframes, some lockdown drills were not performed at four schools, and bus evacuation drills were not performed within state required timeframes.</i></p> <p><b>Were discipline, crime and violence records complete and accurate?</b> <i>No, we identified nine incidents in Police data that should have been reported by RCPS and were not; some incidents reported by RCPS were not classified in accordance with state definitions, and some incidents were not properly marked to reflect that criminal charges were filed.</i></p> <p><b>Were incidents involving physical restraint or seclusion appropriately documented and in accordance with School Board policy and Police directives?</b> Yes</p>

# PERFORMANCE AUDITS (CONTINUED)

Title	Direct Hours	Report Date	Objectives
Building Inspections (Carried over from FY20)	547	11/25/20	<p><b>Does the Building Safety Division appropriately perform plan reviews in accordance with its quality and timeliness standards?</b> <i>Yes, staff are certified by VDHCD and typically completed plan reviews within 1 to 2 days of performance goals.</i></p> <p><b>Are building inspections performed appropriately by credentialed personnel in a timely manner?</b> <i>Yes with qualifications. Inspectors have required certifications and perform all required inspections before issuing certificates of occupancy, however; 25% of permits expired without inspections or a CO being requested by the permit holder and there was no process to follow up. Also, we found a number of property owners who are responsible for having their elevators and cross connections inspected annually, were not filing those inspections with the Building Commissioner as required and there was no process for follow up.</i></p>

# FINANCIAL RELATED & ADVISORY ASSIGNMENTS

FINANCIAL	
- Clerk of Circuit Court	- City Council Expenditures
- Police Cash & Fees	- Annual Simplified Comparative
- External Audit Coordination	- Analysis of Local Taxes

ADVISORY	
- LEAN Committee	- Revenue Committee
- Information Technology Committee	- Police Collection Reports
- Grandview Demo Charges	- DSS Cares Payments
- In-Kind and Noncash Donations	- Cost Allocation Plan
- Gift Cards	- QZAB Sinking Funds
- PP Tax Exemption for DAV	- Sheriff Inmate Funds
- VDOT Reconciliation	- Parking Garage Security

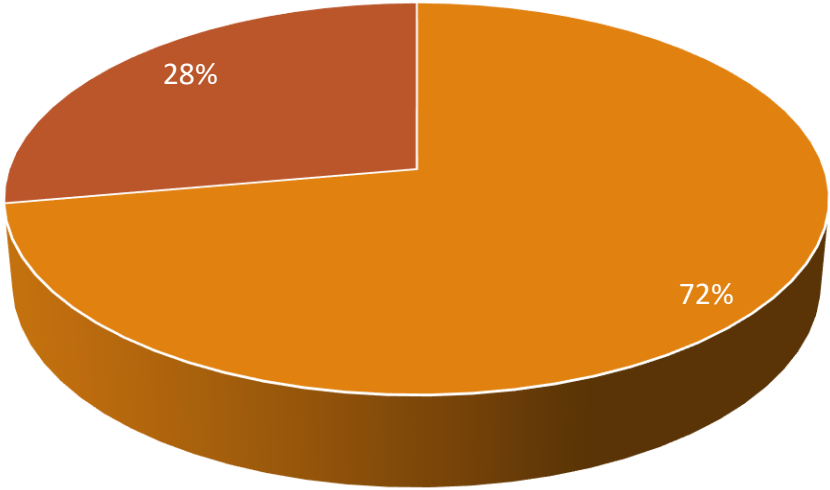
# PCI IMPLEMENTATION

Municipal Auditing Role:	Project Management
Departments Involved:	<ul style="list-style-type: none"> <li>▪ Treasurer</li> <li>▪ Commissioner of the Revenue</li> <li>▪ Technology</li> <li>▪ Finance</li> <li>▪ Real Estate Valuation</li> <li>▪ City Attorney</li> </ul>
New Systems:	<ul style="list-style-type: none"> <li>▪ MyRevenueSystem [includes] <ul style="list-style-type: none"> <li>▫ Revenue Billing System [RBS]</li> <li>▫ Revenue Cashiering System [RCS]</li> </ul> </li> <li>▪ Sturgis Web Services</li> </ul>
Legacy Systems Being Replaced:	<ul style="list-style-type: none"> <li>▪ Aumentum [Real Estate &amp; Cashiering]</li> <li>▪ Personal Property</li> <li>▪ Delinquent Collections</li> <li>▪ Short-term Rental</li> <li>▪ Business Tax</li> <li>▪ Business License</li> <li>▪ State Tax</li> <li>▪ Advantage [Nuisance Abatements]</li> </ul>
Ongoing Project Tasks:	<ul style="list-style-type: none"> <li>▪ Configuration</li> <li>▪ Conversions</li> <li>▪ Interfaces</li> <li>▪ Reporting</li> <li>▪ Testing</li> <li>▪ Online Portal</li> <li>▪ Training</li> <li>▪ Process Development</li> </ul>
Tentative Go-live Date:	October 20, 2021



# FOLLOW UP AUDITS

AREA	ACTIONS	RESOLVED	REVISIT
Right of Way Maintenance	2	2	0
GRTC Fuel	6	4	2
Fire – EMS Operations	3	2	1
Adult Services	4	2	2
Family Services	3	3	0
<b>Total:</b>	<b>18</b>	<b>13</b>	<b>5</b>



■ Resolved ■ Revisit

# INVESTIGATIONS

File #	Concern	Conclusion
21-301	Alleged various misconduct by an employee in a constitutional office, including significant missed work time and underreporting paid leave (two hotline reports).	Referred to Virginia Auditor of Public Accounts
21-302	Alleged a person was offering to purchase groceries for other persons using his SNAP EBT card in exchange for half the value in cash.	Referred to DSS Fraud Investigator
21-303	Alleged there was an inherent conflict of interest when a city employee served as the spokesperson for her neighborhood association in a rezoning matter. We found that the employee had no responsibilities related to planning, building and development, and that the employee had acted appropriately and admirably to engage neighborhood residents in the process.	Unsubstantiated

# INVESTIGATIONS (CONTINUED)

File #	Concern	Conclusion
21-304	Alleged a city employee was shopping for themselves during work hours and in a city vehicle. Upon review, we determined the employee had purchased supplies for a city program with a city purchasing card. The purchases were of an appropriate nature and approved by management.	Unsubstantiated
21-305	Alleged a business was operating without a license and conducting illegal activities on site. The business was listed as closed on a web search engine. We referred this to the Commissioner of the Revenue's Office. A Business License Inspector concluded the business was closed based on a site visit and discussions with the building owner and the Neighborhood Services Code Inspector assigned to the area.	Unsubstantiated
21-306	Alleged a person had stolen money from his bank account. Referred to Police Department.	Referred
21-307	Alleged Solid Waste Management employees were routinely dismissed early and were paid for the full day. Upon review, we learned that early release time had increased from an average of 6.82 hours per employee per month in 2019 to 23.48 hours per employee per month in 2020. A route optimization study is being conducted by a consultant and workforce management policies are being developed to address excessive early release time.	Substantiated (Full report available at <a href="http://roanokeva.gov/auditing">roanokeva.gov/auditing</a> )

# INVESTIGATIONS (CONTINUED)

File #	Concern	Conclusion
21-308	<p>Alleged the Fire Marshall’s Office initiated an inappropriate enforcement action and was harassing the lessee of a building. The Fire Marshall had cited the property due to it having been changed from use as a medical office building to a residential building without being approved by the City’s Building Commissioner. We independently confirmed that the building was approved as a medical office building but had not been inspected and approved for residential use. City Code and the Statewide Fire Prevention Code require a building to be inspected and approved for a change in use. The notice given the lessee clearly stated he could appeal the citation to an independent board, which he did not do. We concluded the Fire Marshall’s actions were appropriate.</p>	Unsubstantiated
21-309	<p>Alleged a business was operating without a license, had not correctly reported personal property, and was violating wage and hour laws. We referred the wage and hour allegations to the local Department of Labor Investigator. We provided the business name and allegations to the Commissioner of the Revenue’s office. A representative of the business had already contacted the Business License Inspector to correct the business license issue. The Inspector plans to verify the accuracy of the personal property inventory.</p>	Referred

# AUDITING STAFF (6/30/21)

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## Cari Spichek - Senior Auditor

- BS – Accounting
- Certified Internal Auditor (CIA)
- Tenure – 6.25 Years

## Brian Pendleton – Senior Auditor

- MS – Accounting
- Certified Public Accountant (CPA)
- Tenure – 3.20 Years

## Dorothy Hoskins – Senior Auditor

- BA – Finance
- Tenure – 0.67 Years

## Tasha Burkett – Information Systems Auditor

- BA – Accounting
- Certified Information Systems Auditor (CISA)
- Tenure – 7.70 Years

## Dawn Mullins – Assistant Municipal Auditor

- BBA – Accounting
- Certified Public Accountant (CPA)
- Tenure – 14.25 Years

## Drew Harmon – Municipal Auditor

- BS – Accounting
- Certified Internal Auditor (CIA), Certified Public Accountant (CPA)
- Tenure – 23.50 Years

# Municipal Auditing Department Contact Information:

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