



JIM PETRO
AUDITOR OF STATE

STATE OF OHIO

CLERMONT COUNTY
PERMIT CENTRAL
PERFORMANCE AUDIT

MARCH 22, 2001



STATE OF OHIO
OFFICE OF THE AUDITOR

JIM PETRO, AUDITOR OF STATE

To the Clermont County Commissioners, Mr. Steve Wharton, County Administrator, and the citizens of Clermont County,

The State Auditor's Office is pleased to provide the completed performance audit of Clermont County Permit Central (PC). As a component of Clermont County's long-range performance improvement plan, the County requested a performance audit of four departments which have already implemented Managing for Results and activity based costing. The State Auditor's Office conducted this independent review of PC's operations with the objective of evaluating the efficiency of Agency operations, planning and policies in relation to peer and best practice agencies. Recommendations provided to County management focused on areas where PC can improve operational efficiency and service delivery to County residents. This performance audit is the fourth of five performance audits focusing on the four County departments.

The performance audit focused on eight core aspects of PC's operations including staffing levels and ratios, planning and performance measurement, permit issuance efficiency, customer service levels in the permit issuance process, the use of contractor licenses in Clermont County, the use of technology in the permit issuance process, the efficiency of the inspection process; and tracking and enforcement of violations. These service and operating areas comprise all aspects of PC's operations and service delivery areas. The performance audit contains recommendations based on best practices and industry standards for improved time tracking, heightened County-wide permitting and inspection coordination, and enhanced Agency planning, as well as numerous commendations highlighting best practices within PC.

An executive summary has been prepared which includes the project history, purpose and objective of the performance audit, and summary of each of the eight areas. The executive summary also includes a summary of findings, commendations and recommendations.

Additional copies of this performance audit can be requested by calling the clerk of the bureau at (614) 466-2310 or the toll free number in Columbus, 800-282-0370. In addition, this performance audit can be accessed online through the State Auditor Office's Web site at <http://www.auditor.state.oh.us> by choosing the *on-line audit search* option.

Sincerely,

A handwritten signature in black ink that reads "Jim Petro".

JIM PETRO
Auditor of State

March 22, 2001

EXECUTIVE SUMMARY

Project History

In January of 2000, the Clermont County Office of Management and Budget contacted the Auditor of State's Office requesting a performance audit of various County departments. Clermont County has undertaken a performance improvement process to improve accountability to County residents and increase the efficiency of the County's services. As a component of the performance improvement process, the County requested a performance audit of four County departments to determine the efficiency and effectiveness of operations in each department. Meetings between the Auditor of State's Office and County management were held to discuss the scope and objectives of the performance audit.

As a result of these discussions, it was determined that the performance audit would focus on the following areas and departments:

- Facilities Management;
- Child Protective Services, Policies and Procedures Establishment and Implementation;
- Child Support Enforcement;
- Permit Central; and
- Child Protective Services, Agency Program Operational Assessment.

The Permit Central performance audit is the fourth of five performance audit sections to be released. Planning for the Permit Central performance audit began in March 2000, and the actual performance audit was conducted primarily during the months of June through November 2000. The Permit Central (PC) performance audit compares PC to standard industry benchmarks, peer agencies and best practices in the specified area.

Objectives and Scope

A performance audit is defined as a systematic and objective assessment of the performance of an organization, program, function or activity to develop findings, conclusions and recommendations. Performance audits are usually classified as either economy and efficiency audits or program audits.

Economy and efficiency audits consider whether an entity is using its resources efficiently and effectively. They attempt to determine if management is maximizing output for a given amount of input. If the entity is efficient, it is assumed that it will accomplish its goals with a minimum of resources and with the fewest negative consequences.

Program audits normally are designed to determine if the entity's activities or programs are effective, if they are reaching their goals and if the goals are proper, suitable or relevant. Program audits often focus on the relationship of the program goals with the actual program outputs or outcomes. Program audits attempt to determine if the actual outputs match, exceed or fall short of the intended outputs. The performance audit conducted on Permit Central contains elements of both an economy and efficiency audit and a program performance audit.

The Auditor of State's Office has designed this performance audit with the objective of reviewing systems, organizational structures, finances and operating procedures to assess the efficiency and effectiveness of Permit Central. Specific objectives of this performance audit include the following:

- Analyze staffing levels and ratios;
- Assess planning and performance measurement efforts;
- Evaluate permit issuance efficiency;
- Assess customer service levels in the permit issuance process;
- Evaluate use of contractor licenses in Clermont County;
- Assess use of technology in the permit issuance process;
- Analyze the efficiency of the inspection process; and
- Assess tracking and enforcement of violations.

Methodology

To complete the performance audit, the auditors gathered and assessed a significant amount of data pertaining to PC, conducted interviews with various groups associated with PC and conducted interviews and assessed information from the peer counties and best practice counties. The methodology is further explained below.

Studies, reports and other data sources

In assessing the various performance audit areas, PC was asked to provide any previous studies or analyses already prepared on the subject areas. In addition to assessing this information, the auditors spent a significant amount of time gathering and assessing other pertinent documents or information. Examples of the studies, reports and other data sources which were studied include the following:

- Ohio Board of Building Standards' Annual Reports;
- Census Bureau Data;
- International City Management Association Indicators;
- Fairfax County, Virginia Building Department Regulations and Reports;
- Ohio Department of Development, Office of Strategic Research Demographic Reports;
- *Management of Local Public Works*; and
- Building Officials and Code Administrators International Guidelines and Reports.

Interviews, Discussions and Surveys

Interviews and discussions were held with all levels of staff at PC as well as with other individuals involved with PC and the peer agencies. These interviews were invaluable in developing an overall understanding of PC's operations. Examples of the organizations and individuals that were interviewed include the following:

- Clermont County Permit Central staff; and
- Chief Building Officials in Clark, Greene, Lake, Licking, Medina, Portage and Warren Counties, as well as in Fairfax County, Virginia.

Benchmark Comparisons with Other Counties

Benchmark comparisons were developed through best practice agencies and like-sized counties including Clark, Greene, Lake, Licking, Medina, Portage and Warren. The aforementioned counties were selected based on demographic and operational data. Performance indicators were established for the various performance audit areas as a mechanism to compare how effectively and efficiently Permit Central is providing necessary functions. The information was obtained primarily through information requests and interviews held with the appropriate personnel at each county.

Summary Results

The summary results of the performance audit are contained within pages 1-3 through 1-6. Major findings, commendations, and recommendations are provided for each area assessed in the performance audit. A thorough analysis of each area, including detailed findings and recommendations, is contained within the corresponding section of the report. All interested parties are encouraged to read the entire report.

The results of this performance audit should not be construed as criticisms of Clermont County's Permit Central. The performance audit should be used as a management tool by Clermont County and Permit Central to improve operations, as the performance audit provides a series of ideas which the County and Permit Central should consider in its decision-making process.

Background: This report focuses on Clermont County's Permit Central which is responsible for issuing permits for a variety of construction-related projects and conducting residential and commercial building, mechanical and electrical inspections. PC was created in 1997 as a pilot program to streamline the permitting and inspection process. In FY 1999, PC issued 4,144 combination residential and standard commercial permits and conducted 27,262 inspections.

Findings: A summary of the significant findings in the report include the following:

- In the areas of staffing and human resources, PC employees use time-tracking to monitor activities, but inspectors' time records are not sufficiently detailed under this system; inspectors use flex time to maintain 40 hours within one work week, thereby avoiding the use of overtime. In addition, annual evaluations are closely linked to employee job descriptions and organizational objectives.
- PC provides extensive training to inspectors, the plans examiner and chief building official (CBO) who all meet State-required training guidelines, and the plans examiner and inspector supervisor carry CBO certification. Also, all but two inspectors are cross-trained in building, electrical and mechanical inspections which increases the efficiency of PC.
- Unit plans of work (UPWs) do not reflect a sufficient planning period and do not contain some key elements of best practice strategic plans. PC uses a limited number of benchmarks to measure performance and efficiency measures and productivity measures have not been implemented. Finally, PC has not recently updated its policy and procedures manual.
- Permit specialists issue 62.6 percent more residential permits per employee and 106.5 percent more commercial permits than the peer average. PC's annual inspections per inspector and daily inspections per inspector are the third highest of the peers and 20.7 percent above the peer average. This efficiency may be the result of cross-training and the ability of a single inspector to perform multiple inspections during a single visit.
- Although further centralization of the permitting function may be possible through PC, communication links and collaborative efforts between PC and other elected offices has been sporadic and weak. PC has negotiated to take over commercial building inspections in neighboring Brown County. The cost of the inspections will be offset by fees charged to Brown County. Under a similar component of centralization, PC permit specialists collect water and sewer payments and recoup salary costs through charge-backs.
- PC has the smallest variance between customer permit costs and PC's actual inspection cost indicating an emphasis on service. Permit fees cover the cost of inspections in all categories except fire protection and complaints.
- PC has a guaranteed 24-hour turnaround time for plans examination, permit application approval and inspections, as well as a two-hour window in which the inspection will occur. PC inspectors use checklists to ensure that all inspections are performed for each permit. However, PC has not developed formal guidelines for commercial plans examinations to ensure the thoroughness of the review and the associated records.
- PC uses the Hansen system to record and organize data and to share information between departments, although the Engineering Department has chosen to adopt a different

information management system. PC plans to enhance technology usage with the implementation of field communications using laptop computers and 800 MHz radios. PC has also developed a Web site to provide certain information. Web site utility will be enhanced in the future with the implementation of an on-line permit application function.

- PC, like many Ohio permitting agencies, issues continued occupancy certificates which permit the habitation of some dwellings despite failed inspections. However, PC has not developed a formal policy on conditional occupancy certificates. PC also tracks violations separate from the violations module for the Hansen system, although there are plans to begin using this module in 2001. PC has a penalty structure in place for unauthorized construction sites, although it rarely assesses the fees outlined in the policy. Furthermore, PC does not require contractors to show proof of licensure, nor does it conduct periodic or episodic inspections or coordinate with the Auditor's Office to report any new additions built without permits.

Commendations: A summary of the significant commendations in this report include the following:

- PC's use of flex-time reduces overtime usage and assists PC in keeping personnel costs within budgeted amounts. Job descriptions are up-to-date and are linked to organizational goals and personal job responsibilities. Evaluations are also tied to job descriptions and are described by PC staff as timely, consistent and responsive.
- PC encourages its staff to obtain high levels of training. PC's use of cross-training ensures that the minimum number of employees are used to fulfill PC's mission and that inspectors are knowledgeable and well-trained.
- The permit issuance process for residential and commercial permits is highly efficient. Additionally, cross-trained inspectors perform several inspections in one site visit which reduces the time and expenses of field work and increases efficiency and improves service delivery.
- The low permit cost charged to customers directly correlates to PC's efficient operations. Combination permits and a guaranteed 24-hour turnaround time on plans examinations and permit application processing creates time savings for residents and builders. PC also consistently provides inspections to residential customers within 24 hours of the initial inspection request.
- Some PC operations have been streamlined by the County's Web site, however the development of an on-line application process will further improve customer service.
- By absorbing the inspection functions of Brown County, Permit Central has demonstrated its willingness to cooperate with other government entities and create economies of scale.

Recommendations: A summary of the significant recommendations include the following:

- Human resources functions could be improved by modifying the time-tracking policy for inspectors to assist PC in better determining permit rates and staffing needs during future planning periods. The time-tracking software could also be used to determine appropriate staffing levels.
- Recommended modifications to the planning and performance measurement process include: formulating a long-term plan that would encompass elements currently contained in UPWs as well as absent elements (such as assignment of responsible parties) recognized in best practice plans; implementing a comprehensive performance measurement system; and developing a quality improvement system. The manual should be placed on the County network.
- To increase centralization, the County administration should consider including all permitting within the scope of PC to further reduce costs and improve customer service. PC should also request to be designated as an enterprise fund.
- Activity-based costing should be used to determine necessary adjustments to the current fee structure. Specifically, the cost for fire inspections should be raised to cover the full cost of the inspection.
- The Chief Information Officer of Clermont County's Information Services Department should coordinate the implementation of software systems between PC, the Engineering Department, the Health District and the Auditor's Office. Field connectivity should be implemented by equipping all inspectors with laptops connected to the 800 MHz and Hansen systems.
- PC should create a formal policy for conditional occupancy certificates. Formal guidelines should be developed and detailed in the departmental manual for the performance of commercial plan reviews. Local licensing should be implemented for tradesmen and building professionals. PC should require proof of State licensure and should track licenses and performance with the Hansen system.
- PC should follow through with plans to track all violations in a database or the Hansen system violations module. Narrative information on each violation should also be maintained to guide future inspections of the property. PC should consider implementing a tiered fine structure for verified nuisance complaints and building code violations. Finally, PC should attempt to decrease unauthorized construction by performing periodic inspections and providing training to the County Auditor's Office and law enforcement employees in reporting unauthorized builds.

Permit Central

Background

Organizational Chart

At the request of the Clermont County administration, the Auditor of State's Office has undertaken this performance audit to assess the performance of Permit Central (PC). In FY 1997, the Governor's Office selected Clermont County as a pilot site for a statewide task force, whose purpose was to streamline and simplify the permitting process for residents of Ohio counties. In conjunction with the task force, Clermont County created Permit Central, an agency that processes a variety of residential and commercial permits at one centralized location. In an effort to become more customer focused, PC has consolidated the permitting functions of the following County departments:

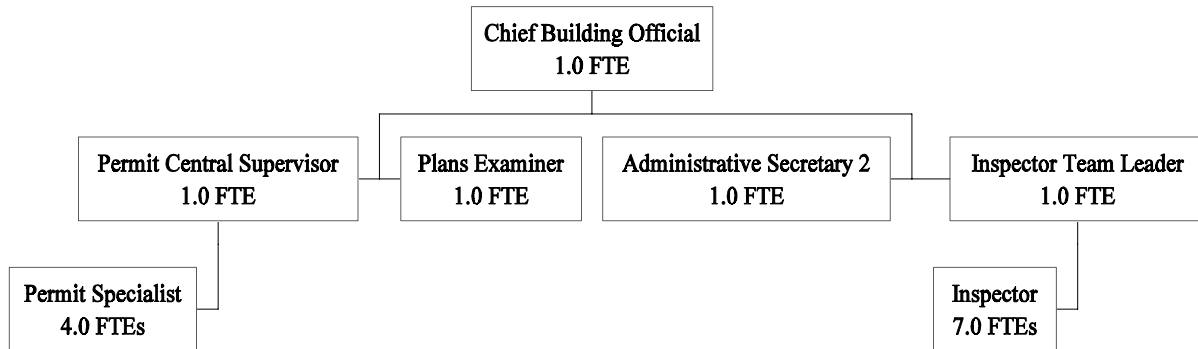
- Building Inspection Department
- Sewer and Water Department
- Engineer's Office
- General Health District

The County's Building Inspection Department became part of Permit Central in FY 1997. The acquisition of the Building Inspection Department qualified PC to examine commercial and residential building plans and conduct on-site inspections of buildings under construction. Within the unincorporated areas of Clermont County, Permit Central is also responsible for ensuring that all structures meet federal, State and County health and safety codes.

Comparative data from Clark, Greene, Lake, Medina, Portage and Warren counties is included to facilitate comparisons between Clermont and like-sized counties. In addition, indicators from a study conducted internally by the Fairfax, Virginia Department of Public Works will be used to compare the performance of Permit Central to the Fairfax County Building Department (FCBD). The FCBD consolidated its services with those from other departments in 1995 and has been cited as a best practice for its success in improving service delivery and reducing departmental costs.

County administrators examined other centralized permitting agencies in order to adopt best practices and to model efficient operations in the development of Permit Central. County administrators assessed centralized permitting agencies in several states including Virginia, Florida and Washington. The organizational structure and staffing levels of Permit Central are depicted in the following organizational chart. All positions are shown in full-time equivalents (FTEs).

Chart 2-1: Permit Central Organizational Structure



Source: Permit Central

Organizational Function

Permit Central is divided into the Permits Division, the Plans Examination Division and the Inspection Division. The Divisions correspond to Permit Central’s primary duties of issuing permits, examining plans and inspecting buildings under construction for building code compliance. Permit Central is overseen by a Chief Building Official (CBO) who reports directly to the County administrator.

The Permits Division consists of a permits supervisor and four permit specialists who are responsible for processing permit applications and payments, routing plans, verifying the completeness of all reviews and issuing permits. Permit specialists also schedule inspections, and ensure that all inspection results are correctly entered into PC’s computer system. In addition, they must verify that all agencies are satisfied that compliance has been achieved before issuing a certificate of completion or a certificate of occupancy.

The Plans Examination Division consists of a single plans examiner who is responsible for examining commercial building plans for compliance with County and State statutes. The plans examiner also provides consultation for proposed projects and plans in violation of regulations, and ensures that codes are uniformly enforced through instruction of personnel. All commercial plans must be reviewed by the plans examiner for basic design such as construction grade, fire separation, and height and area within three days of their submission to ensure that the basic design concept is

acceptable. A comprehensive review must be completed within ten working days and the response submitted in writing to the applicant.

The Inspection Division consists of seven inspectors and a supervisor who travel to sites under construction to ensure that the building engineering and building construction falls within County, State, and federal safety standards. Five of these inspectors are cross-trained in multiple areas (building and electrical) while the other two are certified as building inspectors only. The Inspection Division performs inspections for all residential and commercial construction during at least three phases of construction. Residential inspections include new homes, additions, roof repairs, siding, garages, decks, porch enclosures, windows and doors, interior remodeling, and dwelling repairs for fire damage. Commercial inspections include additions, remodeling and new construction to all places of business, including government buildings and hospitals.

The County anticipates using Permit Central to centralize all governing agencies that are involved in land use and development in Clermont County, thereby simplifying the permit process and allowing greater cooperation between departments and agencies. Permit Central also recently began contracting building construction inspection services to neighboring Brown County. Brown County does not have enough commercial construction to justify its own building construction inspection department. The CBO also plans to modify Permit Central's fee structures to reflect the services rendered and the actual cost of services to residents of both Clermont and Brown Counties.

Although Permit Central is a county agency, it is responsible for the enforcement of certain federal and State regulations. Ohio's General Assembly adopts building codes and establishes rules for construction as a basis for local residential codes. The Ohio Board of Building Standards (OBBS) also has mandatory reporting requirements and a 3.0 percent assessment on all permits fees, accompanied by a detailed report on permits issues that must be filed with the Board on a monthly basis. Federal influences on Permit Central include the following:

- American with Disabilities Act (ADA): establishes building code restrictions
- Federal Aviation Administration (FAA): permits and zones county airports
- Federal Emergency Management Agency (FEMA): governs flood-way management
- Environmental Protection Agency (EPA): regulates general environmental issues

Summary of Operations

Permit Central issues permits for several departments that, until recently, were housed in separate buildings throughout the County. Prior to issuing permits for residential or commercial structures, Permit Central reviews the plans for compliance with County and State statutes to ensure that a

minimal level of safety exists throughout the construction process and in the completed structures themselves. PC also enforces zoning regulations for County airports and flood plains, sewer laterals and taps, driveways and some right-of-ways. Currently, County residents can obtain the following types of permits at Permit Central:

- Building
- Mechanical
- Electrical
- Fire Suppression
- Water Management and Sediment Control (WMSC)
- Flood Management
- Driveway
- Right-of-way
- Frontage
- Public Sewer
- Water
- Food Service
- Plumbing
- Septic System

Inspections are generally performed at three different stages of construction including: the foundation stage, the rough stage and the finished stage. The purpose of inspections is to ensure compliance with uniform minimum standards and requirements for the erection, construction, repair, alteration and maintenance of buildings. In FY 1999, PC conducted approximately 27,262 inspections. Because the Building Inspection Department was the only County inspection agency to fully assimilate into Permit Central, the PC inspection team is only qualified to conduct the following types of inspections:

- Building
- Mechanical
- Electrical
- Fire Protection
- Water Management and Sediment Control (WMSC)
- Residential Driveways
- Sewer Laterals and Connections

Although PC's inspectors can perform many common inspections, the Health District inspects plumbing and the Engineer's Office performs inspections for such things as commercial driveways and curb cuts. Costs associated with building inspections are covered by the building permits purchased by residents and/or contractors. In FY 1999, PC issued 4,144 combined residential and commercial permits.

Monies collected for the other types of permits issued by Permit Central are transferred to the appropriate inspecting agency. Currently, PC issues most types of permits but only building inspections are performed directly through PC. For example, a resident or contractor may purchase a plumbing permit at PC, however the earnings generated from the permit are then transferred to the Clermont County Health District which is responsible for performing the inspection. Therefore, PC must collaborate with a number of County agencies in order to issue permits and facilitate payments in an efficient and effective manner.

Staffing

Permit Central is made up of the Chief Building Official (CBO), a plans examiner, a clerical supervisor, an administrative secretary, an inspection team leader, seven inspectors, and four permit specialists. All of these are full time equivalents (FTEs) and report directly to the CBO. The four permit specialists are responsible for all aspects of reviewing, issuing, and filing permits. Two of the inspectors specialize in building inspections and five are cross-trained in building and electrical inspections. **Table 2-1** shows the staffing of Permit Central.

Table 2-1: Permit Central Staffing

Classification	Administration/Office	Mobile Crew	Total FTEs
Administration			
Director/ Chief Building Official	1	0	1
Plans Examiner	1	0	1
Clerical Supervisor	1	0	1
Administrative Secretary 2	1	0	1
Total Administration	4	0	4
Support Staff			
Inspector Team Leader	0	1	1
Building Inspectors	0	2	2
Building/ Electrical Inspector	0	5	5
Permit Specialists	0	4	4
Total Support Staff	0	12	12
Total	4	12	16

Source: Permit Central staffing records

Key Statistics and Financial Data

Key statistics and financial data related to Permit Central's operations are presented in **Tables 2-2** through **2-5**. The tables include indicators that are important in comparing the performance of Permit Central to permit issuing agencies in similar counties. **Table 2-2** shows general statistics regarding Clermont and the peer counties in FY 1999, including population growth, number of permitting employees, number of inspection employees and single family housing starts. Single family housing starts represent new residential builds intended to house one family.

Table 2-2: Population, Housing Starts and Staffing Levels

County	Population Growth Between 1990 and 2000 ¹	Single Family Housing Starts	Permitting Employees	Inspection Employees
Clermont	23,797	1,497	4.5	9.0 ²
Clark	2,759	409	1.5	8.0
Greene	9,628	616	4.0	6.0
Lake	5,620	746	2.5	6.0
Medina	12,206	1,470	2.5	10.0
Portage	6,345	780	5.0	5.5
Warren	16,579	2,725	3.5	7.0
Average	10,991	1,178	3.4	7.4

Source: PC; peer building departments; Census Bureau

¹ Population growth reflects the population in the building department's jurisdiction only. The building departments within each county do not serve the entire population of the County because certain municipalities within these counties issue their own residential and/or commercial permits.

² In order to facilitate an accurate staffing comparison, this number includes the inspector team leader and the plans examiner and may not correlate to the number of inspectors listed elsewhere.

Clermont County has experienced the highest total population growth (23,797 residents) within its service area. Warren County reported the second highest population growth between 1990 and 2000 with 16,579 new residents and Medina reported the third highest population growth with 12,206 new residents. Clermont County had the second highest amount of single family housing starts at 1,497, which is consistent with the growth in population. Generally, a positive correlation exists between higher population growth and increased permitting and inspection activity.

Table 2-3 presents FY 1998 and 1999 actual expenditures, and FY 2000 budgeted expenditures for Permit Central.

Table 2-3: Permit Central Expenditures, Three Year History

	1998 FY Actual Expenditures	1999 FY Actual Expenditures	% Change FY 1998- FY 1999	FY 2000 Budgeted Expenditures	%Change FY 1999- FY 2000
Salaries and Benefits	\$676,828	\$725,028	7.1%	\$790,015	9.0%
Purchased Services	\$10,451	\$5,211	(50.1)%	\$32,225	518.0%
Supplies and Equipment	\$20,451	\$20,072	(1.9)%	\$25,800	28.5%
Miscellaneous	\$18,816	\$24,023	27.7%	\$26,019	8.3%
Department Total	\$726,547	\$774,334	6.6%	\$874,059	12.9%

Source: Permit Central

Explanations for some of the more significant variances in **Table 2-3** are as follows:

- *An increase in salaries and benefits from FY 1998 to FY 1999 and for FY 2000 budget:* The increase in salary and benefits costs was due to increased costs incurred by the County for health insurance and raises provided to PC employees. Staffing within PC has remained stable during the historical period and FY 2000 budget year.
- *A decrease in purchased services from FY 1998 to FY 1999 and an increase for FY 2000 :* The decrease in purchased services costs between FY 1998 and FY 1999 was due to fewer temporary employees being hired. The increase in purchased services expenditures for the FY 2000 budget was due to additional contracted services.
- *An increase in supplies and equipment for FY 2000:* The increase in supplies and equipment expenditures in the FY 2000 budget was due to the purchase of a copier and a fax machine for PC.
- *An increase in miscellaneous expenditures for FY 2000:* The increase in miscellaneous expenditures was due to the purchase of cell phones to enhance PC field communications.

Table 2-4 shows general indicators used to measure the efficiency of Permit Central.

Table 2-4: Permit Central FY 1999 Indicators

Total Number of Department Permits Issued	4,144
Commercial	1,580
Combined Residential Permits	2,564
Total Non-combination Residential Permits ¹	9,802
Actual Building	2,893
Actual Electrical	4,838
Actual Mechanical	2,071
Permits Issued, Seven County Average	5,161
Customer Cost per Permit Issued	\$88.05
Permit Central's Adjusted Cost to Conduct Inspections ²	\$85.20
Seven County Average Cost per Permit Issued	\$95.79
Total Number of Department Inspections	27,262
Building Inspections	8,637
Mechanical Inspections	5,134
Electrical Inspections	9,756
Fire Protection Inspections	325
WMSC Inspections	18
Follow Up Inspections	1,635
Driveway Inspections	1,255
Sewer Inspections	330
Complaint Inspections	172
Inspections, Seven County Average	36,546
Total Permit Central Expenditures	\$774,334
FY 1999 Average Permits Department Expenditures, Seven Counties	\$549,666

Source: Permit Central, peer building departments

¹ Numbers based on resident applications.

² Costs adjusted to reflect three inspections per permit.

Total FY 1999 expenditures for Clermont and the peers are shown in **Table 2-5**. Also shown are the average permit fee and average cost per inspection for each agency.

Table 2-5: Peer County Cost per Permit and Inspection, FY 1999

County	FY 1999 Expenditures	Weighted Average Permit Fee Rate 1999 ¹	Average Cost per Inspection	Adjusted Cost per Inspection ³
Clermont	\$774,334	\$88.05	\$28.40	\$85.20
Clark	\$496,354	N/A ²	\$17.04	N/A ²
Greene	\$525,969	\$108.06	\$22.63	\$67.89
Lake	\$351,500	N/A	\$13.49	N/A ²
Medina	\$662,562	\$147.42	\$28.92	\$86.76
Portage	\$486,587	\$39.64	\$19.40	\$58.20
Warren	\$550,356	N/A	\$20.07	N/A ²
Average	\$549,666	\$95.79	\$21.42	\$74.51

Source: Permit Central; peer building departments

¹ Average permit fee rates were calculated using building, electrical and mechanical permits for residential and commercial builds.

² Information was not available for these agencies.

³ Inspection costs were adjusted to reflect the industry standard of three inspections per permit issued.

Based on fee schedules from PC and peer counties, Permit Central's average cost per permit is 8.1 percent below the peer average. However, PC's average cost per inspection is approximately \$7 above the peer average.

Performance Measures

The following is a list of performance measures that were used to conduct the analysis of the PC inspection/permit issuance process:

- Analyze staffing levels and mix
- Assess planning and performance measurement efforts
- Evaluate permit issuance efficiency
- Assess customer service levels in permit issuance process
- Evaluate use of contractor licenses in Clermont County
- Assess use of technology in the permit issuance and inspection process
- Analyze the efficiency of the inspection process
- Assess tracking and enforcement of violations

Permit Central

Findings / Commendations / Recommendations

Staffing

F3.1 Clermont County's Permit Central (PC) reports to the county administrator and consists of 16 full time equivalents (FTEs) including the Chief Building Official (CBO), the plans examiner, the administrative secretary, the inspector team leader, the permit central supervisor, four permit specialists and seven inspectors. The following is a brief description of the responsibilities of administrative members of PC staff according to job descriptions and interviews with personnel. PC's job descriptions were recently updated; PC employees appear to fulfill the requirements of their job descriptions as well as complete new tasks associated with the permit consolidation process that have not yet been included in PC's basic job descriptions.

- *Chief Building Official (CBO):* The CBO directs and supervises all functions of PC and the building, mechanical and electrical inspections, as well as inspection functions recently transferred from other County departments to the building inspection staff. The CBO also develops and implements PC's annual budget and policies, and directs PC's inventory control. As a component of his building inspection duties, the CBO oversees the review of residential and commercial plans, oversees inspectors, performs inspections and provides training seminars to PC inspectors and local residents and contractors.
- *Plans Examiner:* The plans examiner assists the CBO in performing administrative duties within PC, including policy development, and assumes the CBO's role in his absence. The plans examiner also acts as a liaison between PC and Clermont County residents and inspectors. The plans examiner's primary tasks include evaluating building plans for compliance with the Ohio Basic Building Code, providing consultation for proposed projects, providing assistance in correcting plans that do not meet code, and ensuring that codes are enforced uniformly through assisting in the training of PC staff.
- *Permit Specialist Supervisor:* The permit specialist supervisor oversees, evaluates, and trains PC's permit specialists. The supervisor is also responsible for routing plans and verifying any changes made to plans by the plans examiner. Also, the supervisor acts as a liaison between the CBO and the permit specialists, as well as to other County departments and residents.

- *Permit Specialist:* Permit specialists greet clients, conduct client interviews to ascertain the types of permits needed, assist in the filing of permit applications and collect payments for permits. The specialists are also responsible for routing plans to the appropriate departments (e.g.: plumbing plans must be verified by the County Health District), recording permits and inspection reports in PC's computer system, and providing complaint resolution services to PC's clients.
- *Inspector Team Leader:* The inspector team leader coordinates building inspection activities for PC to ensure compliance with the laws, rules and regulations of the Ohio Basic Building Code during the construction of an edifice. The team leader develops schedules and daily inspection routes for each inspector and is responsible for assisting the CBO and plans examiner in developing and implementing PC's policies and procedures.
- *Certified Building Inspector and Certified Building/Electrical Inspector:* PC employs building inspectors with two levels of certifications. While certified building inspectors are only qualified to inspect and report on building construction, the building/electrical inspectors can assess and report on building, electrical and mechanical aspects of construction projects. PC's inspectors perform daily building inspections of new, remodeled or existing residential, commercial, and/or institutional installations as well as mobile and modular homes to ensure compliance with State and County building codes.
- *Administrative Secretary:* The administrative secretary organizes and tracks inspection records and other departmental forms and reports. The administrative secretary provides support functions to the CBO and assumes a portion of his role in his absence. Finally, the administrative secretary acts as a liaison between PC and Clermont County contractors and residents.

PC's current positions appear similar to those in peer counties and mirror the types of job duties found in other centralized permit divisions. Overall, PC employees appear to fulfill the expectations outlined in their job descriptions and may, in some cases, exceed the requirements of their respective positions. The current allocation of duties, particularly the wide range of certifications held by inspectors, may increase the efficiency of PC by limiting the number of employees needed to fulfill critical portions of PC's primary tasks.

F3.2 **Table 3-1** shows staffing levels in Clermont County and the peer counties. The overall staffing levels and positions of PC are similar to those of the building departments in the peer counties.

Table 3-1: Staffing Level Comparison of Clermont and Peer Counties

Position	Clermont	Clark	Greene	Lake	Medina	Portage	Warren	Peer Average ¹
CBO	1.0	1.0	1.0	1.0	1.0	0.5	1.0	0.9
Administrative Secretary	1.0	0.5	0.0	0.5	0.5	0.0	0.5	0.4
Total Administration	2.0	1.5	1.0	1.5	1.5	0.5	1.5	1.4
Permit Specialist Supervisor	0.5	0.0	1.0	0.5	0.5	1.0	0.5	0.6
Permit Specialist	4.0	1.5	3.0	2.0	2.0	4.0	3.0	2.8
Total Permit Staff	4.5	1.5	4.0	2.5	2.5	5.0	3.5	3.4
Plans Examiner	1.0	2.0	1.0	1.0	1.0	0.5	1.0	1.1
Inspection Supervisor	0.3	1.0	0.0	2.0	2.0	0.0	1.0	0.9
Inspectors	7.7	5.0	5.0	3.0	7.0	5.0	5.0	5.4
Total Inspection Staff	9.0	8.0	6.0	6.0	10.0	5.5	7.0	7.4
Staff per Administrator	6.8	6.3	10.0	5.7	8.3	21.0	7.0	9.3
Ratio of Employees to New Residents In Service Area	1:1,487	1:251	1:875	1:562	1:871	1:577	1:1,381	1:858

Source: Permit Central; peer building departments

¹Peer average includes Clermont County

Clermont County employs the highest number of administrative employees and the second highest number of permit and inspection staff (25.0 percent more than the peer average), but the staff per administrator ratio is the third lowest at 26.9 percent below the peer average. Within the field of permits and building inspections, an appropriate ratio of staff to administrators has not been developed, although a range of one supervisor to six to ten employees is often suggested as a reasonable span of control. PC's range of 1 administrator to 6.8 employees appears to be reasonable when compared to recommended ratios.

When compared to the peers, PC has the highest ratio of staff to new residents which is approximately 73.3 percent above the peer average. A comparison of employees to new residents provides an indicator of overall service workload, assuming that new residents favorably correspond with housing starts and commercial growth. The high ratio of new residents to employees indicates that PC administrators and staff may have a greater workload than departments in other counties. Clark and Lake Counties, for example, have relatively

stable populations in unincorporated areas and therefore do not require the quantity of services necessary in Clermont County. The staffing allocation of PC employees appears to produce an adequate level of efficiency when compared to the potential scope of work.

- F3.3 Permit specialists work regularly scheduled hours within Permit Central's headquarters on Bauer Road. Each permit specialist tracks manually the time spent on broad task categories in 15 minute increments. While there is some variation in tasks on a daily basis, permit specialists have little trouble accurately accounting for their time and posting the time spent by task on PC's time-tracking system.

The inspectors' time is also tracked manually in 15 minute increments on a daily work sheet which lists the addresses of the inspections, the townships where the inspections occur, the results (pass/fail) and the amount of time taken to complete each inspection. The time sheets are turned into the permit specialists at the end of each day for entry into the time-tracking database. Inspectors' time sheets, though, may not accurately reflect the time required for each type of inspection as, in some cases, the time-tracking sheets are filled out with a fixed time, while in other cases the 15 minute increments may be too broad.

The labor required to maintain the time-tracking database has increased the workload for permit specialists and necessitated the addition of 0.5 FTE (see also **F3.22** regarding water payments). The CBO stated that unfamiliarity with the system impacts the time spent entering data and projects that the task will require less time once permit specialists are more familiar with the time-tracking software. Because of the time intensive nature of entering information into the database, the CBO is also hesitant to require more exact time information.

- R3.1** Once permit specialists become more familiar with the time-tracking software, PC should modify its time-tracking on the inspection routing sheets to reflect the actual time spent at each inspection site. PC inspectors should fill in the actual time used to complete inspections to show differences in types of inspections, make time-tracking more relevant and allow PC to make informed strategic planning initiatives based on average time spent for each type of inspection. If PC implements laptop computers for field use, as discussed in **F3.31**, the daily sheet could be completed in an electronic format, and downloaded directly into the time-tracking database, thereby reducing the time required of permit specialists for data entry.

- F3.4 Overtime is not used by permit specialists or inspectors within PC. Permit specialists work fixed hours, and because of the clerical nature of their jobs, either do not require overtime to complete their daily tasks or can carry over tasks to the following day. Inspectors use flex-time to avoid the use of overtime. While an inspector may work 10 hours on one day, the time would be compensated by allowing the employee to work only 6 hours on the following day. Generally, though, inspectors are able to complete the majority of their work within the

constraints of an 8-hour day and any minimal overtime accrued is used on Friday afternoon when the inspection portion of PC's work is in lower demand.

The use of overtime, especially in high proportion to daily hours worked, can negatively impact an agency's budget. Paying workers time and one-half for overtime can quickly increase personnel costs beyond budgeted amounts. In addition, continued use of excessive overtime hours may indicate the need for additional staffing or a reallocation of duties among agency staff. Low overtime or overtime avoidance, in contrast, is considered a best practice in personnel management.

PC's use of flex-time for inspectors allows inspectors to complete their assigned inspections without accruing overtime hours. Allowing inspectors to work the hours needed to complete their daily rounds of inspections ensures that customers -- residents or contractors -- will be served within the 24-hour inspection window (see **F3.29**) and will not have to spend an additional day in the inspection process.

C3.1 By using flex-time to accommodate both inspector workloads and customer needs, PC can maintain its 24-hour turnaround time for inspections and keep personnel costs within budgeted amounts. Flex-time allows the County to use its inspectors to the County's and residents' advantage and rewards additional time worked through compensatory time. The County avoids excessive overtime costs, and since PC inspectors spend their compensatory hours within the week worked, the County also does not have a long-term financial liability for compensatory time.

F3.5 PC's job descriptions were last updated in January 1997 to reflect the consolidation of permitting functions within PC. The job descriptions were in revision during the summer of 2000 because of recent changes in technical duties at PC related to the implementation of the Hansen System (see **F3.26**). PC's job descriptions appear complete and contain items included in best practice job descriptions. In brief, the job descriptions contain the following:

- Job title and required qualifications;
- Reporting and supervisory responsibilities;
- Essential functions of the job, its relation to PC goals, and its function within the departmental operations of PC;
- Required knowledge, skills, equipment operating licences and certifications;
- Working conditions; and
- Applicant acknowledgment of receipt of job description.

The job descriptions are linked to performance evaluations as PC performance evaluations ask the evaluator to assess the employee's skills in relation to the requirements of the job description.

C3.2 PC's job descriptions are up-to-date and include a high level of detail. Including characteristics of the job, as well as skill and educational requirements, in the position descriptions enables applicants to more fully understand the requirements of the job. The inclusion of required skills and certifications ensures that applicants are qualified for the job. Linking job descriptions to goals and departmental functions ensures that PC staff members understand and carry out their individual staff responsibilities to fulfill the mission of PC.

F3.6 The evaluation process used by the CBO and PC supervisors encompasses 22 separate criteria and at least three evaluators. Evaluations are conducted on an annual basis and are based on personal and organizational goals, which closely relate to job description responsibilities. The evaluations are also divided into self, peer, and supervisor evaluations.

Evaluations should be timely and relevant to the employee's current duties and professional growth needs. An agency should structure its evaluation process to help employees work toward attainment of agency mission, goals and objectives. Through the evaluation process, employees should be informed of strengths, weaknesses and progress in improving performance. Evaluations can also be used to strengthen work relationships and improve communication between supervisors and staff, develop employee skills, and recognize accomplishments and good work.

Within PC, the use of three evaluators, the employee, a peer and the supervisor, encompasses multiple points of view and creates a more accurate picture of the employee's performance. Also, the extensive set of criteria with an emphasis on job performance, goals and organizational mission, allows employees and their supervisors to directly correlate past performance and steps for performance enhancement to PC's mission within the County. Interviews with both supervisors and subordinates indicated support for the current system which was updated as recently as March 2000.

C3.3 The evaluation process used within PC is timely, consistent and responsive, and encompasses multiple points of view. According to both employees and supervisors, the evaluations accurately reflect the employee's job descriptions and subsequent performance and the needs of Permit Central. PC uses multiple viewpoints in its evaluations to ensure a fair and accurate evaluation process for each employee. Finally, the inclusion of personal goals allows employees to measure a portion of their performance against projected professional growth and development.

F3.7 The education and certification requirements within PC vary widely between permit specialists and inspectors. Permit specialists are required to have a high school diploma and are trained in the use of PC's computer system. Employees who work within the inspection division of PC are required to meet at least State of Ohio minimum certification standards. **Table 3-2** outlines state certification requirements for PC inspectors.

Table 3-2: Certification Requirements for Permit Central Staff

Position	Minimum Certification
Chief Building Official	<ul style="list-style-type: none"> ● Class one CBO certification as required by ORC § 3781 ● Valid Ohio driver's licence
Plans Examiner	<ul style="list-style-type: none"> ● Ohio Certificate of Registration as Professional Engineer or Architect ● Minimum five years experience in design and construction of buildings ● Class II state certification ● Valid Ohio driver's licence
Inspection Team Leader	<ul style="list-style-type: none"> ● Five years as foreman, supervisor, or owner of a company ● State of Ohio Class III Building Inspector and ESI (Electrical Safety Inspector) Certification ● A high school diploma or equivalent and two years formal education
Building/Electrical Inspector	<ul style="list-style-type: none"> ● State Board of Building Standards Certificate of Competency for electrical safety inspector and Building Inspector Class III certification ● Valid Ohio driver's licence
Certified Building Inspector	<ul style="list-style-type: none"> ● Ohio Class III Building Inspector certification ● State of Ohio driver's licence

Source: Permit Central position descriptions

PC's CBO, plans examiner and inspectors all meet state minimum certification requirements. All certifications are up-to-date and are directly relevant to the duties of each employee. Certifications no longer needed by PC are allowed to lapse, such as the nuclear facility inspection certification used to monitor the structural condition of a nuclear plant within Clermont County now converted to a coal-fired plant.

In addition, the plans examiner and the inspection supervisor both possess CBO certifications, which allows them to assist the CBO in his duties when necessary. The CBO carries additional certifications which allow him to practice and teach certification courses for each type of inspection performed by PC. Cross-training of inspectors has resulted in five of the seven inspectors being trained and certified to conduct all building inspections performed by PC (building, mechanical and electrical). The use of cross-training increases PC's ability to conduct inspections within 24 hours of scheduling, reduces the number of inspectors on staff, reduces the number of trips to each job site and reduces the overall cost for each inspection performed.

C3.4 Through the use of cross-training, PC has ensured that only the minimum number of employees are used to fulfill PC's mission and that costs are not inflated through redundant employees or overstaffing. Furthermore, the multiple certifications held by the CBO, plans examiners, and building/electrical inspectors provides PC with a well trained, knowledgeable work force. The extensive provision of training in Clermont County may reduce costs, not

only for PC, but for homeowners and contractors as better-trained inspectors generally provide a higher level of assurance in code compliance.

- F3.8 PC requires its inspection staff to attend training on a regular basis. All building, mechanical and electrical inspection certificates require a minimum of 30 hours of training every 3 years. Curriculum and certification requirements are determined by Ohio Revised Code (ORC) statutes. All employees in the inspection division of PC -- the CBO, plans examiner, and inspectors -- attended continuing building code education courses and courses in Ohio Safety and Health Administration (OSHA) regulations. Elective training included basic computer skills, team building and communications skills which was also attended by all inspection function employees. Although it is difficult to allocate training time for PC inspectors because of the small staff size, regular training keeps inspectors up-to-date on new trends in building inspections and reinforces prior training as well.

Continual training is important as it provides building inspection employees with updates or reinforcement training in the following areas:

- New national and State standards;
- New developments in inspection techniques or philosophies;
- New building materials and their use; and
- Current Ohio Basic Building Code.

Training provides an opportunity for inspectors and building inspection administrators to share common inspection problems, new solutions to education, licensing and inspections issues, and general methods of conducting business.

The training requirements at PC are similar to those used at the peer counties. Most counties do not require formal training beyond what is required by the ORC because of the time and difficulty involved in obtaining the required 30 hours of training every 3 years. Clermont County's training requirements and the use of electives to expand the skills of the CBO, plans examiner and inspectors ensure that PC's primary functions and secondary needs are both addressed.

- C3.5** PC's training requirements reflect a desire to empower staff members to be leaders and innovators in their respective fields and positions. Requiring the inspectors and the plans examiner to hold additional certifications increases the flexibility of PC's staff and creates a greater level of expertise within PC.

Strategic Planning

F3.9 PC uses Unit Plans of Work (UPWs) as its primary goal-setting vehicle. UPWs are established annually and reviewed periodically by management. A typical UPW establishes a time frame, necessary resources, supporting values, activities involved, and stakeholder benefits. However, there are no action steps assigned to the staff members. PC also has a brief five-year plan that outlines the general steps PC may take to achieve future goals.

Strategic planning is an important component of sound management practices and is necessary to coordinate agency funds with proposed programs. Generally, a five-year strategic plan is recognized as a standard time horizon for long-term planning. A five-year plan has a sufficiently long outlook to show the general direction of an agency and the outcomes of its initiatives while maintaining the flexibility to alter the plan without overly cumbersome revisions. A strategic plan should:

- Establish the overall mission, vision, goals, objectives and strategies of the organization;
- Provide an ongoing framework for action upon which decisions can be made about what is being performed;
- Create an understanding regarding the intent of the program and how its actions are moving the program toward its desired outcomes;
- Provide a basis for the allocation of tasks, which includes the roles and responsibilities of each party;
- Assess the programs' current and past successes in order to inform the necessary parties;
- Identify resources required to achieve the desired outcome;
- Improve performance through monitoring and eliminating activities that are not contributing to the desired outcomes; and
- Increase accountability for stakeholders and management.

The Medina County Building Department (MCBD) has recently developed a strategic plan that is highly detailed and could be used as a model for future strategic plans for Permit Central. MCBD included contractor registration, splintering the revenue base, and technological changes in its plan. The plan was developed to help improve the Medina County Building Department operational environment.

Through activity-based costing and "Managing for Results"(see **F3.12**), the planning component of PC has evolved and become more detailed and outcome-oriented. However, the UPWs currently used by PC do not provide an adequate vehicle to demonstrate the long-term plans for PC. UPWs are insufficient to show planned expansions of duties, realignment

of fees to meet actual expenditures, and the incorporation of field technology into PC's general operations.

R3.2 PC should place a high priority on formulating a long-term strategic plan that includes objectives, definitions of desired outcomes, and realistic time lines for implementation as described above. The success of strategic planning depends on effective internal communication and the ability to aggressively seek out and listen to customers. A successful strategic plan should also encompass several years of planning and be updated at least annually to reflect accomplishments and changes in priorities.

The strategic plan should:

- Establish the overall mission, vision, goals, objectives and strategies of PC, and develop means to meet the goals and objectives (action plan);
- Establish mechanisms for coordinating and monitoring projects among different departments;
- Address issues that are common to all projects;
- Prioritize projects;
- Require realistic time frames with an implementation plan; and
- Describe department coordination and project leadership as well as project accountability.

F3.10 PC uses a limited number of benchmarks to measure its operational performance. PC uses activity based costing to identify the actual cost for services prior to fee realignment, but has not used activity based costing to identify areas for cost reduction. Efficiency measures, which could be tracked through PC's time-tracking software, have not been implemented. Also, PC does not track the number of inspections or permits processed on a per employee or agency-wide basis. Performance measures are not currently used for management decision-making functions.

Performance measures are defined as a system of customer-focused quantified indicators that let an organization know if it is meeting its goals and objectives. Performance measures are a management tool that measures work performed and the results achieved. These same measures form a basis for management to plan, budget, structure the program, and control results. Measurement for performance helps to ensure a continuous provision of efficient and effective services being provided. The types of performance measures most commonly used in government include:

- **Inputs:** Resources used (what is needed);
- **Outputs:** Activities completed (what is produced);
- **Outcomes:** Results achieved;

- **Efficiency:** How well resources were used; and
- **Quality:** Effectiveness (how much has PC improved)

Each measure is designed to answer a different question. It is not always necessary to use all of the types of measures to determine if an objective is being achieved. Good performance measures need to be specifically defined and identified. Clear explanations are necessary to indicate what is being measured, the source of the information, and how the value is calculated.

PC has not implemented performance measurement in the management decision-making process because of its recent establishment. PC is recognized as creating a cost savings to Clermont County through the development of economies of scale. However, the absence of performance measures hinders County management from understanding the full extent of efficiencies created by PC's consolidation.

R3.3 PC should develop a methodology to obtain and analyze the results of internal and external performance. It is important that the performance measures be aligned with PC's objectives to effectively evaluate performance. The implementation of a performance measurement system is an evolutionary experience in which measures will likely improve with experience. Initially, PC should focus on common indicators. The use and reporting of performance measures may increase PC's efficiency and should better inform key stakeholders of PC's overall performance. Examples of issues that PC should consider measuring include:

- Staff time used by type of inspection (Input);
- Permit applications processed by permit specialist (Input);
- Time required to complete inspections (Efficiency);
- Number of multiple inspections completed in one visit (Efficiency);
- Number of violations investigated (Output);
- Number of conditional certificates of occupancy issued (Output);
- Wait time for permits and inspections (Outcome);
- Increase in the number of services available through one location (Outcome); and
- Percentage increase in customer satisfaction levels (Quality).

Measures and aggregate results should be publicized in PC's annual report, and proposed increases in service levels should be incorporated into PC's strategic plan and annual budget request. Also, PC should incorporate measurement results into its Web site.

F3.11 PC does not have a formalized quality improvement system designed to measure its performance with regards to outcomes. PC has not developed a formal process for identifying measurable outcomes for permitting and inspections, or reporting outcomes to County management and the community and incorporating the results into the decision-making

processes. In measuring and reporting progress towards identifiable outcomes, County agencies become more accountable in providing a high level of services in an economic manner.

R3.4 Since the “Managing for Results” program encourages government entities to focus on outcomes rather than activities (see **F3.12**), PC should design a quality improvement system to develop, assess and report outcome measures. Outcome measures can be incorporated into all aspects of an agency’s operations and should address the expected operational results. PC should consider the following recommended steps in the development of outcome measures.

- Identify key stakeholders to be included in building a consensus on three to five target outcomes which are consistent with PC’s mission;
- Develop a set of measurable indicators for each target outcome by which progress may be assessed;
- Structure PC’s information system to be enabled to collect data on outcome indicators; and
- Incorporate a focus on outcomes into all levels of PC by modifying daily operations to include a process of reporting progress towards identified outcomes.

Once the target outcomes are established by key stakeholders, PC should identify an individual or committee responsible for reporting the progress towards the identified outcomes to management staff and key stakeholders. With periodic progress reports on outcome achievement, PC management is better able to make decisions regarding overall and individual employee performance. By involving key stakeholders in the process, PC is more accountable to the community for maintaining uniform minimum standards and requirements for the building, construction, repair, alteration and maintenance of buildings.

F3.12 In 1998, the Commissioners asked departmental supervisors throughout the County to participate in a leadership program designed to improve government. The program, “Managing for Results,” encourages management staff to shift an organization’s focus from inputs to outcomes. The philosophy behind this program logically follows other important studies on improving government, including *Reinventing Government*, (1992) and *Banishing Bureaucracy*, (1997). PC management participated in the program which included a series of workshops, lectures, and videos that address a variety of results-oriented approaches to management. Some of the major initiatives suggested by the “Managing for Results” program include:

- Focus on moving from inputs to outcomes;

- Identify and involve key stakeholders;
- Use strategic planning and visioning to adopt goals as a community;
- Use performance measures and benchmarks to monitor progress;
- Utilize surveys to obtain input from the community and clients;
- Communicate performance results to all stakeholders to improve accountability;
- Shift organizational control away from the top and center to help flatten the organizational chart; and
- Establish collaborative partnerships for shared outcomes.

PC has instituted several aspects of “Managing for Results.” A client questionnaire has been used and PC established and maintains collaborative partnerships with various groups from the public and private sectors. However, key stakeholders have not been identified or heavily involved and PC has not developed outcome measures (see **R3.3** and **R3.4**).

F3.13 PC does not have a current policies and procedures manual. Although PC has a very complete but out-of-date manual available, the CBO stated that many areas of permitting and inspections have changed to the extent that the manual is no longer accurate. The purpose of the policies and procedures manual is to make uniform the decision-making process and routinize daily operations so staff members have a handy reference tool. Access to policies and procedures is important to ensure continuity and consistent application of agency regulations. The CBO is in the process of revising and updating the manual to include all pertinent areas of permitting, plans examination, and inspection in each area currently under PC’s management.

R3.5 PC should update the in-house manual to include any changes to the Ohio building codes and additional applicable policies and procedures. This process could be included in the strategic plan as an intended goal with an attached action plan. The following is a list of key policy and procedural areas which could be included in the manual:

- Staff training and orientation;
- Functional area policies and procedures (permitting, plans examination, and inspecting);
- Quality assurance;
- Public relations;
- Relationships with stakeholders; and
- Administration.

Additionally, PC should consider placing the policies and procedures manual online to increase accessibility and improve efficiency. The manual could be accessed from the field by inspectors through the County intranet and would be available to all office staff through desktop computers.

F3.14 Clermont County bases PC's budget on the previous year's expenditures. **Table 3-3** illustrates Permit Central's budget and actual expenditures for FYs 1997, 1998 and 1999.

Table 3-3: FY 1997-99 Budget versus Actual Expenditures

Fiscal Year	Budgeted Expenditures	Actual Expenditures	Favorable Variance	Percent
FY 1997	\$759,720	\$743,398	\$16,322	2.1%
FY 1998	\$755,111	\$726,547	\$28,564	3.8%
FY 1999	\$802,119	\$774,334	\$27,785	3.5%

Source: Permit Central

PC's budgeted versus actual expenditures are within an appropriate range of variance. Typically, budgeted versus actual amounts are expected to vary between 3.0 and 5.0 percent. **Table 3-3** indicates that PC's estimations of future expenditures are very close to year-end reported expenditures

F3.15 The income generated from PC permit fees exceeds PC's annual operating costs. PC is funded through the County general fund and all fees are returned to the general fund and not retained for departmental operations. Best practices in budgeting indicate that budgetary surpluses should be retained within the department or agency to encourage savings. In addition, agencies or departments that generate income above expenses should be categorized as enterprise funds and should be removed from the parent jurisdiction's General Fund budget. The building departments of Wood and Lucas Counties currently operate as enterprise funds. PC has the capacity to operate as an enterprise fund but has not yet restructured its accounts through the County. Also, PC does not retain surplus generated by fees to cover best practice inspection functions such as episodic, County-wide inspections.

R3.6 PC should request the County Commissioners to designate PC as an enterprise fund. PC has the ability to fund its operations through permit fees. Establishing PC as an enterprise fund would encourage PC to increase efficiency and retain earnings for future improvements or large scale expenditures. This could also help PC tailor its permit fees to actual inspection costs. Permit Central should consult with the building departments of Wood and Lucas Counties to seek direction and advice in establishing itself as an enterprise fund.

F3.16 Further centralization of permitting and inspection functions may be possible through PC. The CBO has identified several areas that could be included under the PC umbrella which would benefit from centralized coordination. However, communication links between PC and interrelated departments are not strong and cooperation is sporadic. Strong communication and coordination would be necessary to ensure streamlined operations between PC and the

issuing authority. Additional consolidation is not currently being explored because of differing technology usage and reluctance on the part of identified agencies to consolidate operations.

R3.7 The County administration should identify all permitting agencies, such as the Health District, the Engineer's Office, and the County Auditor, and, through business process re-engineering, include the permitting function in PC. Reduced costs, increase efficiency and greater levels of customer service would be possible through a fully integrated permitting agency. County administration should consider future consolidations of functions between PC and Regional Planning, Geographic Information System, and the Auditor's Office.

Permit Issuance

F3.17 Permit specialists are responsible for direct customer service, issuing permits and routing plans. **Table 3-4** compares permit specialists in Clermont and the peers to new residents and new single family housing starts. The comparison of permit specialists to construction activity indicators shows the efficiency of the permit specialists and their respective permit-issuing divisions. Single family housing starts include new residential builds for one family in FY 1999. New residents and single family housing starts are indicative of the potential need for permit specialists.

Table 3-4: New Residents and Single Housing Starts to Permit Specialists

County	Permit Specialists	New Residents per Permit Specialist ¹	Single Family Housing Starts per Permit Specialist
Clermont	4.5	5,288	333
Clark	1.5	1,839	273
Greene	4.0	2,407	154
Lake	2.5	2,248	298
Medina	2.5	4,882	588
Portage	5.0	1,269	156
Warren	3.5	4,737	779
Average	3.4	3,239	369

Source: Permit Central; peer building departments

¹ Number of new residents from FY 1990 to 2000

Clermont County has experienced the highest total population growth (23,797 residents) within its service area since FY 1990, while it also had the second highest amount of single family housing starts at 1,497 in FY 1999 (see **Table 2-2**). Based on the number of new

residents, Clermont appears to have the potential need for a larger than average staff. However, the number of single family housing starts per permit specialist in Clermont County is relatively low as compared to the peer average. The number of single family housing starts is more indicative of the need for permitting staff than the number of new residents. Although the number of new residents in Clermont County is high, permits are issued for the construction of dwellings, not residents themselves. The relatively low number of housing starts per permit specialist (333) indicates that Permit Central appears to have a sufficient level of staff to handle the workload associated with issuing permits for new single family housing starts.

- F3.18 In an effort to become more customer focused, Permit Central issues combination residential permits which incorporate a number of separate permits into one residential permit. For new housing builds, for example, consumers need a building, a mechanical and an electrical permit to begin construction. The majority of building departments process and issue three separate permits for the construction of a new housing build. Permit Central, however, issues one combination permit for all three functions. In order to remain consistent in the analysis of the peer agencies, **Table 3-5** illustrates the number of applications for the three functions as well as the number of combination permits for Clermont County.

Table 3-5: Residential Permits Issued to Permit Specialists in 1999

County ¹	Building Permits	Electrical Permits	Mechanical Permits	Total	Permit Specialists	Permits Issued Per Permit Specialist
Clermont	2,893	4,838	2,071	9,802 ²	4.5	2,178
Clark	463	460	851	1,774	1.5	1,183
Greene	1,438	1,018	969	3,425	4.0	856
Medina	1,751	1,880	904	4,535	2.5	1,814
Portage	1,676	1,481	795	3,952	5.0	790
Average	1,644	1,935	1,118	4,498	3.5	1,364

Source: Permit Central; peer building departments

¹ Warren and Lake Counties were not included in the table because they were unable to provide specific numbers for each type of permit.

² The number of permits for Clermont is based on resident applications.

Permit specialists at PC processed 9,802 residential permit applications which resulted in the issuance of 2,564 combination permits in 1999 (see **Table 2-4**). For comparison purposes, however, Permit Central issued 117.9 percent more residential permits than the peer average of 4,498. In addition, each permit specialist at PC issued 2,178 residential permits in 1999, exceeding the average of 1,364 residential permits per specialist in the peer agencies. Because Permit Central is a consolidated agency, its permit specialists are also responsible for issuing

other types of permits which are outside the jurisdiction of the peer building departments, including fire protection, food service and septic systems.

C3.6 Permit Central far surpasses the peer averages associated with the issuance of residential permits. The issuance of combination residential permits allows PC to more efficiently process applications and provide County residents with a high level of service. By combining residential building, mechanical and electrical permits, PC has consolidated the application processing function and eliminated redundant paperwork for permit specialists as well as for customers. In addition, by combining residential permits, PC is able to issue other types of permits which are generally outside the scope of county building departments.

F3.19 Commercial permits are issued by Permit Central for the construction and/or alteration of all places of business, government buildings and hospitals. Compared to residential permits, which only require 24 hours to process, commercial permits are more complex and require three to four weeks to process and issue to the applicant.

Table 3-6: Commercial Permits Issued to Permit Specialists in 1999

County	Permit Specialists	Commercial Permits Issued	Commercial Permits per Permit Specialist	Commercial Permits Issued per Permit Specialist per day
Clermont	4.5	1,580	351	1.4
Clark	1.5	127	85	0.3
Greene	4.0	1,185	296	1.1
Lake	2.5	206	82	0.3
Medina	2.5	979	392	1.5
Portage	5.0	511	102	0.4
Warren	3.5	N/A ¹	N/A ¹	N/A ¹
Average	3.4	765	218	0.8

Source: Permit Central; peer building departments

¹ Data was not provided on commercial permits by Warren County

Permit Central collectively processed and issued 1,580 commercial permits in 1999, exceeding the peer average by 106.5 percent. In addition, PC's permit specialists issued 351 commercial permits each. This level of individual output was only surpassed by Medina's permit specialists who issued 392 commercial permits each. More specifically, permit specialists in Clermont issued 1.4 commercial permits per day while the peer average was only 0.8 commercial permits issued per day.

C3.7 Permit Central effectively processes and issues commercial permits for area businesses, government buildings and hospitals. Considering the complexity involved in processing commercial permits, PC maintains a high level of output in this area. As evidenced by the high number of commercial permits issued by Permit Central as compared to the peers, it appears that PC has implemented efficient work practices to deal with Clermont County's growth in commercial development.

R3.8 Although PC issues a high number of commercial and residential permits, a time-tracking study may reveal staff time allotment variances between various permitting functions. PC may be able to further increase its output by achieving an appropriate balance between the commercial and residential permitting processes based on time-tracking and activity-based costing.

F3.20 **Table 3-7** compares average permit fee rates to average cost per inspection between Clermont and the peers.

Table 3-7: Average Cost per Permit/Inspection- Peer Counties

County	Average Cost per Inspection ¹	Adjusted Cost per Inspection ²	Adjusted Customer Cost FY 1999 ³	Difference
Clermont	\$28.40	\$85.20	\$88.05	\$2.85
Greene	\$22.63	\$67.89	\$108.06	\$40.17
Medina	\$28.92	\$86.76	\$147.42	\$60.66
Portage	\$19.40	\$58.20	\$39.64	(\$18.56)
Average	\$24.84	\$74.51	\$95.79	\$21.28

Source: Permit Central; peer building departments

¹ Average costs per inspection were calculated using total budget and total inspections performed.

² Inspection costs were adjusted to reflect the industry standard of three inspections per permit issued.

³ Average permit fee rates were calculated using building, electrical and mechanical permits for residential and commercial builds.

The adjusted customer cost for Clermont County residents is 8.1 percent lower than the peer average, and the average and adjusted costs for PC to conduct an inspection are each 14.3 percent above the peer average. Inspections are generally performed at three different stages of construction, including the foundation stage, the rough stage and the finished stage. Therefore, the cost per inspection was adjusted to reflect three inspections performed per permit issued. The difference between the average permit fee and adjusted inspection cost for Clermont County (\$2.85) is significantly lower than the peer average (\$21.28).

C3.8 Permit fees assessed by Permit Central cover the costs of performing inspections as well as the administrative expenses associated with issuing permits. PC charges fees that more accurately reflect costs incurred for performing inspections than the peers. This ensures that customers are only paying for those services that they receive. By establishing fees that are reflective of actual costs, PC has established a measure of accountability in ensuring efficient services to its customers.

F3.21 The fees received for permits exceed the costs for inspections in every category except fire protection and complaints. Although the issuance of fire protection permits is rare, the costs associated with performing fire protection inspections are high. The average fire protection permit is \$122.73 while the average cost incurred by PC to conduct a fire protection inspection is \$401.68. Therefore, Permit Central spends an additional \$278.95 to fund a fire protection inspection. Due to the substantial variance between fire protection permit fees and inspection costs, Permit Central must subsidize fire protection inspections with fees generated from other types of permits. Subsidizing fire protection inspections, primarily conducted for commercial buildings, through residential permit fees unfairly benefits commercial property builders.

R3.9 PC should increase the costs of the various fire protection permits to reflect the actual costs of the subsequent inspections. However, streamlining or attempting to reduce costs associated with fire protection inspections is not recommended, as it could compromise the quality of the inspections and possibly jeopardize the safety of County residents. The cost of a fire protection permit should be increased to more accurately reflect the cost of the inspections. Permit Central should use activity-based costing studies as a guide in determining the adjusted permit fees.

F3.22 In addition to issuing a variety of permits, PC's permit specialists are also responsible for scheduling inspections and collecting water and sewer payments. **Table 3-8** compares the number of inspections scheduled by PC's permit specialists to those of the peer counties in 1999.

Table 3-8: Permit Specialists to Inspections Scheduled

County	Number of Permit Specialists	Inspections Scheduled	Inspections Scheduled Per Permit Specialist	Daily Inspections Scheduled Per Permit Specialist
Clermont	4.5	24,636	5,475	21.1
Clark	1.5	2,083	1,389	5.3
Greene	4.0	23,242	5,811	22.4
Lake	2.5	5,396	2,158	8.3
Medina	2.5	22,900	9,160	35.2
Portage	5.0	10,414	2,083	8.0
Warren	3.5	27,415	7,833	30.1
Average	3.4	16,584	4,844	18.6

Source: Ohio Board of Building Standards

A comparison of inspections scheduled by PC permit specialists and those of peer counties reveals that Permit Central collectively schedules 48.6 percent more inspections than the peer average. The workload on the PC permit specialists appears to be noticeably higher than the peer average. However, the number of inspections scheduled per permit specialist at PC is only 13.0 percent higher than the peer average, and permit specialists at Greene, Medina and Warren counties each schedule more inspections than PC's permit specialists. According to Permit Central's CBO, inspection scheduling and the resulting paperwork constitute a high percentage of the typical clerical workload performed by permit specialists.

In addition to issuing permits, routing plans and scheduling inspections, PC's permit specialists are also responsible for collecting water payments for the County's privatized water and sewer departments. Although the water and sewer department's primary functions were outsourced, the County still retains control of collecting payments at PC. According to the County's time-tracking software, the time allocated for payment collection is approximately 5-8 hours per day for only one FTE. In order to subsidize the hours spent by permit specialists collecting payments, Permit Central bills the private water and sewer departments.

R3.10 In order to perform its primary functions in an efficient and effective manner, Permit Central should determine whether the increased workload caused by collecting water payments and scheduling inspections is large enough to warrant an additional permit specialist. Activity-based costing reports and time-tracking software could assist management in determining the actual workload an additional permit specialist could assume if hired. By providing additional

services without compensating its staffing levels, PC may compromise its efficient issuance of residential and commercial permits.

F3.23 PC does not have up-to-date, formal guidelines for plans examiners and inspectors to use when reviewing commercial building plans. PC policy dictates that all residential plan reviews are completed within 24 hours, and this process is guided by a comprehensive review sheet. While commercial plan reviews are to be completed in less than two weeks, there are no formal guidelines for the completion of these reviews. Due to the wide variety of commercial structures reviewed by PC, highly detailed guidelines, as are in place for residential plan reviews, may hamper the efficiency of the process. Some form of general guidelines, however, could help to ensure that review areas are not overlooked, enhancing the level of safety of PC customers.

R3.11 PC should develop formal guidelines for the completion of commercial plans examinations. The guidelines should be flexible enough to accommodate a wide variety of commercial structures, but specific enough to ensure exams are thoroughly conducted and documented for all structures. Although PC has a checklist for residential plans, the CBO should update this checklist for plans examinations to ensure that all health and safety issues are covered for both residential and commercial plans. Plans examiners should also record the exact time required to review each individual set of plans to assist with time-tracking and PC's activity-based costing.

Permit Customer Service

F3.24 The permit process in Clermont County is initiated when a resident arrives at PC with a signed zoning permit or letter of approval from the township or village zoning office, a form of monetary payment, and three sets of building plans. One plan is sent to the building contractor, one plan is the inspector's field copy, and one plan is kept on file at PC. The plans are reviewed for compliance with all applicable County, State, and federal regulations. The resident fills out an application which covers all building, mechanical and electrical aspects of the structure. The applicant must go to the Health District, located in the same building, for a plumbing permit. After the application is complete, a receipt is given to the applicant and the permit information is recorded into the Hansen computer system (see **F3.26**).

Table 3-9 compares permit application requirements and subsequent approval times for Clermont and the peers.

Table 3-9: Application Requirements and Approval Times

County	Zoning Permit	Blueprint Copies	Site Plans	Separate Electrical	Separate Mechanical	Average Days Until Approval
Clermont	Yes	3	Yes	No	No	1.0
Clark	Yes	2	Yes	Yes	Yes	8.5
Greene	Yes	2	Yes	Yes	Yes	3.0
Lake	Yes	2	Yes	Yes	Yes	8.5
Medina	Yes	1	No	Yes	No	1.0
Portage	Yes	0	Yes	Yes	Yes	5.0
Warren	Yes	2	Yes	No	No	7.0
Average	N/A	2	N/A	N/A	N/A	4.9

Source: Permit Central; peer building departments

Table 3-9 indicates that PC and the peer counties all require zoning permits before the application process can begin. Clermont and Warren counties do not require separate electrical and mechanical permits, whereas Medina requires an electrical permit but not a separate mechanical permit.

As illustrated in **Table 3-9**, the average approval time for a residential permit among the peer counties is 4.9 days, while Clermont and Medina counties report the shortest average approval time (1.0 days) for residential permit applications. Several building departments studied by ICMA, including Fairfax, Virginia, use the 24-hour turnaround time as a performance benchmark. Permit Central has adopted this performance benchmark as formal policy in an effort to remain customer-focused and high-performing.

C3.9 By consolidating County permitting functions into a single entity that issues combined residential permits, Clermont County has avoided the redundancy in data entry and paperwork that is typical in counties where each department has its own permit-issuing staff. Although some applicants must visit the Clermont County Health District for plumbing permits, aggregating residential building, mechanical and electrical permits creates a substantial time-savings for both customers and permit specialists. In addition, Clermont's application process is further streamlined by enabling customers to complete all necessary paperwork at Permit Central. PC's issuance of residential permits within 24 hours of plans submission enables builders and contractors to commence work on structures more quickly than the majority of county building departments. PC's 24-hour turnaround time can be considered a best practice in building department permitting processes.

Licensing

F3.25 Although The Ohio Board of Building Standards (OBBS) issues licenses to contractors throughout the state, Permit Central does not require contractors to obtain state or local licenses for building trades in its service area. In general, licenses are issued to tradesmen to ensure quality and prevent code violations in the construction or remodeling of residential and commercial structures. A license is considered a legal device used to prevent unqualified persons from engaging in occupations where the public health, safety or welfare might be endangered. Although PC requires state-licensing for all fire suppression contractors, it does not require state-licensing for general contractors. In comparing the peer counties, Lake, Portage and Medina require proof of licensure for building trades while Clark, Greene and Warren do not require proof of licensure.

State law also allows counties to require contractors to obtain local licenses for building trades as a way to increase revenue and ensure safety. Building departments that issue local licenses for general contractors can generate revenue from fees paid to obtain the licenses. Local licensing systems enable county building departments to track the status of license renewals among the general contractors in their respective service areas. However, PC's CBO has been reluctant to implement local licensing for the sole purpose of profit generation. If the licenses are tracked in a database, building departments may also be able to correlate the contractors' licenses with customer complaints, previous inspections and work quality. Permit Central's CBO contends, however, that a contractor's work should be the focus of inspection and not necessarily the contractor's credentials.

R3.12 To ensure quality in the construction of residential and commercial builds in Clermont County, Permit Central should consider implementing local licensing for various contractors. In addition, PC should require proof of state licensure to verify journeyman or master craftsman status among contractors who obtain commercial and residential permits from Permit Central. In requiring contractor licensure before construction, PC would have a preemptive measure in place to assess the ability of the respective contractor.

By verifying and tracking contractor licenses in the Hansen system (see **F3.26**), PC can correlate passed and failed inspections with licenses to begin compiling performance records on area contractors. Performance records can be used by PC to track the abilities of area contractors. In addition, customers' time and money can ultimately be saved through the identification of poor-performing contractors who may have constructed or remodeled an edifice requiring rework. The information could also be entered into the violations-tracking database, as discussed in **F3.40**.

Permit Technology

F3.26 PC uses a modular information system package called the Hansen System to record and organize data, and to share information between departments. The Hansen System links PC's information system with the County Auditor's Office, the Geographic Information System (GIS) and Regional Planning. The Hansen System also provides the following benefits:

- Reduces the time necessary to acquire information/approval from other departments linked by the system;
- Allows permit applications to be updated on-line during the inspection process; and
- Increases connectivity through use of the Clermont County local area network to record, sort, and transmit data.

Once permit specialists become familiar with the Hansen System, the automated permit application and approval process will reduce the amount of time required to process a permit. Although permit specialists are in the process of learning the system, there still remains some degree of operational inefficiency due to the staff's lack of experience with the software. Permit specialists have received training on the Hansen System and rotate job duties to facilitate complete cross-training on the system.

F3.27 The Hansen System is capable of carrying data for permits and inspections of residential and commercial buildings, streets, sewers and other components of County infrastructure. PC chose the Hansen System because of the wide range of applications and the potential for other permitting departments to integrate their data into the system. For example, the Hansen System can track sewer locations with corresponding inlets, manholes and the accompanying grade of the surface street. This information would be ideal for use by the Engineering Department. The Engineering Department chose to implement a different system which may not be compatible with the Hansen System. If the two systems are incompatible, the potential for data integration and inter-departmental use is diminished.

R3.13 The Chief Information Officer of Clermont County's Information Services Department should coordinate the implementation of software systems between PC, the Engineering Department, the Health District and the Auditor's Office. A single system that will fulfill the needs of all four departments should be implemented on the County's local area network. By using a single system, PC and the other departments will ensure compatibility of systems and integration of data. In addition, a cost savings would be realized through the purchase of a single system. Finally, an integrated system would facilitate the transfer of permitting responsibilities from remaining permitting departments to PC.

F3.28 PC developed a Web site to provide user information to the public on permit requirements, permit and inspection processes, permit application and inspection checklists, and department

functions. The Web site appears to be comprehensive when compared to the Web sites of the peer counties. PC plans to implement an on-line permit application and fee payment system. On-line applications for permits will reduce the number of walk-in customers and will improve customer service by enabling PC to serve customers at their homes or places of business. None of the peer counties have implemented an on-line permit application and fee payment system. The County has hired a consultant to assist in the implementation of an on-line application process.

C3.10 PC's Web site provides residents and builders with complete and detailed permit application information. The development of on-line application processes will aid the County in streamlining operations by reducing walk-in traffic at PC. Customer service levels will also be increased as customers will be able to apply and pay for permits from their places of residence or business.

R3.14 PC should study counties and cities that already have an on-line permit application and fee payment system to determine the potential risks associated with e-business. Over-the-Internet credit systems may pose a security risk if provisions are not made to ensure the integrity of the system. Security measures should be considered an integral component of the on-line application process, and Clermont County's Information Services Department should be responsible for implementing all necessary security features for the on-line application system.

Inspections

F3.29 Once a builder or owner (client) has obtained the appropriate permit(s), an inspection can be scheduled by calling PC's Inspections Division. During the call, the client selects a day for the inspection. Most inspections can be performed within 24 hours of the initial request. On the day of the scheduled inspection, an inspector calls the client between 8:00 and 9:00 AM to schedule a two-hour window in which the inspection will occur. Inspectors are assigned to clients based on the type and location of inspection. The 24-hour turnaround and the two-hour scheduling window are both established best practices in inspection scheduling.

C3.11 PC consistently provides inspections to customers within 24 hours of the initial request. Additionally, by providing permit-holders a two-hour window in which the inspection will occur reduces the amount of time spent waiting on inspectors, which can increase the efficiency of work being done by builders and owners.

F3.30 Permit Central uses checklists to ensure that all of the proper inspections are performed for a particular permit. The checklist requires the inspector to sign and date it once the inspection is completed. In some cases, a series of inspections must be completed in a specific order. After the inspector completes the checklist, it is reviewed by a permit specialist for completion and entered into PC's computer system.

A detailed checklist provides inspectors with a guide to ensure all appropriate issues are examined in an inspection. To be fully effective, the checklist should correlate with PC's policies and procedures manual (see **F3.13** and **R3.5** regarding the development of a detailed manual).

F3.31 The inspection process at Permit Central is affected by the ability of the inspectors to access data from PC's computer system. Although they do not carry computers while performing inspections at job sites, the computer system informs inspectors of their schedules and inspection status. Inspectors currently fill out hand-written inspection records that are returned to PC's permit specialists for entry into the computer system, which is a time-consuming process for inspectors and permit specialists. PC plans to equip inspectors with laptop computers to assist with the inspection process. The use of laptop computers could create cost and time savings by providing the inspectors with remote access and communications to PC's office and computer system.

R3.15 Permit Central should equip inspectors with laptop computers. This could streamline the inspection process at PC by allowing inspectors to enter data directly into PC's computer system, rather than turning in manual forms to be entered by permit specialists. The computers should be connected to the 800 MHz system upon its completion to further enhance communications. The use of laptop computers could provide the following benefits to PC's inspection process:

- Organize inspection data in database format;
- Provide a simple, electronic form for inspectors to use at job sites;
- Assist in time-tracking and activity-based costing;
- Track inspection status; and
- Allow instant field communication by connecting to the 800 MHz system.

Financial Implication: The cost to provide laptop computers with 800 MHz communication capabilities to all PC inspectors would be approximately \$18,400.

F3.32 The number of inspections performed per permit issued depends on the complexity of the permitted structure and the type and extent of the inspections required. A typical single family residence requires inspections for building, electrical, mechanical, plumbing, fire protection, sewer connections and laterals, water, driveways and right of ways. Most of the inspectors at PC are cross-trained to perform several types of inspections, including building, mechanical and electrical. This makes it possible for one inspector to perform all three types of inspections in a single visit to a permitted construction site. When a cross-trained inspector performs multiple inspections in a single visit, they are recorded on separate inspection sheets.

The peer counties, with the exceptions of Medina and Warren, perform and record all inspections separately because inspectors are not cross-trained. Medina and Warren County combine building and mechanical inspections but perform separate electrical inspections. Medina County lists all inspections performed individually while Warren County records combination inspections, similar to Clermont.

C3.12 The use of cross-training in performing combination inspections allows PC to complete all necessary inspections in an efficient and effective manner. The amount of time needed for an inspection is reduced because only one inspector is needed for site visits. This controls the amount of drive time required as well as the amount of administrative time for functions such as filling out paper work. PC maximizes the use of its inspectors by requiring them to perform several inspections on each site visit.

F3.33 **Table 3-10** shows the number of residential and total inspections performed by Clermont and the peers in 1999. Also shown are inspections per inspector for the year and the average number of daily inspections for each. Fairfax County, Virginia is included in this comparison as a best practice agency that also uses a centralized permitting and inspections process.

Table 3-10: Inspections per Inspector - Yearly and Daily

County	Residential Inspections	Total Inspections ¹	Inspections per Inspector	Daily Inspections per Inspector
Clermont	19,908	24,636	2,737	10.5
Clark	1,635	2,083	260	1.0
Greene	16,036	23,242	3,874	14.9
Lake	3,644	5,396	899	3.5
Medina	16,335	22,900	2,290	8.8
Portage	9,135	10,414	1,893	7.3
Warren	23,176	27,415	3,916	15.1
Average	12,838	16,584	2,267	8.7
Fairfax, VA	N/A ²	213,900	2,546	9.8

Source: Ohio Board of Building Standards, Fairfax County Building Department

¹ Total inspections includes commercial inspections.

² Data not available.

Although the numbers of residential inspections and total inspections vary from county to county based on size and rate of growth, the annual and daily inspections per inspector categories show that Clermont's Permit Central compares favorably to the peers. PC's annual

inspections per inspector is the third highest among the peers including Fairfax and is 20.7 percent above the peer average. Similarly, PC's daily inspections per inspector is also the third highest of the peers and 20.7 percent above the peer average. There are limits to the number of inspections that can be conducted without compromising the overall quality of the inspections, and Clermont appears to be conducting a reasonable amount of inspections, assuming 45-minute inspections, including drive time. Performing a high number of inspections within reasonable parameters results in a cost and time savings because PC is only required to pay for minimal drive time.

The relative efficiency of PC's inspection function could be attributed to the use of cross-training for inspections staff, which allows one inspector to perform simultaneous building, mechanical and electrical inspections, which would otherwise require several visits by several inspectors in the peer counties. Fairfax County, which was also above the peer average, uses a similar combined inspections process while Medina and Warren Counties combine building and mechanical inspections, but require separate electrical inspections.

F3.34 Travel is a major factor in determining inspection efficiency. If an inspector must travel farther to get to permitted construction sites, the time and resources spent per inspection may increase. **Table 3-11** shows land area ratios for Clermont and the peer counties.

Table 3-11: Inspector to Land Area Ratios

County	Land Area by County	Number of Inspectors	Land Area per Inspector (Square Miles)
Clermont	452	8	56.5
Clark	400	6	66.7
Greene	415	5	83.0
Lake	228	5	45.6
Medina	422	9	46.9
Portage	492	5	98.4
Warren	400	6	66.7
Average	401	6	66.3

Source: Permit Central; peer building departments

PC services the second largest land area in comparison to the peers, but PC inspectors cover the third lowest land area per inspector. Despite the large size of the County, maintaining a relatively small land area per inspector allows PC to minimize travel time and perform a higher number of inspections.

F3.35 PC has negotiated to take over the commercial building inspection responsibilities for neighboring Brown County, which is a rural county of about 40,000 residents. Brown County does not have sufficient commercial building activity to warrant having its own building department. The four areas in Brown County that PC will service include Georgetown, Ripley, Mount Orab and Aberdeen. The construction activity in Brown County is near Batavia and should not present a logistical problem except for Aberdeen which is approximately 45 miles from PC. PC intends to hire two inspectors who would work on an as needed basis to meet the commercial inspection needs of Brown County. The cost of these inspectors will be off-set by the intergovernmental revenues received from Brown County.

C3.13 Brown County's request that PC absorbs its inspection function indicates that Permit Central is perceived as a high-performing agency throughout the area. In absorbing these functions for Brown County, PC has proactively demonstrated its willingness to expand its operational base to assist other local governments. PC should experience enhanced efficiency by creating an economy of scale while further developing its ability to operate as an enterprise fund (see **R3.6**) by receiving intergovernmental revenues from other entities.

Reinspection and Violations

F3.36 PC charges a reinspection fee of \$20.00 per required trip top the job site. The permit fees assessed by Permit Central are designed to cover the costs of the inspections and the associated administrative functions. Similarly, reinspection fees are designed to cover the cost of an additional trip to the job site for an inspector, although the current fee appears to be too low based on time-tracking and activity-based costing. Charging appropriate fees for reinspection offsets these costs and ensures that they are not subsidized by standard permit fees. PC plans to adjust the reinspection fee to more accurately reflect costs in the new fee schedule.

Franklin and Montgomery County Building departments also charge residents and builders for reinspection. Reinspection in both Franklin and Montgomery counties may be assessed an additional fee equal to the cost of the inspection. By charging additional fees, Franklin and Montgomery counties are able to offset additional costs incurred by the departments to reinspect faulty workmanship.

C3.14 By assessing fees for reinspection, PC shifts the cost burden from residential builders and owners to the offending parties. Although the fee currently appears to be too low, PC plans to update the fee as needed based on time-tracking and activity-based costing. This practice is consistent with PC's efforts to assess fees that closely correlate to actual costs (see **F3.20** and **C3.8**).

F3.37 Although PC gives allowances for continued occupancy of a permitted structure despite a failed inspection, provided the problem is not a life or health-threatening issue, PC does not have a formal policy governing the types of problems for which allowances can or cannot be made. In cases of continued occupancy allowances, the occupants must obtain a certificate of conditional occupancy from the CBO and correct the problem within a specified period of time. The discretion to issue conditional occupancy certificates rests solely with the CBO.

Providing allowances for failed inspections due to minor problems is a common practice among the peer counties. Warren County makes temporary allowances for commercial buildings only, while the other peer counties grant temporary certification of occupancy for commercial and residential structures. These certifications usually cover a 30 or 60-day time frame which is determined by the inspector at the site.

R3.16 PC should develop a formal policy on the issuance of conditional occupancy certificates. Due to the special circumstances surrounding these certificates, the discretion for their issuance should remain with the CBO. A formal policy should include some minimum requirements which, if unmet by the structure, would prevent a certificate from being issued. However, the final decision should be left to the judgement of the CBO to ensure that only safe structures needing minor work receive certificates.

F3.38 PC investigates complaints called in by County residents and employees. Complaints include both nuisance violations and building without a permit. It costs PC approximately \$73,000 annually to investigate complaints. Although there is a fine structure in place for valid complaints, these inspections do not generate revenue for PC as there is no associated procedure to levy the fines. Additionally, many complaints made to PC are not immediately resolved, requiring multiple inspections for the same complaint. PC has not differentiated the cost for nuisance and violation inspections versus inspections for construction which has occurred without a permit. There are plans to begin tracking this information in the Hansen system which would also make the information available to other County agencies and departments needing the information.

Franklin and Montgomery County Building departments charge residents and builders for valid complaints for nuisances and violations. Citations and violations have the potential to carry a \$300 fine and be prosecuted as a fourth degree misdemeanor which can result in a jail sentence of not more than six months. Both counties have defined policies for the application of nuisance and violation fees. These enforcement mechanisms are consistent with those in place in Clermont County, although PC does not levy the fines or penalties with the same consistency as Franklin and Montgomery Counties.

R3.17 PC should begin assessing the applicable penalties for valid complaints and nuisance inspections. While some complaints are not valid and should not result in a charge, an

examination of the types of complaints received by Permit Central indicated that many complaints are valid and require multiple inspections for the same violation, which should result in financial penalties. The fines should be tiered and should be punitive for complaints or violations resulting in several site visits to ensure that PC is covering its costs for performing the inspections.

- F3.39 PC has a penalty structure in place for unauthorized construction sites, but it does not have formal enforcement procedures to identify these situations. Because inspections are only performed for builders or owners who have applied for or received permits, PC has no formal means of knowing when construction is taking place in the County without a permit. If an unauthorized construction site is located, a “double-fee” penalty is assessed against the violator. This penalty requires the site owner to obtain the appropriate permit and pay double the cost of the permit. This penalty is rarely assessed because there are no formal procedures in place to locate and identify any unauthorized construction sites.

Franklin County Building Department fines residents and builders for construction occurring without a permit. Franklin County Building Department charges a fee equal to twice the permit cost for building which has occurred without a permit. The Department has established formal parameters to define the costs of the fines and the application of such penalties.

Also, Permit Central only performs progress inspections, which are performed at specified stages of construction based on the type of construction and the permits received. PC does not perform maintenance inspections, which are performed on existing structures or property, unless the owner applies for a permit to change the structure or property. “Periodic inspections” are a type of maintenance inspection performed routinely on all structures to ensure continued compliance with permitting and zoning laws. These inspections are performed at established time intervals, such as annually, biannually, or triennially. Periodic inspections are a useful tool to ensure that no construction is taking place without the appropriate permits and that existing structures are properly maintained in accordance with safety and zoning regulations.

Without formal enforcement procedures in place to guard against unauthorized construction, PC cannot ensure the safety and general compliance of all buildings within its jurisdiction. The lack of some type of maintenance inspections on all structures regardless of permit applications allows the existence of unauthorized construction which can circumvent safety and building requirements.

- R3.18** Permit Central should create formal enforcement policies to ensure compliance with all applicable permitting and safety standards. One such policy should be the performance of periodic inspections of all property within PC’s jurisdiction. These inspections should be performed at established intervals of at least every three years. This would ensure that all

existing structures continue to meet zoning and safety standards while acting as a deterrent for unauthorized construction. Based on the complaints and violations recorded in FYs 1998, 1999 and 2000 and a fee structure similar to those employed in Franklin and Montgomery counties, PC has the potential to generate approximately \$2,800 for building occurring without a permit. Reinspection for faulty work is not currently tracked and a cost could not be estimated.

PC could also provide training to other public agencies, such as the County Auditor's Office and local law enforcement officials, on how to identify compliance issues as they relate to permitting and construction. The County Auditor's Office performs property assessments every three years, and law enforcement officials have extensive, daily contact with the communities within the County. This additional surveillance would enhance PC's ability to identify unauthorized construction and existing structures with safety or compliance issues.

Financial Implication: PC has the potential to generate approximately \$2,800 annually for fees assessed against building occurring without a permit based on a three year average of recorded incidents.

- F3.40 Permit Central tracks all complaint and violations information in a spreadsheet maintained on PC's application software. PC does not use the violations module of the computer system. When a violation is noted by an inspector, the information is entered into the spreadsheet. This data entry, however, does not contain detailed information on the violations noted by the inspector. Additionally, using a spreadsheet, as opposed to a database, prevents PC from compiling longitudinal data or developing an effective system of violation tracking and enforcement.

A database tracking system for local permitting and inspections agencies, such as Permit Central, allows information to be compiled and compared in ways that are more useful than a simple spreadsheet. Longitudinal studies can be performed, and more accurate data can be used for management activities, such as activity-based costing. Additionally, more specific information regarding identified violations can be entered and tracked in a database. When a violation is identified, a concise narrative of the problem is needed, as opposed to a checklist. This allows specific types of violations to be tracked, as well as providing inspectors with a guide for reinspections on constructions that have received one or more violations.

By tracking inspections information in a spreadsheet without specific information about violations, PC is prevented from tracking all necessary or important data in such a way as to facilitate better performance. PC cannot examine performance longitudinally, nor can it compile statistics or performance measures for violations.

R3.19 Permit Central should follow through with plans to track all violation information in a centrally-maintained database. This database could be maintained either in the violations module of PC's existing computer system or in Corel Suite Paradox, which PC is already licensed to use. The information should be entered in sufficient detail as to allow meaningful longitudinal and comparison data to be compiled. This includes entering specific and informative narratives regarding any identified violations. This would also aid inspectors in repeat inspections of sites at which violations were noted. If PC follows through with its plans to equip all inspectors with laptop computers (see **F3.31** and **R3.15**), inspectors would be able to enter all necessary data directly into the database, eliminating the need for paper checklists. Because PC's computer system and Corel Suite are already in use, there would be no additional costs for PC to track violations information in a database.

This page intentionally left blank.