# CITY OF SAN ANTONIO

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May 4, 2022


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SUBJECT: Audit Report of San Antonio Metro Health District (SAMHD) Food Service Permit Inspection Fees and Revenues

Mayor and Council Members:

We are pleased to send you the final report of the SAMHD Food Service Permit Inspection Fees and Revenues. This audit began in November 2021 and concluded in March 2022. Management's verbatim response is included in Appendix B of the report. The SAMHD management and staff should be commended for their cooperation and assistance during this audit.

The Office of the City Auditor is available to discuss this report with you individually at your convenience.

Respectfully Submitted,

Kevin W. Barthold, CPA, CIA, CISA
City Auditor
City of San Antonio

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Judy Treviño, Audit Committee Member

# CITY OF SAN ANTONIO

# OFFICE OF THE CITY AUDITOR

Audit of San Antonio Metro Health District

Food Service Permit Inspection Fees and Revenues

Project No. AU22-020

May 4, 2022

Kevin W. Barthold, CPA, CIA, CISA
City Auditor

# Executive Summary

As part of our annual Audit Plan approved by City Council, we conducted an audit of the San Antonio Metro Health District (SAMHD), specifically food service permit inspection process, fees, and revenues. The audit objectives, conclusions, and recommendations follow:

**Determine if the Food Inspection Program is efficiently and effectively managed, inclusive of restaurants, food trucks, and temporary establishments.**

The Food Inspection Program is managed efficiently and effectively. SAMHD has adequate policies and procedures, personnel training, and a process for addressing citizen complaints regarding food establishments.

We verified inspection guidelines are in compliance with federal, state, and local regulations and inspections conducted by Sanitarians are complete and thorough.

In addition, we verified outstanding customer accounts are addressed appropriately and any applicable write-offs or cancellations are approved by management.

However, there are opportunities to strengthen the controls associated with annual Sanitarian inspection audits, re-inspection timeliness and invoicing, and Digital Heath Department system (DHD) user access.

We recommend that the Metro Health District Director:

- Improve current processes to ensure inspection audits are conducted for Sanitarians throughout each fiscal year.
- Improve current scheduling and/or oversight processes to ensure re-inspections are conducted in a timely manner.
- Implement controls to ensure re-inspection fees are assessed and invoiced.
- Strengthen controls for the DHD system by performing more frequent reviews to ensure that all user access is appropriate.

SAMHD Management agreed with the audit findings and has developed positive action plans to address them.

Management's verbatim response is in Appendix B on page 7.

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# Background

The San Antonio Metropolitan Health District (SAMHD) is the agency responsible for providing public health services in San Antonio and unincorporated areas of Bexar County. The department's mission is to prevent illness, promote healthy behaviors, and protect against health hazards throughout the community through education, collaboration, and key services.

Metro Health's Food and Environmental Health Services division (F&E) works to ensure maximum protection of food sanitation and environmental health. The division is responsible for reviewing and approving construction plans for food establishments and issuing all licenses and inspections of food establishments according to the local health code and state regulations.

Sanitarians inspect a variety of areas to include food establishments, bars, day care facilities, foster care and assisted living facilities, public school cafeterias, mobile food vendors, and temporary event food booths. Depending on the risk level assigned, an establishment can be inspected up to three times per year. The division also ensures that all food establishment managers are certified with the State and registered with the City and that permit revenues are collected. A permit (a.k.a. license) indicates that an inspected food establishment or facility meets public health standards.

Registered sanitarians are public health professionals qualified by specialized training, and field experience to protect the health, safety, and general welfare of the public from adverse environmental factors. Currently, the SAMHD F&E division has 31 Registered Professional Sanitarians (RS), eight Registered Sanitarians in Training (SIT), and two new hires attending division training.

F&E personnel utilize the Digital Health Department (DHD) system to enter results of inspections, license/permit applications, complaints, and Sanitarian daily activity. DHD also has a reporting and analysis tool for performance analysis. DHD is supported by a third-party vendor who provides service and maintenance.

# Audit Scope and Methodology

The audit scope was fiscal year (FY) 2021 through February 2022.

To establish our test criteria, we reviewed department policies and procedures, Digital Health Department (DHD) system data, and user access reports. Additionally, we reviewed City of San Antonio Code (Chapter 13 - Food and Food Handlers and Chapter 15 - Health) and Texas Administrative Code 228 - Texas Food Establishments. We interviewed Metro Health District personnel to gain an understanding of the food inspection and licensing process.

We assessed internal controls significant to the audit objective including food inspection reports, training and qualifications of personnel, and permit payments. We reviewed control activities during our broader tests of procedures which included the following:

- Standard Operating Procedures
- Training and Qualifications
- Laws and Regulations
- Food Inspection Timeliness
- Complaints
- Risk Levels for Food Establishments
- DHD and SAP Reconciliation
- Fee Assessments
- Outstanding Accounts
- Cancellations and Write-Offs
- Permit Payments
- Food Manager Registration
- User Access to DHD
- Contract between COSA and DHD's Vendor

We relied on computer-processed data in SAP, the City's accounting system, to verify payments uploaded to DHD were accurate. Our reliance was based on performing direct tests on the data rather than evaluating the system's general and application controls. We do not believe that the absence of testing general and application controls had an effect on the results of our audit.

We conducted this performance audit in accordance with generally accepted government auditing standards. Those standards require that we plan and perform the audit to obtain sufficient, appropriate evidence to provide a reasonable basis for our findings and conclusions based on our audit objectives. We believe that the evidence obtained provides a reasonable basis for our findings and conclusions based on our audit objectives.

# Audit Results and Recommendations

## A. Inspection Audits

Annual inspection audits were not completed for all Sanitarians during fiscal year 2021.

F&E Standard Operating Procedures require Sanitarians to be audited to ensure their work meets department standards. Three levels of audits are required: Field Inspection Audits, Post-Inspection Audits, and Compliance Audits.

We determined that audits were not performed on Sanitarians during fiscal year 2021 as follows:

- 19 of 34 (56%) Sanitarians did not have a Field Inspection Audit
- 22 of 34 (65%) Sanitarians did not have a Post-Inspection Audit
- None of the Sanitarians had a Compliance Audit.

Standard Operating Procedures for the inspection audits were developed to ensure consistency and uniformity when auditing inspections conducted by Sanitarians out in the field. The procedures are also used to monitor Sanitarian overall performance.

According to F&E management, Sanitarians and Sanitarian Supervisors were deployed as Team Leads for different processing stations at the Mass Vaccination Clinic and responded to activities related to enforcement of the Public Health Emergency Declaration for approximately eight months during fiscal year 2021. Additionally, the Compliance Audits were not performed due to the compliance supervisor being tasked with other duties.

F&E management also indicated that completing the audits are a performance metric for Supervisors on their annual Employee Performance Evaluation (EPE). During quarterly reviews, supervisors are made aware of audit requirements for their Sanitarian staff and EPE's reflect those Supervisors that do not meet expectations for the performance metric.

Without consistent and completed audits for all Sanitarians, management may not have an accurate report of overall performance. In addition, improving performance increases the overall safety of the food inspection process.

### Recommendation

The Metro Health District Director should improve current processes to ensure inspection audits are conducted for Sanitarians throughout each fiscal year.

## B. Re-inspection Timeliness

Re-inspections of food establishments that have violations from prior inspections are not always performed timely.

F&E procedures state that if a routine inspection results in 'Priority and Foundation' violations, a re-inspection shall be scheduled for 10 days later. However, depending on scheduling, it could take slightly more than 10 days due to conflicts, leave days, holidays, weekends, establishment is closed, etc.

We identified a population of seven food establishments that had violations requiring a re-inspection between October 1, 2021 and January 31, 2022. We determined that four out of the seven food establishments were not re-inspected within an acceptable timeframe. The re-inspections ranged from 17 to 45 days.

Untimely re-inspections of food establishments with prior violations could lead to potential health risks for restaurant patrons and employees.

### Recommendation

The Metro Health District Director should improve current scheduling and/or oversight processes to ensure re-inspections are conducted in a timely manner.

## C. Re-inspection Invoicing

Controls are not operating consistently to ensure that re-inspection fees are invoiced, and payment is received from the food establishment.

We selected a random sample of 25 food establishments that required a re-inspection during fiscal year 2021 and identified 15 of 25 (60%) establishments that did not have a re-inspection fee assessed and thus were not invoiced.

According to F&E, the re-inspection fees were not invoiced due to errors by the responsible Sanitarian. The Sanitarian is supposed to send an email regarding re-inspections to the Customer Support inbox, which is managed by Fiscal. Fiscal then generates the invoice for processing and submittal to the customer.

Lack of proper invoicing for re-inspections results in lost revenue to the City and negates the effect of the fee acting as a deterrent for future food establishment violations.

### Recommendation

The Metro Health District Director should implement controls to ensure re-inspection fees are assessed and invoiced.

## D. User Access

Several DHD system user accounts for separated employees were not disabled.

We identified two separated employees with active user accounts; one of these was not identified during F&E's last annual review. F&E management identified five active accounts during the last annual review that required disabling, however, three of the employees had separated over a year prior to the annual review.

DHD is a web-based application which can be accessed remotely from anywhere using a web browser, and is not associated with the employee's network account credentials.

Administrative Directive (AD) 7-8D Access Control states that access to COSA IT assets must be disabled upon separation of the employee. Additionally, all COSA Information Systems must be periodically screened for inactive accounts.

User access controls are designed to restrict and detect inappropriate access to computer systems. Effective access controls protect the City's systems from unauthorized access, modification of data, and inappropriate disclosure of information.

### Recommendation

The Metro Health Director should strengthen controls for the DHD system by performing more frequent reviews to ensure that all user access is appropriate.

# Appendix A – Staff Acknowledgement

Mark Bigler, CPA-Utah, CISA, CFE, Audit Manager
Holly Williams, CISA, CRISC, Auditor in Charge
Loretta Faxlanger, Auditor
Javier Castillo, IT Auditor

# Appendix B – Management Response

**CITY OF SAN ANTONIO**

SAN ANTONIO TEXAS 78283-3966

March 29, 2022

Kevin W. Barthold, CPA, CIA, CISA
City Auditor
San Antonio, Texas

RE: Management's Corrective Action Plan for Audit of San Antonio Metropolitan Health District (Metro Health District) Food Service Permit Inspection Fees and Revenues

The Metro Health District has reviewed the audit report and has developed the Corrective Action Plans below corresponding to the report recommendation.

| Recommendation | | | | | |
|---|---|---|---|---|---|
| **#** | **Description** | **Audit Report Page** | **Accept, Decline** | **Responsible Person's Name/Title** | **Completion Date** |
| 1 | **Inspection Audits**<br><br>The Metro Health District Director should improve current processes to ensure inspection audits are conducted for Sanitarians throughout each fiscal year. | 3 | Accept | Jerry Trevino, Sanitarian Services Manager | April 30, 2022 |
| | **Action plan**:<br>Supervisors who are performing the inspection audits will be given a refresher training over the Audit SOP and will be given quarterly reviews by the Sanitarian Services Manager over their progress in completing the inspection audits. The inspection audits are also included on the Supervisor's Employee Performance Evaluation (EPE). | | | | |
| 2 | **Re-inspection Timeliness**<br><br>The Metro Health District Director should improve current scheduling and/or oversight processes to ensure re-inspections are conducted in a timely manner. | 4 | Accept | Jerry Trevino, Sanitarian Services Manager | May 31, 2022 |
| | **Action plan**: .<br>A refresher training over the Re-inspection SOP will be conducted for all Sanitarians. Supervisors will conduct quarterly reviews with their staff over any deficiencies in the re-inspection process. Timely completion of Re-inspections will also be included in the Employee's Performance Evaluation (EPE). | | | | |

| Recommendation | | | | | |
|---|---|---|---|---|---|
| # | Description | Audit Report Page | Accept, Decline | Responsible Person's Name/Title | Completion Date |
| 3 | **Re-inspection Invoicing**<br><br>The Metro Health District Director should implement controls to ensure re-inspection fees are assessed and invoiced. | 4 | Accept | Jerry Trevino, Sanitarian Services Manager/Duncan Brown, Department Fiscal Administrator | May 31, 2022 |
| | **Action plan:**<br>A refresher training over the Re-inspection SOP will be conducted for all F&E Sanitarians. Supervisors will conduct quarterly reviews with their staff over any deficiencies in the re-inspection invoicing process. Timely submission of Re-inspections to Metro Health's Fiscal section will also be included in the Employee's Performance Evaluation (EPE). In addition, Fiscal clerks will run a re-inspection report in DHD on a weekly basis effective May 2022 and will compare those results with the fee applications received in the F&E Customer Support Inbox. A list of establishments that are missing a re-inspection fee application will be emailed to F&E Supervisors. Supervisors will have Sanitarians submit those missing fee applications to the F&E Customer Inbox and document in the employee's quarterly review and annual Employee Performance Evaluation. | | | | |
| 4 | **User Access**<br><br>The Metro Health Director should strengthen controls for the DHD system by performing more frequent reviews to ensure that all user access is appropriate. | 5 | Accept | Jerry Trevino, Sanitarian Services Manager/Julie Sandoval, Public Health Administrator | April 1, 2022 |
| | **Action plan:**<br>The Senior Management Analyst (SMA) in Food & Environmental (F&E) will conduct on a monthly User List review for any users that no longer need access to Digital Health Department (DHD) and have those users removed from the User List. The SMA in F&E will document the User Review through a memo approved by the Sanitarian Services Manager (SSM).<br><br>Effective April 2022, the SMA in Operations will conduct a quarterly System User Access review in DHD. The SMA in Operations will document the User Review through a memo approved by the Public Health Administrator in Operations. Effective September 2022, the permission groups will be reviewed on an annual basis to ensure that the appropriate level of access is available based on the role and work to be performed. The SMA in F&E will provide the permissions tables to the SSM for review and approval. The SSM will document the review through a memo approved by the Assistant Director – Environmental Health & Operations. | | | | |

We are committed to addressing the recommendation in the audit report and the plan of action presented above.

Sincerely,

Claude A. Jacob
Director
Metro Health District

4/5/22
Date

Erik Walsh
City Manager
City Manager's Office

4/21/22
Date