



**CITY OF ATLANTA**  
City Auditor's Office  
Amanda Noble, City Auditor  
404.330.6750

October 2020

## Performance Audit:

### Why We Did This Audit

We undertook this audit to assist City Council in evaluating revisions to the Tree Protection Ordinance. We reviewed financial records and interviewed City Planning and Parks and Recreation staff to determine what controls are in place to ensure that the city is collecting tree removal fees and spending as defined in city code between fiscal year 2009 through 2019.

### What We Recommend

In order to improve financial oversight of the Tree Trust Fund, the commissioner of City Planning should:

- establish budgetary controls to prevent overspending
- document allowable expenses
- use specific general ledger account ranges in the new Tree Protection Ordinance
- develop a quarterly budget analysis to assist in tracking expenditures and work with Finance for guidance in following expense categories in Oracle
- consult with Law to strengthen fee and fine collection procedures
- delineate revenue accounts in Tree Protection Ordinance revisions and work with Finance to reconcile Accela and Oracle revenue accounts
- provide required quarterly reports in the designated format to the Tree Conservation Commission
- modify Accela data entry capabilities to ensure accurate reporting
- assess whether adding enforcement resources to the Arborist Division is warranted

For more information regarding this report, please use the "contact" link on our website at [www.atlaudit.org](http://www.atlaudit.org)

### Tree Trust Fund

#### What We Found

City Planning is responsible for management of the Tree Trust Fund. The department overspent almost \$2.9 million on salaries, benefits, and operational expenses from the fund between fiscal year 2009 and fiscal year 2019. The Tree Protection Ordinance, which outlines allowable expenditures, states that City Planning is authorized to spend \$170,000 on salaries and benefits each fiscal year. Overspending on salaries and benefits for City Planning employees totaled \$2.6 million from fiscal year 2009 to fiscal year 2019. Legislation also authorized additional spending from the Tree Trust Fund due to City Planning's budget shortfall in fiscal years 2009 through 2011. The Tree Protection Ordinance also authorizes \$50,000 each year for operational expenses. City Planning exceeded allowable operational expenses by about \$257,000 from fiscal year 2009 to fiscal year 2019. City Planning lacks budgetary controls to prevent overspending, which reduces funds available to mitigate tree loss.

City Planning also lacks controls to ensure that all revenues due to the Tree Trust Fund are collected. The department tracks fines and fees in Accela, and city arborists place holds on accounts with unpaid balances, which stalls the permitting process. However, the department lacks procedures for collecting unpaid fines and fees due to the illegal destruction of trees because these trees are not associated with a permit.

Improving financial oversight and available data could result in a more accurate estimate of revenues and strengthen the city's ability to mitigate tree loss. City Planning is unable to reconcile the systems used to manage the Tree Trust Fund, Accela and Oracle. Manual adjustments by city arborists may affect the accuracy of Accela reports. Moreover, Accela revenue account strings are manually input into Oracle as a lump sum, but the revenue amounts do not match.

Finally, based on tree loss estimates from the tree canopy study, trees may have been illegally removed without the department's knowledge. Continuing to promote complaint-based enforcement and increasing resources dedicated to enforcement could mitigate tree canopy loss.

## Management Responses to Audit Recommendations

### Summary of Management Responses

**Recommendation #1:** We recommend that the commissioner of City Planning comply with Tree Protection Ordinance spending limits and work with Finance to establish budgetary controls to prevent overspending.

**Response & Proposed Action:** DCP (Department of City Planning) has already begun working with Finance to ensure budgetary controls are intact and kept. DCP has worked with Finance to ensure both the DCP and DPR (Department of Parks and Recreation) FY20 expenses are in line with the current Tree Protection Ordinance. As of July 1, 2020, Finance has implemented strict system controls for Trust accounts. Finance has agreed to the following: 1) make no adjustments to DCP's budget or actuals without DCP's approval; 2) route all adjustment requests from DPR for DCP's approval prior to processing; and 3) route DPR legislation affecting the Tree Trust for DCP's approval prior to Council presentation in Committee. DCP will work to ensure the Tree Protection Ordinance is updated to reflect more realistic spending limits under both personnel and non-personnel categories for DCP and DPR.

**Agree**

**Timeframe:** July 2020

**Recommendation #2:** We recommend that the commissioner of City Planning document allowable expenses.

**Response & Proposed Action:** DCP will work to ensure the Tree Protection Ordinance is updated to reflect a comprehensive listing of allowable expenses. DCP will ensure the annual appropriations are aligned with the allowable expense categories outlined in the updated Ordinance.

**Agree**

**Timeframe:** June 2020

**Recommendation #3:** We recommend that the commissioner of City Planning use specific general ledger account ranges in the new Tree Protection Ordinance to document allowable expenses charged to the Tree Trust Fund.

**Response & Proposed Action:** DCP will work to ensure the Tree Protection Ordinance is updated to reflect a reasonable range of accounts for allowable expenses. DCP review all expense requests to ensure the correct, allowable expense account is used. DCP will monitor the budget monthly to ensure all expenses incurred are aligned with the allowable expense categories outlined in the updated Ordinance.

**Agree**

**Timeframe:** January 2021

---

**Recommendation #4:** We recommend that the commissioner of City Planning develop a quarterly budget analysis to assist in tracking expenditures and work with Finance for guidance with following expense categories in Oracle.

**Response & Proposed**

**Agree**

**Action:** DCP will ensure the annual budget is established in accordance with the updated Tree Ordinance. DCP will also monitor the budgets monthly to ensure expenses incurred are aligned with the allowable expense categories outlined in the updated Ordinance as well as work with Finance, General Accounting to develop a trust fund specific quarterly report.

**Timeframe:** January 2021

---

**Recommendation #5:** We recommend that the commissioner of City Planning consult with Law to strengthen fee and fine collection procedures, including the possibility of placing liens on properties with unpaid balances.

**Response & Proposed**

**Agree**

**Action:** DCP will work with the Law Department to strengthen the enforcement and collecting of fees and fines. Additionally, the DCP will partner with the Department of Finance to acquire collection agencies to retrieve monies past due and/or place liens on properties delinquent with fines.

**Timeframe:** January 2021

---

**Recommendation #6:** We recommend that the commissioner of City Planning delineate revenue accounts in Tree Protection Ordinance revisions and work with Finance to reconcile Accela and Oracle revenue accounts.

**Response & Proposed**

**Agree**

**Action:** DCP has already identified areas of improvement for reporting and fund reconciliation in the Accela system. We are working with our system administration to implement these improvements.

**Timeframe:** January 2021

---

**Recommendation #7:** We recommend that the commissioner of City Planning modify Accela data entry capabilities to ensure the Accela reporting is accurate.

**Response & Proposed**

**Agree**

**Action:** DCP has already identified areas of improvement for reporting and fund reconciliation in the Accela system. We are working with our system administration to implement these improvements.

**Timeframe:** January 2021

---

---

**Recommendation #8:** We recommend that the commissioner of City Planning provide required quarterly reports in the designated format to the Tree Conservation Commission.

**Response & Proposed Action:** Quarterly reports have been published since Q1 of FY20, and will continue to be published as required by the Tree Protection Ordinance. Reports are posted on the DCP's webpage. Yearly reports have been published for years FY14 – FY19. **Partially Agree**

**Timeframe:** October 2019

---

**Recommendation #9:** We recommend that the commissioner of City Planning continue to educate the public to encourage complaint-based enforcement and assess whether adding enforcement resources to the Arborist Division is warranted.

**Response & Proposed Action:** Educating the public about the Tree Protection Ordinance is ongoing and includes different formats, Arborist Division webpage, calendars, water bill inserts, native tree posters, etc. and target audiences. The next Tree Protection Ordinance, adopted within the next year, will be an opportunity to educate the public about tree protection including submitting complaints. Assessment of enforcement resources in the Arborist Division is considered in the next Tree Protection Ordinance, and gaps in resources needed to enforcement the next TPO will be presented to City Council along with the draft TPO. **Agree**

**Timeframe:** Ongoing

---