



Performance Audit Report

***Department of Public Safety  
Bureau of Administration***

***Office of Film and Event Management  
Special Events***

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January 2025

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CITY OF PITTSBURGH  
**OFFICE OF THE CITY CONTROLLER**  
Controller Rachael Heisler

January 2025

To the Honorable Mayor Ed Gainey and  
Honorable Members of Pittsburgh City Council:

The Office of the City Controller is pleased to present this performance audit of the Department of Public Safety's Bureau of Administration, Office of Film and Event Management (OFEM) Special Events, as conducted pursuant to the power and duties of the Controller under Section 404(b) of the Pittsburgh Home Rule Charter.

### **EXECUTIVE SUMMARY**

OFEM is an office within the Department of Public Safety and is the City's permitting authority for small- and large-scale special events, block parties, and First Amendment activities. The office is responsible for receiving, reviewing, and vetting applications and issuing permits for these events. OFEM accrues revenue from application and permit fees, although events that require additional City services could be subject to added fees as billed by the other City departments providing those services.

Our procedures and this report focus on the permitting process for special event activities within the scope of January 1, 2022, through December 31, 2023. As part of our procedures, we set out to review and understand the application and event processes, to assess the office's staffing levels, and to review revenue databases generated by the office through its Apply4 software. Our procedures did not include a review of OFEM's filming and production events.

Prior to 2023, the permitting processes were functions of the Office of Special Events (OSE), which changed hands between departments over the years. In 2017, the OSE was transferred to the Department of Public Safety; in 2023, the OSE moved back to Citiparks. However, in 2023, the film and event permitting management remained a part of the Department of Public Safety as administered by OFEM.

OFEM's special event permitting processes are governed under City Ordinance, Chapter 470, which established general guidelines for applications, permitting, and cost recovery. The ordinance indicates that permits for special events can be obtained via an application and that

application and cost recovery fees are described in §470.06. This section, titled “Cost Recovery,” indicates that additional City services, as required by the scope of the event, could incur additional costs. It also indicates in §470.06(g) that event sponsors and the City should coordinate on the payment of an estimate cost recovery four days before the event is to begin or the permit will be revoked. It then indicates that an additional invoice or refund for any difference be issued no more than 60 days after the conclusion of the event.

OFEM also has its own documents, including the document *Getting Started: EventApp Pittsburgh Information for Applicant* (Getting Started). Although updated in 2024 to reflect OFEM’s new system, auditors reviewed the 2023 edition of Getting Started. This document broke down the application and permit costs per event category: charitable events, general events, and special events. The application fee is a standard \$25, while permit costs are as follows: charitable events are \$75, general events are \$200, and commercial events are \$675. As noted, additional fees may be applicable depending on the need for City services and/or use of property and equipment, along with proof of insurance coverage. Getting Started also indicated that all invoices were to be paid four business days prior to the start of the first event day or the final event permit could not be written.

During the audit, OFEM provided auditors with several documents, including but not limited to databases pulled from its Apply4 software, an internal analysis of staffing, an internal draft of possible updates to City Ordinance, examples of completed permits, and a no-parking sign template. Please note the following based on the documents received and analysis performed:

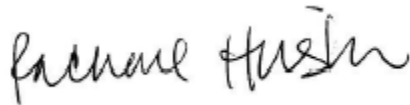
- The databases listed application IDs, submission and event dates, event types, and the amounts billed and outstanding. OFEM provided descriptions of the various statuses found in the databases (i.e., “Completed,” “Approved,” “Declined,” “Canceled,” “New,” “Current,” “Information Req,” and “Resubmitted”). We provide a further breakdown in our report; however, of note, auditors were advised that events in a “Completed” status have been fully completed and have paid all final invoices, while events in “Approved” have been approved by OFEM and the SEC but may not have physically occurred yet or paid final invoices. Auditors documented that significant outstanding balances exist based on OFEM’s databases, and a notable portion of those balances were marked as “Completed.” Up to \$22,840 may still be outstanding from 2022, and up to \$94,746.65 may still be outstanding from 2023. This indicates that the internal control system for tracking the databases and ensuring balances are paid in a timely fashion could be improved. Please see **Findings 1** and **Finding 4** from our report.
- In reviewing the above-mentioned databases, auditors noted that over 400 events were billed only the \$25 application and not any permit fees. OFEM did explain that some events were not meant to be billed to begin with due to some being City events and some noted as waivers. However, auditors were unable to reconcile this information based on the OFEM databases alone. Please see **Finding 2**.
- Auditors confirmed that OFEM experienced staffing changes, having been integrated into OSE with eight full-time employees in 2022 and then separating out into OFEM in 2023 with only three full-time employees. It was noted to auditors that 2023 was a particularly difficult year for staffing since the OFEM manager was the only employee for the first few

months. Based on OFEM's databases, the number of applications increased by approximately 7% between 2022 and 2023. In addition, OFEM's internal analysis document explained that OFEM employees had been given directive to become more and more involved in the customer management of the application and permitting processes. OFEM noted to auditors that prior requests for increased staff had been denied. Please see **Finding 3** for more information and our recommendations for how the current staff may approach daily production needs by standardizing internal control processes. It is also noted a more data-driven approach to staffing requests could be considered.

- OFEM created a test account for auditors. Using this account, auditors stepped through the application process using the Apply4 online portal. While auditors were able to identify a warning of the \$25 application fee, auditors could not find any warnings about permit fees, cost recovery, or the general timing of billing. There were also no expectations stated regarding parking procedures (i.e., when and where no-parking signage should be posted and who is responsible for doing so). A no-parking sign template provided to auditors notes that signs should be removed within 48 hours but does not indicate when the signs should be posted prior to the event. For more information, please see **Finding 5**.

We appreciate the cooperation, patience, and support of the staff with whom we coordinated during our audit procedures.

Sincerely,

A handwritten signature in dark ink, appearing to read "Rachael Heisler". The signature is fluid and cursive, with the first name "Rachael" written in a larger, more prominent script than the last name "Heisler".

Rachael Heisler  
City Controller

## INTRODUCTION

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This performance audit of the Department of Public Safety's Bureau of Administration, **Office of Film and Event Management (OFEM) Special Events** was conducted pursuant to the City Controller's powers under section 404(c) of Pittsburgh's Home Rule Charter. This report summarizes OFEM's internal processes and procedures related to the receiving, vetting, and approval of special event applications; the issuance of special event permits; OFEM staffing levels; and 2022 and 2023 OFEM data of special event applications and permits, including the amounts invoiced and balances outstanding.

## OBJECTIVES

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- To review the application and event processes for OFEM's special events.
- To assess the staffing levels of OFEM during the scope of the audit.
- To review OFEM's 2022 and 2023 database reports of revenue derived from applications and permits for special events.
- To evaluate OFEM's website for usability and clarity of information regarding the permitting processes.

## SCOPE

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The scope of this performance audit focused on the application and permit processes for OFEM's special events during the period of **January 1, 2022**, through **December 31, 2023**. OFEM's film production permitting process was not included in the scope of this audit.

## METHODOLOGY

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- Auditors performed research on OFEM's process for reviewing and approving applications. OFEM also provided auditors with a flowchart of the application-approval process.
- Auditors interviewed OFEM regarding its parking regulations and also reviewed parking-related materials, including parking references in OFEM's applicant portal and OFEM's no-parking sign template.
- The auditors documented observations of a special event provided by a City resident.

- Auditors requested that OFEM provide special event application and permit databases from its Apply4 software for 2022 and 2023. OFEM also separately provided revenue sheets that indicated outstanding balances still owed. A review was administered on the total number of applications submitted and permit fees billed and paid. Auditors performed a limited assessment of the accuracy of the databases based on OFEM's fees schedules and procedures.
- Auditors interviewed OFEM administrators regarding its procedures and staffing levels. OFEM also provided auditors with an internal document detailing the challenges it faces due to reduced staffing. In turn, auditors also performed research on the budget changes relevant to OFEM between 2022 and 2023.
- Auditors reviewed OFEM's general website and links.
- The auditors administered a test of a special event permit application through the EventApp Pittsburgh software, located on the OFEM website.

## OVERVIEW

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OFEM is the permitting authority for small- and large-scale special events, block parties, and First Amendment activities. The office is responsible for receiving, reviewing, and vetting applications and issuing permits for these events. According to OFEM's internal reporting and data submitted to the Controller's Office, OFEM reviews over 800 special event permit applications and over 75 film permit applications annually.

OFEM accrues revenue via application and permit fees, but events could also be subject to additional charges for City services. During the review of application submissions, a Special Events Committee (SEC) meeting is held to determine what additional City personnel and/or services may be required. For example, police officers, paramedics or public works personnel and equipment may be needed for the event. OFEM is not responsible for invoicing event organizers for any additional City services costs. Each City department is responsible for billing event organizers separately and keeping track of these invoices.

Audit procedures focused exclusively on the OFEM application and permitting processes for special events.

## ***HISTORY***

In January 2023, OFEM was created under the Department of Public Safety's Bureau of Administration. Prior to 2023, the permitting process was integrated into the Office of Special Events (OSE) at large, which was previously a function of the Department of Parks and Recreation (Citiparks). The OSE oversight was transferred to the Department of Public Safety in late 2017.

After spending six years in the Department of Public Safety, the OSE moved back to Citiparks in 2023; however, the film and special event permitting management stayed within the Department of Public Safety as OFEM. According to administrators of the Department of Public Safety, the events associated with the OSE have closer relevance to Citiparks activities, while OFEM events are more relevant to public safety since there is coordination with the Bureau of Police, Bureau of Fire, Department of Public Works (DPW), and the Bureau of Emergency Medical Services (EMS).

During 2022, there was eight budgeted positions, and, in 2023, there were three budgeted positions. In 2023, OFEM was comprised of one Manager and two Permit Coordinators. The auditors were informed that for the first three months of 2023, the manager was the lone employee of the department. These employees are a part of the SEC, which includes 23 total members.

### ***CITY CODE OF ORDINANCES***

OFEM is governed by City Ordinance, Chapter 470: *Permitting of Special Events* enacted in 2004. This ordinance establishes some relevant definitions, application requirements, and City expectations for cost recovery.

Figure 1 is an excerpt from §470.02 which defines a “special event”:

#### **FIGURE 1 City Code Ordinance Chapter 470**

**SPECIAL EVENT.** "Special Event" refers to:

A Special Event shall include but not be limited to a parade, public assembly, performance, meeting, contest, exhibit, athletic competition or presentation, community event, block party, or ceremony, and which event is to be held:

wholly or partially on property owned or maintained by the City which is (i) designated by the City for First Amendment Activity or (ii) in a traditional public forum;

on a street or sidewalk located within the City and will likely result in the obstruction of such streets or sidewalks or will likely compromise the ability of the City to respond to a public safety emergency; or

on any other property, but requires for its successful execution the provision and coordination of City services to a degree over and above that which the City routinely provides.

Source: Excerpt of Chapter 470, subsection 2 of City code.

The ordinance specifies that special events do not include the following: activities held on private property, as long as they do not require coordination of City services; programs administered by the City; events that fall under OSE purview; First Amendment activities held on City streets and sidewalks, as long as obstructions to public safety emergency responses are not created; and sports, shelters, recreation, and senior centers otherwise governed under Chapter 477.



Per §470.04, event permits for special events can be obtained via a permit application. The ordinance indicates that permit application fees and cost recovery fees are explained in §470.06 and available in writing on the City’s website.

“Cost Recovery” is the heading title for §470.06, and it describes costs set forth for additional City services that may be required, depending on the needs of the event. These additional services could require the coordination of the Department of Public Safety, EMS, or the DPW and/or the use of City equipment. Applicants are required to work in good faith with the City to ensure an estimate of cost recovery fees can be calculated at least 10 days prior to the event and paid four days prior to the event. This subsection of ordinance indicates that permits are to be revoked if payment of the estimated cost recovery is not received by the City.

Figure 2 is an excerpt from City Code §470.06(g):

**FIGURE 2**  
**City Code Ordinance Chapter 470.06**

(g) All sponsors of Special Events and the City shall work in good faith to obtain an estimate of the total cost recovery amount at least ten (10) days before the Special Event is to begin. Payment in full of this estimated cost recovery amount must be made to the City at least four (4) days before the Special Event is to begin or the permit will be revoked. No more that sixty (60) days after the conclusion of the Special Event, the City shall issue an invoice or a refund for the difference between the estimate and the actual cost recovery.

Source: Excerpt from Chapter 470, subsection 6(g), regarding estimated payment of cost recovery.

## ***GETTING STARTED***

In June 2017, OFEM streamlined the permitting process for special event organizers by launching an easily accessible online application on the OFEM webpage called EventApp Pittsburgh. The software was designed and is maintained by Apply4 Technology, LLC, which “provides a flexible online permitting service for local authorities, government agencies and private landowners.” The online application is the only way special event organizers can apply for a City permit.

The EventApp Pittsburgh software also offers numerous documents applicants can download and review before applying for a special event permit. These documents include permit policies, regulations, park and waiver applications, the Pittsburgh Parking Authority (PPA) out-of-service meter policy, etc.

The document *Getting Started: EventApp Pittsburgh Information for Applicant* (Getting Started), which is available on the OFEM homepage, explains the permit application process, guidelines, permit fees, and additional services provided.

OFEM’s current permit fee structure has been in place since 2022. There is a \$25 application processing fee, and some approved applicants pay additional permit fees based on

how OFEM categorizes the event. Events are grouped into one of three different categories: Charitable, General Events, and Commercial.

OFEM describes the three categories of events as follows:

- Charitable Events: Events that are directly associated with fundraising for an entity which is established as a not-for-profit corporation, and which has been granted Federal tax-exempt status. All profits from these events are donated to charity.
- General Events: Events such as, but not limited to, music performances, exhibitions, arts and craft shows that are free and open to the public and do not constitute Charitable or Commercial Events.
- Commercial Events: Events that seek to promote, advertise, or introduce a product, corporation, company or other commercial entity to either the general public or to a portion of the general public.

Figure 3 shows OFEM's permit fees for each of the three categories.

**FIGURE 3**  
**Permit Fees by Category**

Charitable Event Permit:	\$75.00
General Event Permit:	\$200.00
Commercial Event Permit:	\$675.00

Source: Excerpt from Getting Started, taken from the OFEM website in November 2023.

*\*\*Please note that these permit costs are for static events. Runs, Walks, Rides, and Parades are classified separately.*

The minimum fee amounts for the events listed above and shown in Figure 3 (i.e., application fee + permit fee) are as follows:

- Charitable permit fee \$75 permit fee + \$25 application processing fee = **\$100**
- General permit fee \$200 permit fee + \$25 application processing fee = **\$225**
- Commercial permit fee \$675 permit fee + \$25 application processing fee = **\$700**

Events that take place on public property are subject to an additional “property use” fee. Public property fees are broken down into general property, park space, and right of way. Public property fees are listed in **Appendix Exhibit A**.

Runs, walks, and rides are priced differently than static events due to the distance they cover. These events are still categorized as Charitable, General, or Commercial, and requires the \$25 application fee; however, each event category has a different flat rate based on the primary property classification used for the route. The three primary property classification routes are

park type, arterial roadway, and collector roadway. **Appendix Exhibit B** breaks down the cost for these events based on park and roadway type.

While events are not priced based on the number of people attending, it should be noted that organizers of larger events may be asked to attend SEC meetings as additional City services could be required to ensure public safety, which would come with additional costs.

Parade prices are classified based on how many hours the event will be and if the event date falls on a weekend, weekday, or City holiday. City Code §470.04: *Special Event Permit Application* establishes parade permit prices and states that prices should not be greater than the amounts listed in the chapter. For this reason, OFEM permit fees for parades cover all services needed for securing the parade route. According to the Police Lieutenant on the SEC, the City absorbs around 76% of the cost for public safety and DPW services for parades. Parade organizers must also pay the \$25 application processing fee. Parade prices are listed in **Appendix Exhibit C**.

To protect the City, insurance for bodily injury, including death, and property damage, is required. According to *Getting Started*, insurance is required under the following: “a) All Athletic Competition Events and b) Any Special Event involving animal(s), fireworks, automobile(s) or other vehicle(s), including but not limited to watercraft, aircraft, or motorcycles, the sale of food, or the sale or distribution of alcohol.”

Insurance coverage is standard and does not fluctuate based on the event. Insurance must be maintained in the amount specified in **Appendix Exhibit D** for the entire duration of the special event.

OFEM’s online application allows applicants to upload a Certificate of Insurance. According to the applicant portal, proof of valid and unexpired insurance must be provided before permission of the event can be provided.

As described above, events are, at minimum, subject to application and permit fees, while additional City services, as indicated in OFEM’s document *Getting Started*, could be subject to additional fees. *Getting Started* also notes that all required costs will be estimated and that invoices must be paid in full at least four business days prior to the start of the first day of the event or else a permit cannot be written. If the initial estimate results in overpayment or additional charges, a refund or invoice will be issued within 90 days of the event, as applicable.

Figure 4 on the following page shows language from OFEM’s document accordingly.

**FIGURE 4**  
**OFEM Additional Permit Fees and Invoice Policy**

All costs associated with requested or required services will be provided via an estimated invoice. It is at this time that organizers should work with the Office of Film & Event Management to rectify any concerns over potential charges.

An invoice for all agreed upon City services will be provided. All invoices must be paid in full at least four (4) business days prior to the start of the first event day or a final event permit cannot be written. In the event that an organizer overpays for services, a refund will be issued within ninety (90) days post-event. If an event is undercharged or additional unplanned services are needed, an additional invoice may be issued to cover additional costs.

Source: Excerpt from Page 10 of Getting Started.

***SPECIAL EVENTS COMMITTEE (SEC)***

The SEC is designated to approve special event permit applications pursuant to Chapter 470 of ordinance. The committee is comprised of 23 representatives of certain bureaus of the Department of Public Safety, including the three employees of OFEM; Citiparks; DPW; the Department of Mobility and Infrastructure (DOMI); the Department of Permits, Licenses, and Inspections (PLI); the Bureau of Fire; and Pittsburgh Regional Transit.

The committee meets on a weekly basis to review applications that have passed OFEM's initial review. The SEC will discuss the application to determine if the event is viable; that the requested locations are available; that City resources, as necessary, are properly allocated and not overbooked; whether or not any additional information is needed from the applicant; and that any appropriate procedures are followed.

Committee members are given one week to review the new application as it applies to their departments respectively and as applicable.

***APPLICATION PROCESS***

As of December 2023, applicants could apply for event permits by going to the OFEM webpage, opening the 'EventApp Overview' link, clicking on the 'Launch EventApp,' and then clicking on the 'Apply to hold an event' button. New users would be prompted to create a free profile and existing users would be required to log in with their username and password. The application software directs applicants through the steps on how to fill out, submit, and pay for the application. The user profile helps the applicants maintain and track their information and shows the status of a permit.

Once submitted, the special event permit application approval process takes a minimum of two weeks, with most applications taking three to four weeks. Special event applications must be submitted at least 14 business days and no more than 180 business days (i.e., 9 months) before the event's start-date. Applications submitted in less than 14 business days or over 180 business days will be rejected.

Upon submission of an application, OFEM performs an initial review. If the initial review is insufficient in any way, the assigned permit coordinator will contact the applicant by phone or email. Once passed through initial review, OFEM meets with the SEC on the following Tuesday. The SEC discusses what coordination of City services, if any, are required for the event to safely proceed and determines if any conditions must be met prior to the issuance of the event permit.

**Appendix Exhibit E** provided by OFEM, shows the flowchart for the general special events permit application process from start to finish. General special events are all events (charitable, general, and commercial as well as runs, walks, and rides) excluding block parties and City County Building Portico permits (First Amendment activities).

Depending on the circumstance, the SEC may ask for additional information before it approves an application. When this occurs, the permit vote is rescheduled for the following Tuesday. In preparation for the upcoming meeting, OFEM permit coordinators will contact and work with the applicants to make sure all additional requested information is added to the application, so it gets approved. According to the OFEM manager, applications are rarely denied.

According to **Appendix Exhibit E**, once the SEC has determined that all of these factors are in order, OFEM will notify the applicant through a computer-generated email if they are approved or denied, and the permit invoice is issued to the applicant.

After approval, OFEM permit coordinators will work hands-on with applicants to make sure they meet all application conditions before the permit is finalized. Conditions may include contacting, hiring, and coordinating with public safety bureaus for their services, ordering DPW equipment for delivery, providing maps and additional documentation, and scheduling vendor activity.

Application and permit fees for special events are processed by OFEM, and any additional City services are billed by the other departments respectively, as applicable.

## ***EPROVAL CONTRACT***

In June 2021, the Apply4 Technology permitting software contract with the City expired. The City agreed to allow Apply4 to provide its services on a month-by-month basis until a new permitting software vendor was selected.

The City prepared and released a new film and event permitting software Request For Proposal (RFP) in February 2023 that was awarded to Event Approval, Inc. (Eproval). The contract became effective January 3, 2024, and expires five years from the date the City runs tests and accepts the project as outlined in the contract. Eproval is required to provide the permitting software implementation, training, configuration, maintenance services, etc. It should be noted that the Eproval permitting software launched on May 28, 2024. The analysis of the new contract and its software application process are out of the scope of this audit.

## ANALYSIS

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### **OFEM DATABASES**

OFEM provided two databases in Excel format. The databases included line-by-line listings of applications submitted to OFEM in 2022 and 2023. According to these databases, OFEM received 861 applications in 2022 and 918 applications in 2023. Both databases included columns for application IDs; submission dates; event names and locations; event statuses; setup, start, end, and cleanup dates; and totals of amount billed and outstanding.

Auditors identified eight total event status categories among the two databases provided. OFEM administrators gave definitions for each of the statuses as follows:

- Completed: The event has physically occurred, and the event organizer paid all final invoices.
- Approved: The event has been approved by OFEM and the SEC but has either not happened or has not received or paid final invoices.
- Declined: Applications that propose events that are not feasible. The majority of declined applications were when the applicant did not choose a suitable event type when applying. For example, an applicant may believe the event is a block party, but after a permit coordinator reviewed the information received, it was determined that the event should instead be classified as a general special event. In this case, the event organizer is contacted and asked to reapply.
- Canceled: When the event organizer cancels the event before the event start date.
- New: When an application is first submitted and has not yet been reviewed.
- Current: The application is under review by the SEC and has not yet been approved.
- Information Req: During the initial OFEM review or SEC review, it was determined that more information was needed. The application is re-opened on the *EventApp*, and the applicant can then make changes. Once resubmitted, the status automatically changes to “resubmitted.”
- Resubmitted: Applications that were updated and resubmitted.

In 2022, auditors found four permit application statuses in OFEM’s database: approved, completed, cancelled, and declined. The distribution of these statuses, as documented by OFEM, are shown in Table 1.

**TABLE 1**  
**2022 OFEM Permit Applications by Status**

<b>2022 NUMBER OF PERMIT SUBMISSIONS BY STATUS</b>		
<b>STATUS FROM OFEM DATABASE</b>	<b>NUMBER OF LINE ITEMS LISTED</b>	<b>PERCENTAGE OF TOTAL RECEIVED</b>
APPROVED	7	0.8%
COMPLETED	744	86.4%
CANCELLED	63	7.3%
DECLINED	47	5.5%
<b>TOTAL</b>	<b>861</b>	<b>100.0%</b>

Source: OFEM's 2022 database.

In 2023, auditors found eight permit application statuses in OFEM's database: approved, completed, cancelled, declined, current, info req, new, and resubmitted. The distribution of these statuses, as documented by OFEM, are shown in Table 2.

**TABLE 2**  
**2023 OFEM Permit Applications by Status**

<b>2023 NUMBER OF PERMIT SUBMISSIONS BY STATUS</b>		
<b>STATUS FROM OFEM DATABASE</b>	<b>NUMBER OF LINE ITEMS LISTED</b>	<b>PERCENTAGE OF TOTAL RECEIVED</b>
APPROVED	161	17.5%
COMPLETED	654	71.2%
CANCELLED	57	6.2%
DECLINED	32	3.5%
CURRENT	6	0.7%
INFO REQ	2	0.2%
NEW	4	0.4%
RESUBMITTED	2	0.2%
<b>TOTAL</b>	<b>918</b>	<b>100.0%</b>

Source: OFEM's 2023 database

For additional information, please refer to Findings #1 and #4.

## ***PARKING***

The options, procedures, and/or requirements of event parking is not delineated in detail on OFEM's website or in the Getting Started document; however, auditors performed procedures to obtain some additional information.

During the submission of an online application, applicants provide a written description of parking arrangements. When hosting a general special event, the applicant must work with OFEM to determine if parking restrictions and no-parking signs are needed for the event area. OFEM administrators explained to auditors that they will typically communicate parking guidelines with applicants accordingly based on the scale of the event, although applicants of larger-scale events tend to communicate their needs up front.

OFEM does not have any written policies and/or procedures regarding event parking restrictions on the application and permit agreements. OFEM follows the same rules outlined in the DOMI document *Right-of-Way Procedural Manual* for construction jobs. The only difference is the amount of time in advance required for the applicant to post no-parking sign notices. OFEM stipulates signs to be posted 24 hours prior to the start of event parking restrictions, while DOMI requires notification of 48 hours in advance.

OFEM is required to provide the applicant with pre-typed no-parking signs in a PDF form via email. It is then the event organizer's responsibility to print and post signs 24 hours before the parking restrictions begin. Parking restrictions could start two or more hours before the permit starts, depending on the coordination needed by OFEM. This allows the Bureau of Police time to tag and tow illegally parked vehicles in advance so the event can start on time. Event organizers also are required to remove no-parking signs within 48 hours following the event end date.

OFEM fills out the following information on the no-parking sign: Start Date, End date, Restricted Days and Hours, Notes, Permit Number, Type, Location, and Name of Permit Organizer. There is no specified area where signs need to be hung; it is up to the event holder's discretion. Event organizers can place them on PPA parking kiosks, trees, utility poles, and non-traffic controlling signposts. They cannot be hung on traffic control signs (e.g., stop signs, one-way signs, etc.).

If the event location needs to use metered parking spaces for a limited time period, the applicant must contact PPA's Enforcement Department and request to have metered spaces temporarily designated "out-of-service."

For additional information, please refer to Finding #5.

## ***STAFFING***

Staffing levels for OFEM activities went through dramatic changes between 2022 and 2023. In 2022, the OSE, of which OFEM was previously integrated, was budgeted for eight full-



time employees (i.e., one manager, one assistant manager, one permit coordinator, one program administrator, and four program coordinators).

Following the separation of OSE and OFEM in 2023, OFEM was then only comprised of three full-time staff members (i.e., one manager and two permit coordinators).

The duties of the two permit coordinators include the following: answering phone calls, reviewing both special events and film permit applications to ensure they are filled out correctly, helping applicants through the permitting process, and acting as consultants for applicants. When film crews acquire permits for filming within the City, projects can last several months and have many locations that each need to be addressed individually. OFEM accompanies the crew throughout the labor-intensive process to assist in solving intricate obstacles that may arise.

OFEM administrators noted to auditors that their prior-year requests for additional staff had been denied, despite the initial reduction in staff and increased expectation of staff duties. In an internal analysis submitted to auditors by OFEM, the department explained how the increase in event volume, the time needs of film permitting processes, and the more customer-centric approach of the department made it difficult to adequately meet all the demands currently in place.

For additional information, please refer to Finding #3.

## ***REVENUE REPORTS***

Based on OFEM's databases, OFEM generated between approximately \$40,307.50 – \$44,307.50 from application fees and permits in 2022 and between \$84,266.75 and \$89,586.75 in 2023.

Please note that this information is based solely on the databases provided by OFEM, and, therefore, auditors cannot provide complete assurance that these values represent the actual total of the funds remitted to the City.

For additional information, please refer to Findings #1, #2, and #4.

## ***WEBSITE***

OFEM was able to grant auditors access to a test account within the Apply4 system. Through this system, auditors were able to submit a test application. Auditors noted the following:

- The completion of the application was lengthy, taking approximately one hour.
- The application only notes the cost of the application fee of \$25 once toward the end of the application process. At the conclusion of the test application, auditors were given two payment options for the application fee: “Pay Offline” and “Pay Now.” Offline payments require that the reference number of physical payment be made

directly to the local office, and online payments allow for immediate payment via credit card with an additional fee.

- Auditors did not observe warnings of permit fees, even following the submission of the test application. The test site also did not provide any expected timelines for payment of the application fee, permit fees, or cost recovery fees.
- A page dedicated to parking provides a fillable description box where applicants are to provide details about anticipated parking arrangements.

For additional information, please refer to Finding #5.

## **FINDINGS AND RECOMMENDATIONS**

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### **FINDING 1: OUTSTANDING BALANCES**

Based on reports provided by OFEM, significant outstanding balances exist for application and permit fees for both 2022 and 2023. OFEM does not revoke permits due to non-payment, and OFEM's databases also indicate that permits are issued to applicants even if outstanding balances exist. Auditors are unable to provide reasonable assurance of the exact amount based on the information provided by the department; however, OFEM's reports indicate that the range of unpaid balances could be as follows:

- In 2022, between \$1,805 and \$22,840.
- In 2023, between \$44,588.73 and \$94,746.65.

### **RECOMMENDATION 1:**

Auditors are aware that OFEM has submitted a revised draft of City Ordinance §470 to Law; however, in the meantime, auditors recommend that OFEM follow City Ordinance §470.06, as shown [above](#) in our report, and revoke permits if balances are not paid in full four days prior to the event. City Ordinance §470.04 indicates that both permit application fees and cost recovery fees are explained in §470.06, which allows for the revocation of permits if an estimated balance is not paid in full four days prior to an event. While the scope of this audit did not include a review of balances for additional City services, OFEM should ensure that any estimated balances communicated in advance of an event include application and permit fees, as applicable. OFEM should ensure that its applicant portal clearly warns applicants of possible permit revocation due to non-payment of estimated costs.

OFEM's policy in Getting Started of not writing permits due to non-payment does not align with ordinance but also was not followed during the scope of the audit. OFEM should discuss whether or not this procedural change from ordinance is acceptable in practice with its administration and also City Council. The results of these discussions should be documented and the directive followed.

Any trends in revenue derived from adherence should be reported to OFEM's administration and contact with City Council so that Council can assess if changes to ordinance are necessary. If adherence is never enforced and reports of adherence results not generated, Council will not have the information necessary to determine if changes are needed.

## **FINDING 2: INCORRECTLY BILLED FEES**

Over 400 events were identified in OFEM's database as having been billed only the \$25 application fee. There were 13 events billed between \$50 and \$75. This implies that some events were charged application fees but no permit fees, and other events charged permit fees but no application fees. Some events seem to have charges that do not coincide with the fees schedule or no fees at all. For additional details, please review the [Getting Started](#) section of this report.

OFEM explained the following to auditors: fees are waived for City-sponsored events, the department is sometimes asked by City administration to waive legitimate fees for certain events, and some items in the database were inaccurately entered or not fully updated. OFEM indicated that it does not keep record of requests to waive fees.

## **RECOMMENDATION 2:**

OFEM administration should maintain its database in a manner that allows proper data entry and tracking of fees billed and amounts due based on its published fees schedule. This should entail a consistent procedure for updating the database as changes occur and documenting internal notes of any requests for fees to be waived. Any procedures implemented should be clearly communicated to all staff members.

## **FINDING 3: STATUS OF OFEM STAFFING**

In 2022, OFEM procedures and oversight were a function of the OSE. The 2022 City's operating budget, as published by the Office of Management and Budget (OMB), indicated that eight full-time positions were dedicated to this office. In 2023, following the separation of OFEM from OSE, OMB's operating budget lists only three film & event positions. Based on OFEM's databases, the submission volume of applications increased by approximately 7% between 2022 and 2023. A proposal submitted to City Council by OFEM explained that, in addition to increased overall volume and shorter staffing, OFEM has been given directives to act in heavier capacity as consultants and customer service for event applicants. However, OFEM administrators indicated that its requests for additional staff have been denied.

### **RECOMMENDATION 3:**

Since proposals for increased staffing have been denied, OFEM administration should consider ways to increase the current staff's ease of production via automation and standardized processes. OFEM may also wish to establish a list of distributed duties so that the highest priority tasks are always addressed first.

Incidentally, OFEM may wish to consider a more data-driven approach to any future requests for increased staff. For instance, a viable proposal for increased staffing could include internal logs that show daily procedures of staff, work on applications, and/or customer resolutions, etc. Internal logs can also support analysis of which tasks were able to be prioritized, completed, not completed, or delayed.

### **FINDING 4: OPERATIONAL INTERNAL CONTROL NEEDS IMPROVEMENT**

OFEM provided information to auditors that indicates various components of the Apply4 databases require manual adjustment by OFEM staff. Those adjustments were not always administered consistently or accurately. As noted in Findings #1 and #2, auditors were unable to determine with reasonable assurance the actual dollar amount of outstanding balances or that permits had been billed correctly. When auditors asked about discrepancies within the databases provided, OFEM submitted a detailed written explanation that, while informative, could not be confirmed based on the databases alone. This indicates that the manual tracking process can be improved to be more accurate and consistent.

### **RECOMMENDATION 4:**

OFEM administration should implement policies and procedures to support a priority list of staff duties, with a prioritization on accurately and consistently maintaining record of its billing. This will ensure that the City receives funds due for its services. In addition, if multiple staff members share duties and the system is not up to date, errors can occur more frequently.

OFEM administration should implement a reconciliation phase to check data inputs against supporting documentation of payments received and/or actions completed.

### **FINDING 5: UNSTATED EXPECTATIONS OF APPLICANT INVOICING, PAYMENT, AND PROCEDURES ON OFEM WEBSITE**

OFEM's website, applicant portal, and no-parking sign template do not clearly warn users of expectations on invoicing, payment, and parking procedures.

- The application of an event permit informed the user of only the \$25 application fee but not the permit fee. The application did not indicate that permits could be revoked, in accordance with City Ordinance, or not written due to non-payment of City invoices, in accordance with OFEM's document Getting Started. There was also no information provided on the expected payment period (i.e., payment of estimated amount, possible issuance of additional invoice, etc.).
- The application portal requests that the applicant describe parking arrangements, but there are no warnings or descriptions of the usage, timing, or responsibility of event parking signage. Also, the no-parking sign template given to auditors does not indicate when signs should be posted, only that they should be removed within 48 hours of the event.

#### **RECOMMENDATION 5:**

OFEM administration should ensure that its online application outlines expected or anticipated costs, the timeline for payment, and the consequences of non-payment. The online application should also detail the parking signage procedures for posting and removing signage, and/or the consequences of neglecting signage including the possibility of receiving a traffic ticket and vehicle being towed.

EDWARD C. GAINNEY  
MAYOR



LEE C. SCHMIDT  
DIRECTOR

CITY OF PITTSBURGH  
**DEPARTMENT OF PUBLIC SAFETY**  
CITY-COUNTY BUILDING

December 10, 2024

Rachael Heisler, City Controller  
Doug Anderson, Deputy Controller  
Office of the City Controller  
414 Grant Street  
Pittsburgh, PA 15219

RE: Performance Audit on Office of Film and Event Management (OFEM), Special Events

Dear Controller Heisler and Deputy Controller Anderson:

Thank you for sharing the results from your performance audit of the Office of Film & Event Management and providing the Department of Public Safety with the opportunity to respond to your recommendations. Please find these responses below. As discussed in our meeting on December 6, OFEM has implemented a new online permitting solution (EProval) and is in the process of hiring a third Film & Event Permit Coordinator. We expect that these two changes will naturally result in improvements related to the audit recommendations.

**FINDING #1: OUTSTANDING BALANCES**

Based on reports provided by OFEM, significant outstanding balances exist for application and permit fees for both 2022 and 2023. OFEM does not revoke permits due to non-payment, and OFEM's databases also indicate that permits are issued to applicants even if outstanding balances exist. Auditors are unable to provide reasonable assurance of the exact amount based on the information provided by the department; however, OFEM's reports indicate that the range of unpaid balances could be as follows:

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**RECOMMENDATION 1**

Auditors are aware that OFEM has submitted a revised draft of City Ordinance §470 to Law; however, in the meantime, auditors recommend that OFEM follow City Ordinance §470.06, as

shown above in our report, and revoke permits if balances are not paid in full four days prior to the event. City Ordinance §470.04 indicates that both permit application fees and cost recovery fees are explained in §470.06, which allows for the revocation of permits if an estimated balance is not paid in full four days prior to an event. While the scope of this audit did not include a review of balances for additional City services, OFEM should ensure that any estimated balances communicated in advance of an event include application and permit fees, as applicable. OFEM should ensure that its applicant portal clearly warns applicants of possible permit revocation due to non-payment of estimated costs.

OFEM's policy in Getting Started of not writing permits due to non-payment does not align with ordinance but also was not followed during the scope of the audit. OFEM should discuss whether or not this procedural change from ordinance is acceptable in practice with its administration and also City Council. The results of these discussions should be documented and the directive followed.

Any trends in revenue derived from adherence should be reported to OFEM's administration and contact with City Council so that Council can assess if changes to ordinance are necessary. If adherence is never enforced and reports of adherence results not generated, Council will not have the information necessary to determine if changes are needed.

**Auditee Response:** Partially agree. As noted in discussion, the listed outstanding balances may be as a result of many outcomes, including City-run events that would not be normally billed but were nonetheless included in these tallies. The EProval system will allow for more discrete tracking of such balances. With regards to collection of fees prior to the event, Public Safety believes this would be inefficient and impractical. Estimated fees are rarely identical to what is actually incurred, so requiring up-front payment of the estimate would almost always require an additional follow-up to correct the balance. Additionally, the majority of the total outstanding balances are debts of a small group of large event producers who have considerable debt to the city and not a large number of events or lack of collection efforts by OFEM. Public Safety has opened discussion with the Department of Finance regarding options to collect the debts from the event applicants with significant debt to the City. Public Safety will continue to advocate for changes to relevant ordinances in order to align procedure with City Code.

## **FINDING #2: INCORRECTLY BILLED FEES**

Over 400 events were identified in OFEM's database as having been billed only the \$25 application fee. There were 13 events billed between \$50 and \$75. This implies that some events were charged application fees but no permit fees, and other events charged permit fees but no application fees. Some events seem to have charges that do not coincide with the fees schedule or no fees at all. For additional details, please review the Getting Started section of this report.

OFEM explained the following to auditors: fees are waived for City-sponsored events, the department is sometimes asked by City administration to waive legitimate fees for certain events, and some items in the database were inaccurately entered or not fully updated. OFEM indicated that it does not keep record of requests to waive fees.

## **RECOMMENDATION 2**

OFEM administration should maintain its database in a manner that allows proper data entry and tracking of fees billed and amounts due based on its published fees schedule. This should entail a consistent procedure for updating the database as changes occur and documenting internal notes of any requests for fees to be waived. Any procedures implemented should be clearly communicated to all staff members.

**Auditee Response:** Agree and in process. Staff have already begun additional tracking of fees in spreadsheets. The addition of the third Permit Coordinator will allow for greater attention to detail and additional follow-ups with film and event producers.

## **FINDING #3: STATUS OF OFEM STAFFING**

In 2022, OFEM procedures and oversight were a function of the OSE. The 2022 City's operating budget, as published by the Office of Management and Budget (OMB), indicated that eight full-time positions were dedicated to this office. In 2023, following the separation of OFEM from OSE, OMB's operating budget lists only three film & event positions. Based on OFEM's databases, the submission volume of applications increased by approximately 7% between 2022 and 2023. A proposal submitted to City Council by OFEM explained that, in addition to increased overall volume and shorter staffing, OFEM has been given directives to act in heavier capacity as consultants and customer service for event applicants. However, OFEM administrators indicated that its requests for additional staff have been denied.

## **RECOMMENDATION 3**

Since proposals for increased staffing have been denied, OFEM administration should consider ways to increase the current staff's ease of production via automation and standardized processes. OFEM may also wish to establish a list of distributed duties so that the highest priority tasks are always addressed first.

Incidentally, OFEM may wish to consider a more data-driven approach to any future requests for increased staff. For instance, a viable proposal for increased staffing could include internal logs that show daily procedures of staff, work on applications, and/or customer resolutions, etc. Internal logs can also support analysis of which tasks were able to be prioritized, completed, not completed, or delayed.

**Auditee Response:** Agree and in process. Public Safety has been able to allocate funding for a third Permit Coordinator, which at time of this correspondence is expected to join OFEM before the end of the calendar year.

## **FINDING #4: OPERATIONAL INTERNAL CONTROL NEEDS IMPROVEMENT**

OFEM provided information to auditors that indicates various components of the Apply4 databases require manual adjustment by OFEM staff. Those adjustments were not always administered consistently or



accurately. As noted in Findings # 1 and # 2, auditors were unable to determine with reasonable assurance the actual dollar amount of outstanding balances or that permits had been billed correctly. When auditors asked about discrepancies within the databases provided, OFEM submitted a detailed written explanation that, while informative, could not be confirmed based on the databases alone. This indicates that the manual tracking process can be improved to be more accurate and consistent.

#### **RECOMMENDATION 4**

OFEM administration should implement policies and procedures to support a priority list of staff duties, with a prioritization on accurately and consistently maintaining record of its billing. This will ensure that the City receives funds due for its services. In addition, if multiple staff members share duties and the system is not up to date, errors can occur more frequently. OFEM administration should implement a reconciliation phase to check data inputs against supporting documentation of payments received and/or actions completed.

**Auditee Response:** Agree and in process. Between the addition of EProval and the third Permit Coordinator, OFEM anticipates much greater capacity for accurate recordkeeping.

#### **FINDING #5: UNSTATED EXPECTATIONS OF APPLICANT INVOICING, PAYMENT, AND PROCEDURES ON OFEM WEBSITE**

OFEM's website, applicant portal, and no-parking sign template do not clearly warn users of expectations on invoicing, payment, and parking procedures.

- The application of an event permit informed the user of only the \$25 application fee but not the permit fee. The application did not indicate that permits could be revoked, in accordance with City Ordinance, or not written due to non-payment of City invoices, in accordance with OFEM's document Getting Started. There was also no information provided on the expected payment period (i.e., payment of estimated amount, possible issuance of additional invoice, etc.).
- The application portal requests that the applicant describe parking arrangements, but there are no warnings or descriptions of the usage, timing, or responsibility of event parking signage. Also, the no-parking sign template given to auditors does not indicate when signs should be posted, only that they should be removed within 48 hours of the event.

#### **RECOMMENDATION 5**

OFEM administration should ensure that its online application outlines expected or anticipated costs, the timeline for payment, and the consequences of non-payment. The online application should also detail the parking signage procedures for posting and removing signage, and/or the consequences of neglecting signage including the possibility of receiving a traffic ticket and vehicle being towed.

**Auditee Response:** Agree and in process. EProval allows for much greater flexibility and responsiveness in editing the online application pages. OFEM will continue to evaluate and update where greater clarification or transparency would improve the application process for constituents and film and event producers.

This concludes our responses. Again, we appreciate the opportunity for improvement presented by this audit and invite your office to continue assessing our progress in providing enhanced service to the City of Pittsburgh.

Sincerely,

A handwritten signature in blue ink, appearing to read "Lee C. Schmidt", with a horizontal line extending to the right.

Lee C. Schmidt  
Director

cc: Brian Katze, Manager, Film & Event Management, Public Safety  
Charles Showers, Manager, Personnel & Finance, Public Safety

## APPENDIX

### EXHIBIT A 2023 Special Events Costs for Charitable, General, and Commercial

	Charitable	General	Commercial
<b>2023 Special Event Costs</b>			
Application Processing Fee	\$ 25.00	\$ 25.00	\$ 25.00
Special Event Permit Fee	\$ 75.00	\$ 200.00	\$ 675.00
<b>City Property Use Fees</b>			
General Property - undefined	\$ 25.00	\$ 50.00	\$ 100.00
Public Park - Regional - per day	\$ 50.00	\$ 300.00	\$ 450.00
Public Park - per day	\$ 35.00	\$ 100.00	\$ 150.00
Right of Way - Minor Arterial - per block	\$ 75.00	\$ 100.00	\$ 175.00
Right of Way - Collector - per block	\$ 37.50	\$ 50.00	\$ 87.50
Right of Way - Park Road - per block	\$ 20.00	\$ 40.00	\$ 80.00
Right of Way - Local - per block	\$ 18.75	\$ 25.00	\$ 43.75
Right of Way - Alley - per block	\$ 10.00	\$ 12.50	\$ 22.00
Right of Way - Sidewalk - per block	\$ 10.00	\$ 12.50	\$ 22.00

Source: OFEM document *Getting Started*

### EXHIBIT B 2023 Runs, Walks, and Rides Costs

ROAD CLASS	Primary ROW (over 50%)		
	Park/Local	Collector	Arterial
Processing fee	\$ 25.00	\$ 25.00	\$ 25.00
<b>Charitable</b>			
Park / Trails Only	\$ 75.00	x	x
Park & ROW	\$ 125.00	\$ 200.00	\$ 275.00
ROW Only	\$ 200.00	\$ 275.00	\$ 350.00
<b>General</b>			
Park / Trails Only	\$ 150.00	x	x
Park & ROW	\$ 200.00	\$ 275.00	\$ 350.00
ROW Only	\$ 275.00	\$ 350.00	\$ 425.00
<b>Commercial</b>			
Park / Trails Only	\$ 250.00	x	x
Park & ROW	\$ 325.00	\$ 425.00	\$ 525.00
ROW Only	\$ 425.00	\$ 525.00	\$ 625.00

Source: OFEM document *Getting Started*

**EXHIBIT C**  
**Parade Pricing 2023**

<b>Duration</b>	<b>Pricing</b>
Parade lasting no more than two (2) hours on a weekday:	\$500.00
Parade lasting no more than two (2) hours on a weekend or City Holiday	\$1,000.00
Parade lasting over two (2) hours on a weekday	\$2,000.00
Parade lasting over two (2) hours on a weekend or City holiday	\$3,000.00
Veteran's Day Parade	\$0

Source: OFEM Website and City Ordinance 470.04

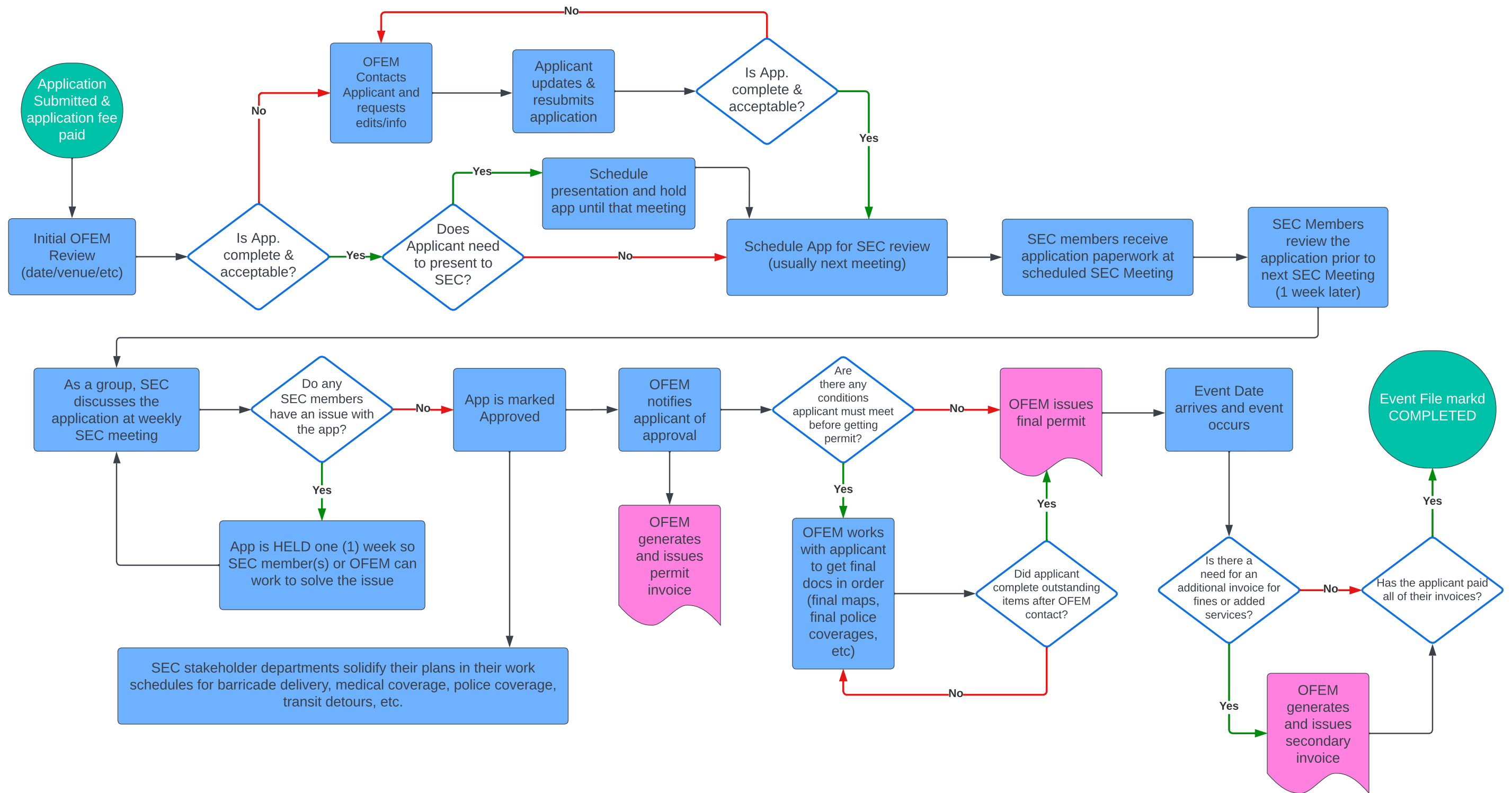
**EXHIBIT D**  
**Special Event Insurance Coverage**

<b>GENERAL LIABILITY INSURANCE</b>	<b>INDIVIDUAL OCCURRENCE</b>	<b>AGGREGATE</b>
<b>BODILY INJURY INSURANCE, INCLUDING DEATH</b>	\$ 500,000.00	\$ 1,000,000.00
<b>PROPERTY DAMAGE INSURANCE</b>	\$ 50,000.00	\$ 100,000.00

Source: OFEM document *Getting Started*

# EXHIBIT E

## Flowchart of Application Process



Source: OFEM administration.