CITY OF SAN JOSE
CAPITAL OF SILICON VALLEY

Office of the City Auditor

Report to the City Council
City of San José

STATUS OF OPEN AUDIT RECOMMENDATIONS AS OF JUNE 30, 2023

September 2023

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Office of the City Auditor
Joe Rois, City Auditor

September 15, 2023

Honorable Mayor and City Council
City of San José
200 E. Santa Clara Street
San José, CA 95113

STATUS OF OPEN AUDIT RECOMMENDATIONS AS OF JUNE 30, 2023

RECOMMENDATION

We recommend the City Council accept the Status of Open Audit Recommendations as of June 30, 2023.

SUMMARY OF RESULTS

The City Auditor's Office monitors and reports on the status of open audit recommendations every six months.   Since the last update, City staff implemented or closed 40 recommendations from past performance audits covering a range of departments and programs.

Over the past 10 years, the Administration has implemented 79 percent of all recommendations made by the Auditor's Office (target: 80 percent). 165 recommendations remain pending, 126 of which have been partly implemented. There are $20.8 million in potential monetary benefits in open audit recommendations (e.g., budget savings, additional revenue, efficiency gains, protecting City assets).

Attached is a summary table of all recommendations by report over the past five years (Appendix A) and details on the status of the 205 audit recommendations from our review as of June 30, 2023 (Appendix B).

205 recommendations in this report

23 were issued in new reports

40 implemented/closed since last update

165 partly or not implemented

$20.8 million in potential monetary benefits

79% of audit recommendations made over the last 10 years have been implemented or closed

Twelve Priority Recommendations

Per direction of the City Council, the Administration, in coordination with the City Auditor's Office, identified 12 open audit recommendations to prioritize, while continuing to make progress on implementing or closing out other open audit recommendations.[1] The current audit recommendation priorities (categorized by intended benefit and listed with target dates) are:

Potential budgetary savings/revenue generation

- Obtain more favorable contract terms from golf course operators (*Audit of Golf Courses*, 2015)

  The Department of Parks, Recreation and Neighborhood Services (PRNS) conducted an RFP and brought forward the results to the City Council on March 14, 2023. The new lease agreements took effect on April 1, 2023 for all three City golf courses: Los Lagos, Rancho Del Pueblo, and Muni. PRNS reports that the new lease agreements will result in improved financial results for the City, capital investment in the golf courses, enhanced community access, and continued environmental stewardship. Recommendation #1508-01 IMPLEMENTED

- Improve overtime controls in the Police Department (*Audit of Police Staffing, Expenditures, and Workload,* 2021)

  The Police Department issued an internal memo outlining overtime controls for the Department and new requirements that include Captains and Division Managers reporting on the use of overtime in their division on a quarterly basis. The Department states that it will continue to review how overtime is being used and its overtime policies in consideration of the current staffing issues, and develop a plan that considers policy changes, clarification of discretionary and mandatory overtime, consistent messaging, training, and management review. The Department also reports that it will be piloting a new timecard system that is anticipated to better track time and automate overtime rules. In FY 2022-23, overtime expenditures totaled roughly $58 million, up from $47 million at the time of this audit. The increase has been primarily driven by the high number of sworn vacancies and the need to backfill these positions. As of June 2023, there were 181 vacancies out of a total of 1,173 sworn positions. Recommendation #2101-06 target date: July 2024 (delayed from June 2022).

- Identify uses and develop procedures for spending in-lieu fees for tree plantings (*Audit of Tree Removals and Replacements*, 2022) – *New priority added*

  According to the Department of Transportation (DOT), over $325,000 of in-lieu fees were spent in FY 2022-23, resulting in 779 trees plantings. Additional funds have been obligated while they continue to identify planting spaces. DOT also reports that they are developing criteria for

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[1] In June 2018, the City Council approved the *2018-19 Open Audit Recommendation Priorities* (https://sanjose.legistar.com/LegislationDetail.aspx?ID=3512937&GUID=A59AA751-4DB2-4759-BE3A-03E8B26DB47F). To date, 11 of the original 12 priority recommendations have been implemented and new priority recommendations have been added.

the appropriate use of in-lieu fees in the future. Recommendation #2208-7 target date: December 2023.

Operational efficiency

- Develop Citywide policies and procedures for contract monitoring and management (*Audit of Consulting Agreements*, 2013)

  The City Manager's Office (CMO), in coordination with the City Attorney's Office, is developing a Contract Processing Manual to ensure contracts Citywide are properly administered and managed. The guidelines cover the different phases of contract administration, including contract formation and ongoing contract monitoring. Recommendation #1306-09 target date: December 2023 (delayed from June 2018).

- Develop volunteer program guidelines (*Audit of the City's Use and Coordination of Volunteers*, 2016)

  The Administration assembled and reviewed resources and tools developed by City departments and incorporated them into a Volunteer Guide. These are published as an internal resource webpage for City staff who administer volunteer programs. The Administration plans to update the guide, resources, volunteer leads, and other information for staff use on an annual basis going forward. Recommendation #1603-03 IMPLEMENTED

- Update tow service agreements (*Audit of Towing Services*, 2018)

  The City issued an RFP for a technology platform and contract administration for tow services in February 2023 and the award of contract based on the results of the RFP was approved by City Council on August 15, 2023. The draft agreement includes provisions to address various items listed in the audit. Recommendation #1810-03 IMPLEMENTED

Improved service delivery

- Improve monitoring of homeless service providers (*Audit of City's Homeless Assistance Programs*, 2018)

  The Housing Department has developed monitoring policies, procedures, and templates to conduct monitoring visits, and has engaged a consultant to aid in monitoring service providers. The Department also has been granted access to the County's HMIS system and staff have begun reviewing grantee reports against HMIS data. Lastly, the Department has developed a schedule for ongoing monitoring of all agreements. Recommendation #1807-11 IMPLEMENTED

- Clarify massage program roles and responsibilities (*Audit of Code Enforcement Management Controls*, 2021)

    The Police Department has provided Code Enforcement a draft of a memorandum of understanding (MOU) to clarify roles and responsibilities of this program. Code Enforcement reports they are in the process of reviewing the proposed MOU and providing comments. Recommendation #2104-07 target date: December 2023 (delayed from August 2022).

- Procure a software solution and provide sufficient supervisory staff to support wage compliance review (*Audit of the Office of Equality Assurance*, 2017)

    The Office of Equality Assurance (OEA) has completed an RFP process to develop an online data system to support wage compliance review and is in the final stages of executing a contract. OEA expects the software to be in use by November 2023. As noted in prior updates, OEA has executed minimum wage enforcement agreements with multiple local agencies, the revenue from which was allocated to fund a Senior Analyst position. Additionally, OEA received funding for three Contract Compliance Coordinators, two of which had been hired as of June 30, 2023. Recommendation #1702-01 target date: January 2024 (delayed from June 2018).

Citywide security/risk mitigation

- Revise the procurement card policy (*Audit of City Procurement Cards,* 2010*)*

    At the time of our 2019 follow-up audit of procurement cards (p-cards), the City had been spending roughly $14 million annually through City-issued p-cards. The Finance Department (Finance) has been working to revise the City Procurement Cards policy (Section 5.1.2 of the City Policy Manual), dividing the policy into two parts: a high-level administrative policy and a detailed p-card administrative guide. Both documents are currently under review. These revisions will address multiple open audit recommendations to ensure the ongoing appropriateness of p-card expenditures. Recommendation #1009-01 target date: December 2023 (delayed from June 2011).

- Develop Citywide administrative guidelines or procedures for managing federal grants (*Audit of Citywide Grant Management,* 2022)

    Finance identified three permanent positions and four limit-dated positions to work on grants-related work. However, Finance reported that it needed to divert resources to other work priorities. This included responding to the Emergency Operations Center (EOC) activation for the January and March 2023 storms, recovery activities related to these FEMA-declared disasters, and submitting COVID-19 related projects for FEMA reimbursement consideration. Recommendation #2203-01 target date: June 2024 (delayed from June 2023).

- Fully document COVID-related procurements of food distribution contracts. (*Audit of COVID-19 Food Distribution Expenditures,* 2022) – *New priority added*

> Finance has identified three permanent positions and four limit-dated positions, funded through June 30, 2024. According to Finance, the group will administer the City's COVID-19 grants, including compiling expenditure documentation (contracts, purchase orders, invoices, and proofs of payment), and supporting the City through grantor audits. Finance also plans to review and maintain documentation around procurement in the emergency cost-recovery files, including specific justification for sole-source and non-competitive contracts and amendments, cost or price analysis, and other information required to document compliance with federal requirements for competitive procurements. Recommendation #2206-01 target date: June 2024.

More detail about each of the priority recommendations is shown in our online dashboard and in Appendix B of this report.

## Departments Implemented or Closed 40 Recommendations in the Last Six Months

In addition to their work on the priority items listed above, departments continued to make progress toward implementing other open audit recommendations. Examples include:

- PRNS finalized procedures and collected forms to ensure its partners comply with fingerprinting, backgrounding, TB testing, or other requirements for staff who work or interact with vulnerable populations in the Neighborhood Center Partner Program. (*Audit of the Community Center Reuse Program*, 2018)

- The Office of Economic Development and Cultural Affairs Real Estate Division completed its market analysis of telecommunications sites and Council approved an updated fee schedule on June 13, 2023. (*Audit of Real Estate Services*, 2021)

- Finance, in collaboration with the Environmental Services Department, updated its "How to Read Your Bill" information to align with the current rate structure and provide additional explanations. (*Audit of Municipal Water Billing and Customer Service,* 2021)

- Planning, Building and Code Enforcement (PBCE) created new procedures to provide additional guidance for staff around tree removal applications, and to verify that applicants are complying with tree removal permit conditions. (*Audit of Tree Removals and Replacements,* 2022)

- The Police Department updated its website to include information about the Gun Violence Restraining Order (GVRO) process and now includes information about GVROs in its community outreach presentations. The Department also updated procedures for inspections of firearm businesses. (*Audit of Firearm Regulations*, 2022)

**Total of 165 Recommendations Are Still Pending**

Of the 165 recommendations that are still pending, 126 (76 percent) are partly implemented and 39 (24 percent) are not implemented. PBCE has the largest number of open audit recommendations – many of which were from audits issued in recent years.

All Open Audit Recommendations
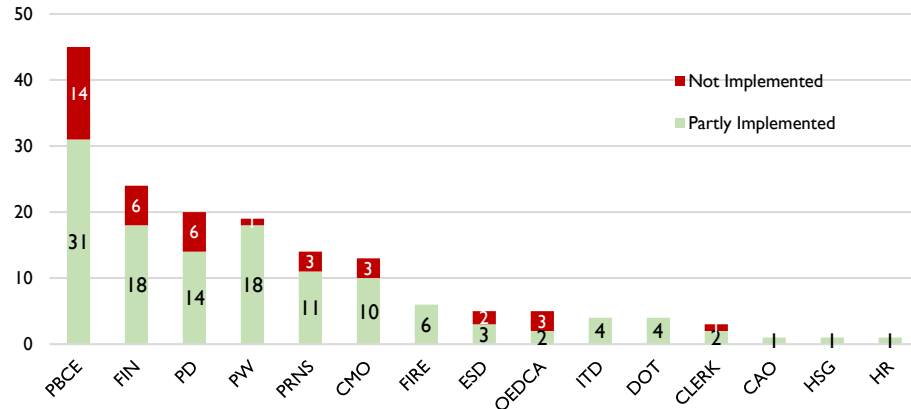
When implemented, many recommendations will improve operational efficiency of City departments. Others will improve transparency and accountability, improve service delivery, help to secure City assets, or ensure equity in service delivery.

Open Audit Recommendations by Intended Outcome
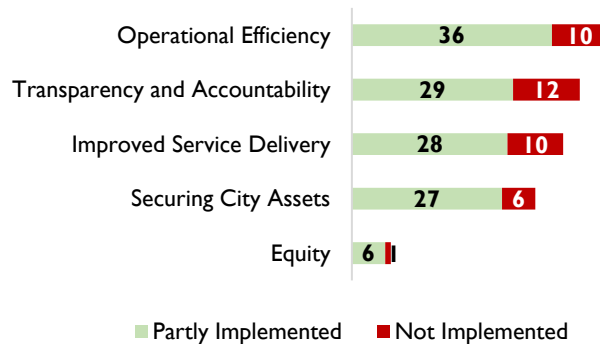
Note: The equity category was new as of the June 2022 report. Some recommendations have been recategorized from the other categories.

$20.8 Million in Potential Monetary Benefits from 15 Open Recommendations

Implementing recommendations can sometimes result in cost savings or additional revenue to the City. Examples include:

- Renegotiating the revenue sharing terms of the integration agreement with Santa Clara Valley Water District (estimated at $2.8 million at the time of an audit in 2016)

- Improving management of overtime of sworn employees and reassessing how Community Service Officers are deployed in the Police Department (an estimated $1.9 million from multiple recommendations from a 2021 audit)

- Recovering 100 percent of the cost of the Police Department's secondary employment program ($747,000 at the time of the audit in 2012)

- Creating a roster of massage businesses to help the City identify unpermitted businesses, and notifying businesses of the expiration of their licenses (estimated $500,000 in initial permit application fees, and $280,000 in ongoing annual permit fees)

Additional monetary benefits can be identified through reducing risk to the City. For example, we have recommendations to fully document justifications for sole-source procurements or service delivery from federal awards during the COVID-19 emergency. We estimated at least $13 million could potentially be at risk without further documentation of compliance with federal guidelines.

These and other recommendations that could result in potential savings are shown in more detail in Appendix B and in our online dashboard.

Departments Have Implemented 79 Percent of Recommendations Made in the Last 10 Years

Over the last 10 years, the City Auditor's Office has made 718 recommendations to improve or enhance City services. Of those recommendations, 79 percent have been implemented or closed.

Recommendations Made Over the Last 10 Years
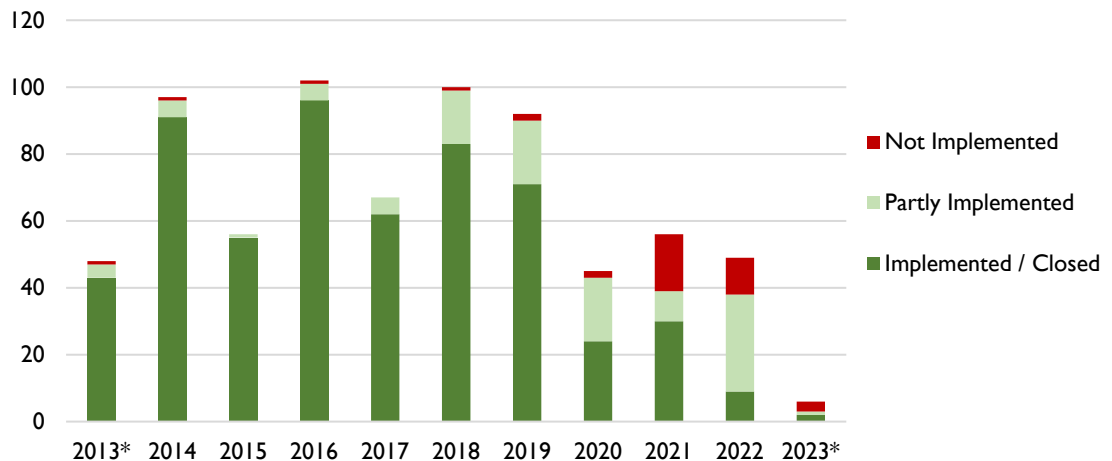
* Recommendations in 2013 represent July 2013-December 2013, and recommendations in 2023 represent January 2023-June 2023 to account for 10 full years.

Note: The number of recommendations can vary from year to year based on the type and scope of audits, as well as the timing of the release.

Over the past five years, departments have fully implemented 60 percent of the 321 audit recommendations made. (See Appendix A for a list of reports issued in the last five years and the status of their recommendations.)

CONCLUSION

Information about all open recommendations is available online:

- The *Dashboard of the Status of Open Audit Recommendations* contains information about the status of all pending recommendations as of June 30, 2023 – sortable by priority, department, year published, target date, and type/benefit.

- The *Dashboard of All Recommendations 2010 to Present* contains all recommendations (both open and closed) made since 2010 – sortable by report, department, year published, and status. A search feature allows users to search by keyword.

Both dashboards are online at:
www.sanjoseca.gov/your-government/appointees/city-auditor/audit-recommendations

The City Auditor's Office would like to thank the City Manager's Office and all the departments for their efforts to implement audit recommendations and for their assistance in compiling this report.

Respectfully submitted,

Joe Rois
City Auditor

Audit staff: Brittney Harvey, Hiwad Haider, Dilnoza Khudoyberganova, Michelle Ann Mallari, Gitanjali Mandrekar, Ebelechukwu Obi, Michael O'Connell, Alison Pauly, Adrian Perez, Ricky Tran, and Maria Valle
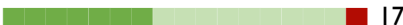
Appendix A: Summary Listing of Recommendations by Report (July 1, 2019 – June 30, 2023)
Appendix B: Detailed Listing of the Status of Open Recommendations as of June 30, 2023
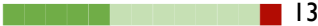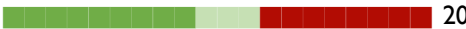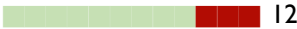
Appendix A:
SUMMARY LISTING RECOMMENDATIONS BY REPORT
(JULY 1, 2018 – JUNE 30, 2023)

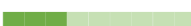| Report	Audit Title	Dept(s)	We made recommendations to:	Current Recommendation Status
#18-03	Department of Public Works: Enhancing Management of Capital Projects	PW	Enhance management of capital projects	10
#18-04	Audit of Vehicle Abatement: The City Could Improve Customer Service for Vehicle Abatement Requests	DOT	Improve customer service for vehicle abatement requests	12
#18-06	Community Center Reuse (now the Neighborhood Center Partner Program): Efficient Monitoring and Better Data Can Help Determine the Next Phase of Reuse	PRNS	Improve program monitoring and use of facility- and provider-level data to better assess services delivered to residents	19
#18-07	Audit of the City's Homeless Assistance Programs: More Coordination and Better Monitoring Can Help Improve the Effectiveness of Programs	HSG	Improve the City's oversight and management of its homeless assistance program	14
#18-08	Team San Jose Performance FY 2017-18	OEDCA	Establish and formalize the target for theater occupancy	1
#18-10	Audit of Towing Services: Changes to Contract Terms and Consolidated Oversight Could Improve Operations	DOT	Address towing contract violations, standardize towing and storage fees, update contract terms, and improve oversight	17
#19-01	Audit of 9-1-1 and 3-1-1: Changes to Call Handling and Increased Hiring Efforts Could Improve Call Answering Times	PD	Improve emergency call answering times	19
#19-02	Employee Benefit Fund Administration: Opportunities Exist to Improve Controls	HR	Improve administration of employee benefit funds	8
#19-03	Development Noticing: Ensuring Outreach Policies Meet Community Expectations	PBCE	Update outreach policies to reflect current conditions, and improve mechanisms for reaching neighborhood associations and limited-English speaking populations	8
#19-04	The Mayor's Gang Prevention Task Force (now the San José Youth Empowerment Alliance): Better Coordination and Use of Data Can Further the Task Force's Strategic Goals	PRNS	Support and enhance the Task Force's continuum of care strategy	17

Report	Audit Title	Dept(s)	We made recommendations to:	Current Recommendation Status
#19-05	Employee Reimbursements: Strengthening and Streamlining the Reimbursement Process	FIN	Streamline and better monitor the employee reimbursement process	4
#19-06	Form 700s: Despite High Overall Filing Rates, the City Can Improve Timeliness and Completeness of Filings	CLERK	Streamline processes and standardize procedures to improve the timeliness and completeness of Form 700 filings	9
#19-07	Procurement Cards: Clarification on Policies and Additional Oversight Can Improve the P-Card Program	FIN	Improve program controls and oversight, as well as monitoring of agreements	9
#19-08	Street and Utility In-Lieu Fees: Transparency and Coordination Can Improve the Administration of Fee Programs	PW	Improve the calculation, collection, and use of in-lieu fees for street and utility-related public improvements	8
#19-10	Technology Deployments: Processes Can Be Improved to Ensure Long-term Success of the City's Technology Vision	IT	Strengthen the City's technology deployments process by improving planning, tracking, and reporting of major technology projects throughout the City	10
#20-02	Fleet Maintenance and Operations: Public Works Can Continue to Improve Fleet Operations	PW	Continue to enhance fleet operations by utilizing data to identify fleet replacements and monitor operations, and streamlining the fleet acquisition process	13
#20-03	Audit of Fire Development Services: Staff Resources and Process Efficiencies Will Help to Reduce Backlog	FIRE	Improve customer service and the efficiency of the Fire development services program by reducing the backlog of work, improving processes, and addressing resource needs	14
#20-04	Park Maintenance: Improved Data Collection and Analysis Would Enhance Park Maintenance Operations	PRNS	Continue to better monitor and improve park maintenance operations by reassessing the Park Condition Assessment process and data collection protocols, and using targeted data to inform resource decisions	13
#20-05	Development Partners' Work-in-Progress Reserves: Better Monitoring Can Ensure Reserves Align with Resource Needs	MULTIPLE	Improve the workload and resource planning through better tracking of development work in progress	5

Report	Audit Title	Dept(s)	We made recommendations to:	Current Recommendation Status
#21-01	Police Staffing, Expenditures, and Workload: Staffing Reductions Have Impacted Response Times and Led to High Overtime Costs	PD	Review and compare Police staffing, spending, and calls for service over time, and provide recommendations about managing overtime and staffing to meet Council and community priorities	10
#21-02	Advocate Referrals: Further Improvements to Processes and Data Sharing Can Help Connect More Survivors to Services	PD	Connect more survivors to services by making further improvements to advocate referral processes and data sharing	6
#21-03	Real Estate Services: Better Tools and Coordination Can Improve Asset Management and Service Delivery	OEDCA	Improve oversight and coordination for managing the City's real estate assets	6
#21-04	Code Enforcement Management Controls: Improvements to Oversight and Coordination Needed	PBCE	Improve oversight and management controls	20
#21-05	Municipal Water Billing and Customer Service: The City Can Take Steps to Enhance Customer Service During an Unprecedented Time	ESD	Enhance Municipal Water customer service and support customers during a drought and the COVID-19 pandemic	13
#21-06	Team San Jose Performance FY 2020-21	OEDCA	Address an error in the incentive fee paid to Team San Jose	1
#22-02	Environmental Review for New Developments: Better Project Management and Reviewing Resources Can Improve the CEQA Process	PBCE	Improve the CEQA process through better project management and reviewing resources	12
#22-03	Citywide Grant Management: Improved Coordination Can Increase Federal Grant Opportunities and Standardize Grant Administration	FIN	Improve Citywide grant management by developing guidelines and training around the different phases of grant management	3
#22-04	Take-Home Vehicles: Improved Controls Can Better Ensure Compliance With City Policies	PW	Improve the efficiency of the take-home vehicle process and compliance with City policy	5
#22-05	Bill of Rights for Children and Youth: Incorporating the Bill of Rights into Planning Can Enhance Services	CMO	Enhance the City's service delivery to children and youth and promote continuous improvement of programs for kids in San José	2

Report	Audit Title	Dept(s)	We made recommendations to:	Current Recommendation Status
#22-06	COVID-19 Food Distribution Expenditures: The City Should Address Gaps in Emergency Documentation and Procedures	FIN	Ensure the City collects documentation to support federal procurement compliance and contract service delivery; in addition, update policies to improve the City's emergency preparedness and contract monitoring	■■■■■ 5
#22-08	Tree Removals and Replacements: The City Can Improve Processes to Protect and Grow the Community Forest	PBCE / DOT	Improve management of the community forest through better oversight, improved fiscal practices, and expanded data tracking	■■■■■■■■■■ 10
#22-09	Firearm Regulations: The City Should Update Procedures Around Gun Violence Restraining Orders and Firearm Business Inspections	PD	Enhance firearm regulatory process and policies	■■■■■■■ 7
#23-01	San Jose Conservation Corps: The Corps Provides Essential Services to Residents, However The City Can Better Monitor Performance and Promote Workplace Safety	PRNS	Enhance performance monitoring and promote workplace safety for Corps Members	■■■■■ 5
#23-02	Employee Travel Expenses: Additional Training Can Enhance Compliance With the City's Travel Policy	FIN	Ensure compliance with the City's Employee Travel Policy	■ 1

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Appendix B:

DETAILED LISTING OF THE STATUS OF PENDING RECOMMENDATIONS AS OF JUNE 30, 2023

Report and Recommendations	Dept (s)	Current Status	Comments
#10-09 City Procurement Cards #01 Revise the p-card policy to require simple descriptive annotations on receipts or statements that describe the intended use of the purchases, as well as the intended location, and if applicable, the number of people intended to use the purchased items or services.	FIN	**Partly Implemented - Priority**	In 2012, the Finance Department began informing departments that they should annotate receipts or statements from p-card purchases with simple descriptive annotations of the intended use of the purchase, the intended location, and if applicable, the number of people intended to use the purchased items or services. Finance recommends annotations in quarterly p-card trainings, as well. Additionally, the Finance Department is working on revising the City Procurement Cards policy (Section 5.1.2 of the City Policy Manual), dividing the policy into two parts: a high-level administrative policy and a detailed p-card administrative guide. Both documents are under senior staff review. Target Date: Dec-2023 (Delayed From: Jun-2011)
#12-04 Police Department Secondary Employment #22 The Police Department should: (a) calculate the cost of bringing all coordination into SEU and the related impact on employers' fees, and (b) assess the impact on the hourly rate charged to employers, as well employer fees, if coordination were brought into SEU and employees were paid at an overtime rate. Given that information, the Department should seriously consider three options moving forward: (1) phasing into SEU the coordination of additional pay jobs, (2) bringing all coordination into SEU, (3) bringing all coordination into SEU and also paying employees on overtime through the City.	PD	Partly Implemented	The Department conducted an analysis of the costs associated with the Secondary Employment Unit and has developed an implementation proposal. The Police Department and the City Manager's Office are currently reviewing the policy implications of this proposal and developing a plan to bring it forward for City Council review. Target Date: Dec-2024 (Delayed From: Dec-2019)

#12-04 Police Department Secondary Employment
 	
#28   The Police Department should:
   (a) calculate the comprehensive cost of the secondary employment program (personnel, administrative costs, etc.),
   (b) compare those costs to the revenue generated by related fees, and
   (c) determine the fees that would be required to make the program 100% cost recovered and present this data to the City Council.
	PD	Partly Implemented	The Department conducted an analysis of the costs associated with the Secondary Employment Unit and has developed an implementation proposal. The Police Department and the City Manager's Office are currently reviewing the policy implications of this proposal and developing a plan to bring it forward for City Council review. Target Date: Dec-2024 (Delayed From: Dec-2019)
			
			Potential Monetary Benefit: The personnel costs of operating SEU were estimated at $747,000 in the audit. Recovery of these costs through fees would reduce the subsidy by the General Fund.

#12-04 Police Department Secondary Employment #29 The Police Department should fully recover the cost of secondary employment liability policy either through increased employee contributions or by a fee charged to secondary employers.	PD	Partly Implemented	The Department did an analysis of overall program costs and has provided this information to the City Manager's Office. The Department reports that work on options to fully recover costs of the secondary employment liability insurance is pending. Target Date: Dec-2024 (Delayed From: Dec-2019) Potential Monetary Benefit: In 2022, the General Fund subsidy of the secondary employment liability policy was $37,200.

Report and Recommendations	Dept (s)	Current Status	Comments
#12-04 Police Department Secondary Employment #30 Assuming that the City continues to offer uniformed off-duty employment to private employers, the City should assess the public and private benefits of the current provision of uniformed security services to a broad range of private and public entities. The Department should analyze the costs and benefits of continuing to provide this service on such a broad scale as well as the potential effects of limiting the program to certain types of jobs. The Department should propose a plan for the future of the program to the City Council that includes the results of this analysis.	PD	Partly Implemented	The Department conducted an analysis of the costs associated with the Secondary Employment Unit and has developed an implementation proposal. The Police Department and the City Manager's Office are currently reviewing the policy implications of this proposal and developing a plan to bring it forward for City Council review. Target Date: Dec-2024 (Delayed From: Dec-2019)
#12-06 Environmental Services #13 The Administration should propose the City Council establish a City Council Policy which includes guiding principles so as not to raise rates in years in which ratepayer fund balances exceed reasonable targets.	ESD	Partly Implemented	At the time of our audit, the City had accumulated large ending fund balances in its utility funds – totaling more than $278 million at the end of FY 2010-11. The sources of the large balances were lower than expected capital spending, staff vacancies, and other budget savings. We recommended the Administration propose a policy to hold rates steady when fund balances exceed reasonable targets. In coordination with the City Managers' Budget Office and the City Attorney's Office, the Environmental Services Department (ESD) is in the process of amending City Council Policy 1-18, Operating Budget and Capital Improvement Program Policy, the goal of which will be to identify the guiding principles for developing utility rates to ensure rate increases are fair and appropriate, while also balancing key priorities such as safe and reliable services, cost efficiency, and supporting environmental outcomes. Target Date: Dec-2023 (Delayed From: Sep-2017)
#12-06 Environmental Services #22 The Administration should propose the City Council adopt a City Council Policy which includes guiding principles for evaluating ratepayer costs and rate increases for fairness and appropriateness, and balancing priorities, such as safe and reliable services, cost efficiency, ratepayer impacts, and environmental outcomes.	ESD	Partly Implemented	In coordination with the City Managers' Budget Office and the City Attorney's Office, the Environmental Services Department (ESD) is in the process of amending City Council Policy 1-18, Operating Budget and Capital Improvement Program Policy, outlining the overall guidelines for evaluating ratepayer costs and important considerations involved in establishing utility rates. The goal will be to identify the guiding principles for developing utility rates to ensure rate increases are fair and appropriate, while also balancing key priorities such as safe and reliable services, cost efficiency, and supporting environmental outcomes. Target Date: Dec-2023 (Delayed From: Dec-2016)
#12-07 Fire Department Injuries #03 We recommend that the Administration review and update Fire Department job descriptions with more specific descriptions of the physical requirements of what employees actually do on a day-to-day basis, and make the job descriptions and physical requirements easily accessible to physicians.	HR / FIRE	Partly Implemented	The Fire Department has begun soliciting proposals through a Request for Proposal (RFP) for a consultant to review the physical requirements needed to perform the essential functions of specific fire classifications. The goal is to include the classifications of firefighter, fire engineer, and fire captain, and facilitate updates in those physical requirements and respective job requirements. Target Date: Dec-2023 (Delayed From: Jun-2018)

Report and Recommendations	Dept (s)	Current Status	Comments
#13-06 Consulting Agreements #07 To lessen the burden on City staff while fostering improved competition in consultant procurements, the Finance Department should include in its annual procurement training simplified procurement processes for smaller consulting contract procurements while encouraging full and open competition, and define when these simplified processes can be used.	FIN / CMO	Partly Implemented	The Finance Department reports they are coordinating with the City Manager's office to develop training which will address this recommendation. Staff are discussing including this in Citywide contract procurement trainings to be conducted by the City Managers Office. Target Date: Jun-2024 (Delayed From: Jun-2018)

#13-06 Consulting Agreements
 	
#08   We recommend that the City:
    A) Reconcile overpayments as described above and get reimbursed for these overpayments,
    B) Document any changes in consulting contract terms or requirements through a formal contract amendment, and enforce existing contract terms. If the contract allows for changes in terms without amendments, such changes should be documented in writing, and
    C) Require contract managers to reconcile previously received deliverables to contract payments during the contract amendment process, prior to increasing contract amounts.
	CMO / FIN	Partly Implemented	The City Manager's Office (CMO) reports that staff has been coordinating with the City Attorney's Office to finalize a Citywide Contract Processing Manual for use by City staff that addresses the various elements in the recommendation. The CMO reports the CAO has reviewed the Manual and CMO staff are in the process of incorporating the recommended changes. The CMO reports finalization and implementation of these recommendations into an instruction manual as well as conduct Citywide training on the manual is expected by December 2023. With respect to part (a), in 2014, the Police Department executed a retroactive extension that approved prior year expenditures with at least one of the consultants we identified. Target Date: Dec-2023 (Delayed From: Dec-2019)

#13-06 Consulting Agreements
 	
#09   We recommend the Administration develop Citywide policies and procedures on contract monitoring and management including:
    - a standardized contract management process,
    - organization of contract files,
    - checklists for tracking agreed-upon deliverables and line item budgets,
    - components of invoice review which link payments to contract deliverables, and
    - documenting deliverables prior to payment.
We further recommend that the City require contract administrators to annually certify they have reviewed and understand those policies and procedures.
	CMO / FIN	**Partly Implemented - Priority**	The City Manager's Office (CMO) reports that staff has drafted a Citywide Contract Processing Manual. The City Attorney's Office (CAO) reviewed the Manual and the CMO reports they are in the process of incorporating recommended changes. The CMO reports finalization and implementation of these recommendations into an instruction manual as well as conduct Citywide training on the manual is expected by December 2023. Target Date: Dec-2023 (Delayed From: Jun-2018)

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#13-06 Consulting Agreements
 	
#11   We recommend the Administration ensure that:
    A) Staff managing contracts conform with current City contract retention policies and, consistent with those policies, keep all documents related to contract procurement, compliance and monitoring, including all documents related to contract renewals, amendments, continuation agreements, and other contract modifications; and
    B) Require staff to include a notation regarding the City's retention policies in each individual contract file.
	CMO / FIN	Partly Implemented	The City Manager's Office (CMO) reports that staff has been coordinating with the City Attorney's Office to finalize a Citywide Contract Processing Manual for use by City staff that will address the various elements in the recommendation. Target Date: Dec-2023 (Delayed From: Jan-2018)

#13-06 Consulting Agreements #13 We recommend that the City Administration include the City's Conflict of Interest and Ethics policies in its annual procurement and contract monitoring training.	FIN / CMO	Partly Implemented	The Administration engaged a consultant, Guidehouse LLC, to assess the City's current procurement processes and make recommendations for improvements. The scope of the work included consultant procurements. Included among the recommendations was a recommendation for Purchasing to "develop comprehensive training documents to educate departments on conducting compliant consulting services procurements." The City Manager's Office (CMO), Office of Employee Relations (OER), and the Finance Department report they continue to work on establishing a policy to ensure that the City's Conflict of Interest and Ethics polices are included in the annual procurement and contract monitoring training. The Administration reports the CMO is currently coordinating with Finance to create and conduct Citywide training specific to Consultant Procurements, and expects to conduct Citywide training by December 2023. Target Date: Dec-2023 (Delayed From: Jun-2018)
#13-11 Code Enforcement #08 The City Administration should propose to expand the Residential Occupancy Permit program to include condominiums functioning as rental apartment complexes.	PBCE	Partly Implemented	The goal of the Residential Occupancy Permit Program is to provide minimum safety and habitability standards for renters. At the time of the audit, about 41 percent of San Jose residents were renters in a total of about 125,000 renter-occupied units. However, the Multiple Housing Program issued Residential Occupancy Permits for only about 84,000 units. This net difference of 41,000 units could mean that as much as a third of San José's renters were not receiving the same level of service afforded to other rental residents. The current policy to exclude condominiums (potentially housing hundreds of renters) potentially leaves a significant portion of San José's renters at risk. Code Enforcement is working with the Finance Department on procuring a new case management system. An RFP was released in February 2023 and staff expects to award the contract to a vendor in fall 2023. Code Enforcement anticipates that the new system will provide the capability to incorporate condominiums into the Residential Occupancy Permit Program. Target Date: Dec-2024 (Delayed From: Jul-2018)
#13-11 Code Enforcement #12 To ensure tenants are aware of deficiencies found in their place of residence, Code Enforcement should formally inform tenants of the violations found and the deadline for compliance.	PBCE	Not Implemented	Code Enforcement reports that it will begin developing a pilot program to inform tenants of deficiencies found during their inspection process in fall 2023, with expected implementation by the end of the calendar year. Target Date: Dec-2023 (Delayed From: Jul-2018)

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#13-11 Code Enforcement #16 Code Enforcement review options to replace or enhance its code enforcement database (CES) and include options for mobile units and interfacing with other city databases.	PBCE	Partly Implemented	As described in the audit, Code Enforcement's current database does not have the capability of interfacing with Planning, Building and Code Enforcement's (PBCE) primary database to retrieve property related information while out in the field, research any residual permit information, or document information immediately after completing an inspection. An RFP was released in February 2023 and staff expects to award the contract to a vendor in fall 2023. Code Enforcement anticipates that the new system will provide inspectors with the capability to access and manage their cases through dashboards, including the ability to receive real time notifications, view case histories, and generate pre-defined City templates based on case information. In the interim, the Department reports that all inspectors have been provided laptops in which they can VPN to the current PBCE system if needed in the field. Target Date: Dec-2024 (Delayed From: Jul-2018)
#13-11 Code Enforcement #17 In order to ensure that the Multiple Housing roster is complete, Code Enforcement should: A) Periodically update its Multiple Housing Roster with newly issued Certificates of Occupancy from the AMANDA database; and B) Automate the process when it replaces its database.	PBCE	Implemented	Code Enforcement worked with the Information Technology Department to develop an automated newly issued Certificates of Occupancy report from AMANDA. This report is sent monthly to Code Enforcement staff who use it to update the multiple housing roster. This ensures that all new multiple housing properties are updated and inspected.
#13-12 Audit of Employee Travel Expenditures #08 The Administration should require, through the City Procurement Card Policy, that procurement card approvers attach travel coordinator-approved Travel Statements as supporting documentation for travel-related procurement card expenditures.	FIN	Partly Implemented	Finance staff have incorporated this recommendation into a draft Procurement Cards Policy (City Administrative Policy 5.1.2) and updated the Procurement Card Administrative Guide. Both documents are under senior staff review. Target Date: Dec-2023 (Delayed From: Jun-2017)
#13-12 Audit of Employee Travel Expenditures #11 To minimize work effort and facilitate timely approvals, the Administration should implement an electronic travel authorization system, and until then should encourage departments to use electronic pre-trip and post-trip approval.	FIN	Partly Implemented	After completing an analysis of business requirements, Finance determined to split the authorization process into two workflows: one for preapproval and one for the reimbursement process. Finance completed the development and implementation of the Travel Request workflow (preapproval) on June 2023. The Department reports that it is currently working with the Information Technology Department (ITD) and a vendor to develop the Travel Reimbursement workflow, which is scheduled to be completed by December 2023. Target Date: Dec-2023 (Delayed From: Jun-2018)

Report and Recommendations	Dept (s)	Current Status	Comments
#14-07 City Procurement Cards #01 We recommend that the Finance Department revise the Procurement Card Policy to: A) Emphasize the responsibility cardholders have to make prudent purchases; B) Include questions that guide cardholders to evaluate the reasonableness of their purchases; C) For purchases that require IT approval, require documentation of that approval be attached to p-card statements; D) Change the approval process for Council appointees to require review by the Finance Department and referral to the Mayor's Office or City Council in cases of potential policy violations; E) Clarify the department coordinator's responsibility to notify Finance of all violations and that Finance should only refer personal purchases to OER; and F) Establish a process to have frequent contact via email with department coordinators	FIN	Partly Implemented	In 2015, the Finance Department began drafting revisions to the City Procurement Cards policy (Section 5.1.2 of the City Policy Manual) to reflect these recommended changes, aimed at enforcing prudent and responsible expenditure of City funds. Since then, the Department decided to rework the p-card policy, dividing it into two parts: a high-level administrative policy, and a detailed p-card administrative guide. Both documents are under senior staff review. In the meantime, Finance has incorporated several of the recommended items into quarterly p-card trainings and created a Citywide p-card email account for contact with department administrators. It also made an interim update to the p-card policy, which makes the Chief Purchasing Officer the final authority on p-card authorizations, increased transaction limits, and all inappropriate p-card transactions. Target Date: Dec-2023 (Delayed From: Jun-2015)

#14-07 City Procurement Cards
 	
#03   To improve transparency, accountability, and legibility, the Finance Department should create a pilot program that:
    a) Begins the transition to online approvals, payment code entries, annotations and general finance coding (office supplies, travel, etc.);
    b) Considers requiring monthly statements of activity be signed by cardholders and approving officials to ensure that all transactions are authorized;
    c) Allows individual departments to collect, store, and submit receipts in PDF; and
    d) States that sufficient documentation of p-card purchases includes line item transaction detail stored in Access Online for a list of approved vendors (e.g. Office Max).
	FIN	Partly Implemented	The Finance Department and Information Technology Department (ITD) have been working with the City's Financial Management System (FMS) vendor and report that the integration solution needed to implement this recommendation may be possible. The integration would be between the City's p-card payment processor's online module (US Bank) and FMS. Previously, it was uncertain whether the two systems could be integrated, but the City's FMS vendor reported that one of its other clients also uses US Bank, suggesting that the two systems are compatible. The updated P-card policy and P-card administrative guide are pending Finance Leadership review. Publication will happen once review is complete. Target Date: Dec-2023 (Delayed From: Jun-2015)

#14-07 City Procurement Cards #07 The City Administration should ensure that p-card expenditures accurately categorize expenditures by type of budgetary purpose.	FIN	Partly Implemented	In 2015, the Finance Department included this recommendation in a revised City Procurement Cards policy, which is being reworked into a policy and companion guide. Both documents are under senior staff review. Target Date: Dec-2023 (Delayed From: Jun-2015)
#14-08 Development Services #18 Eliminate the Construction & Demolition Diversion Deposit.	PBCE / ESD	Partly Implemented	The Environmental Services Department (ESD) reports they are working in collaboration with Planning, Building and Code Enforcement to consolidate the CDD and CALGreen programs. According to the Department, consolidation of the CDD and CALGreen programs would allow for the elimination of the CDD deposit. ESD reports it has continued outreach efforts to permit holders eligible for CDD refunds. Target Date: Jun-2024 (Delayed From: Mar-2017)

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#14-08 Development Services #19 To increase accessibility of online fee estimation, PBCE should update and simplify the online fee calculator.	PBCE	Not Implemented	The Information Technology Department (ITD) reports development of the SJPermits.org portal is ongoing, with new features including self-started permits for Public Works, Planning, and Fire Prevention being added in late 2022. ITD reports development of the online fee calculator feature could commence after the completion of the existing scope with the portal vendor which is expected to be completed in 2023. Target Date: Jun-2024 (Delayed From: Jun-2016)
#14-12 Accounts Receivable #16 The Finance Department should work with the Information Technology Department to: Improve the interface between department billing systems and Revenue Results so that key information, such as the service date and other details about the service or citation, that will aid in the collection process is transferred. Work with Planning, Building, and Code Enforcement and the Fire Department to develop an interface or some other means of transferring data from the departmental billing systems into Finance's collections software to better manage collections for these departmental billings.	FIN / ITD / PBCE / FIRE	Partly Implemented	With the implementation of RevQ, Finance reports that additional invoice detail can be transferred through interfaces with department billing systems, however this does not include all Planning, Building and Code Enforcement (PBCE) or Fire billings. The Department continues to review options to address PBCE and Fire billings. Fire intends to issue an RFQ for a new records management system, which may allow for enhanced integration in the future for the Non-Development Fee program. The timeline for that is still to be determined. Target Date: Jun-2024 (Delayed From: Jun-2018)

#15-05 PRNS Fee Activity Program
 	
#01   PRNS should work with the Budget Office to:
   A) Reassess the purpose of the Fee Activity Program (including cost-recovery targets),
   B) Provide reasonable justification for mid-year expenditure request,
   C) More clearly link revenues and expenses to their respective programs, and
   D) Determine which activities should be included in the Fee Activity Program.
	PRNS / CMO	Partly Implemented	A) PRNS and the Budget Office continue to refine a Fee Activity Program Description and Administrative Guidelines document to address this recommendation. Staff have an initial draft summarizing the program's purpose. Due to recent changes to the cost-recovery expectations for children and youth serving programs and scholarships (as outlined in the City's Fee and Charges Report and City Council Policy 1-21), staff plan to realign the Fee Activity's guidelines with the City's approach to merit-based programming.
			B) Staff report tracking costs and revenues to advance mid-year and year-end appropriation adjustments, as described in the program's draft guidelines.
			C) According to PRNS, cost components and revenue projections are included in the fee program for budget tracking and development. PRNS and the Budget Office aim to establish an agreed upon baseline cost for each program and develop a consistent methodology for determining cost-recovery targets by program each year.
			D) The draft guidelines identify main fee programs/lines of business (e.g., camps, leisure classes, ROCK, etc.).
			PRNS reports continued efforts to balance program pricing and equitable access for residents in setting adopted revenue targets each year. Staff plan to make policy recommendations regarding equity and inclusion to City Council through the budget development process, as was done for the 2022-23 Budget Target Date: Jun-2024 (Delayed From: Jun-2016)

#15-08 Golf Courses #01 To obtain more favorable contract terms, when the lease and management agreements expire, the Department of Parks, Recreation and Neighborhood Services should seek competitive proposals from potential golf course lessees/operators that lower the City's financial risks and grow customer usage.	PRNS	**Implemented - Priority**	PRNS conducted an RFP and brought forward the results to the City Council on March 14, 2023. The new lease agreements took effect on April 1, 2023 for all three City golf courses: Los Lagos, Rancho Del Pueblo, and Muni. PRNS reports that the new lease agreements will result in improved financial results for the City, capital investment in the golf courses, enhanced community access and continued environmental stewardship.

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#15-08 Golf Courses
 	
#05   To improve oversight of the golf courses and contracts, the Department of Parks, Recreation and Neighborhood Services should:
    A) Regularly audit Muni's gross revenues and capital improvement fund;
    B) Keep all golf records centrally and ensure they are obtained timely;
    C) Formalize the revised maintenance standard; and
    D) Formally approve the fees charged and discounts given to The First Tee and the schedule of access hours.
	PRNS	Implemented	The new lease agreements effective April 1, 2023 require annual audits of gross receipts and capital expenditures, include maintenance standards that can be updated by mutual agreement, and require the lessee to negotiate continued access and fees for First Tee. Golf files continue to be kept by the lease manager in centralized folders.

#15-09 Police Hiring #06 After ensuring appropriateness of content and sufficiency of oversight of the Law Enforcement Unit (LEU) Cadet Program, SJPD should enhance and expand the program to encourage San José residents to become San José Police Officers.	PD	Closed	The Department created a Police Cadet classification which was approved by City Council in March 2017. The Department has requested funding for the cadet position previously, including in the last budget cycle. However, because of other priorities these requests have not been approved and the positions are not currently funded. Though we continue to urge the creation of the Police cadet program to create a pipeline for new police recruits, given the current City priorities and budget limitations we recommend closing this recommendation.
#16-02 Street Sweeping #01 DOT's in-house street sweeping operation should stop emptying street sweepings onto the street.	DOT	Partly Implemented	The Public Works Fleet team developed specifications for a hook lift truck and bins, submitted an order in December 2022, and anticipates delivery by December 2023. Target Date: Dec-2023 (Delayed From: Jun-2017)
#16-03 The City's Use and Coordination of Volunteers #01 To improve the accessibility of volunteer opportunities to the City's residents, the Administration should develop and post on the City's intranet an outreach "how-to" guide for volunteer coordinators across the City with information on social media strategies and how to update the City's website and events calendar. It should also reference the Citywide Language Access Policy (once it is finalized).	CMO	Implemented	The City Administration developed a Volunteer Guide which is posted to the City's internal resources website. These incorporate the Language Equity Policy and Guidelines (City Policy Manual 6.1.10), including sections related to recruitment and volunteer communication. The City directs website visitors interested in volunteering to an opportunities page with all major City options, located at: https://www.sanjoseca.gov/residents/volunteering.
#16-03 The City's Use and Coordination of Volunteers #02 To ensure more consistent management of volunteer programs, the Administration should develop a Volunteer Policy to be included in the City Administrative Policy Manual that formally recognizes the value volunteers contribute and includes minimum standards for the management of volunteer programs. The policy should include guidance on the use of volunteer agreements; health and safety requirements, such as fingerprinting and TB testing; volunteer recognition; and other topics as necessary.	CMO	Implemented	The Administration developed a Volunteer Management Policy in tandem with leads from all of the department volunteer programs in the City— Airport, Emergency Management, Library, PRNS, Police, and Public Works—and with support from the Office of Employee Relations, the City Manager's Office of Communications, and Information Technology-Privacy. This policy includes language on health screenings, fingerprinting and backgrounding, volunteer recognition, among other areas identified in the audit. The Administration reports that it recognizes how City departments have incorporated lessons from COVID-19 Pandemic response and recovery into their volunteer programs.

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#16-03 The City's Use and Coordination of Volunteers #03 To assist City staff in managing volunteer programs, the Administration should create and post on the City's intranet a volunteer guidebook or "toolkit" as a reference for staff during the development and management of volunteer programs.	CMO	**Implemented - Priority**	The Administration assembled and reviewed the resources and tools developed by City departments, and incorporated them into a Volunteer Guide. These are published as an internal resource webpage for City staff who administer volunteer programs. The Administration plans to update the guide, resources, volunteer leads, and other information for staff use on an annual basis going forward.

#16-03 The City's Use and Coordination of Volunteers
 	
#04   The Administration should work with the departments of Parks, Recreation and Neighborhood Services, Environmental Services, and Transportation to coordinate efforts around place-based volunteer programs. In particular, the Administration should streamline the process and expand the options that allow volunteers to play an active role in cleaning and maintaining public spaces by:
   A) Developing a separate volunteer webpage for the City's place-based volunteer programs that includes (i) descriptions of the programs (ii) relevant contact information and (iii) specific directions on how to request materials and supplies. The website should also provide information to help groups interested in one-time clean up or similar events.
   B) Allowing volunteers to apply with multiple place-based programs at once.
   C) Identify resources to reactivate the Adopt a Street program and/or expand the types of spots that volunteers can adopt to clean or maintain, including storm drains and creek segments for which the City holds an easement.
	CMO / PRNS / ESD / DOT	Partly Implemented	Elements of place-based volunteering were incorporated into the Parks, Recreation and Neighborhood Services volunteer pages — https://www.sanjoseca.gov/your-government/departments-offices/parks-recreation-neighborhood-services/get-involved/volunteer-with-us. Examples include Adopt-a-Park, Adopt-a-Trail, Alum Rock Trail Crew, and BeautifySJ Graffiti and Litter Removal. This meets the intent of part A) in the recommendation. No progress has been made on part B), though the Administration has looked into allowing volunteers to apply for multiple volunteer opportunities at once and found it may not be currently feasible. For part C), the intent of increasing volunteer opportunities has been partly addressed through the new Beautify Your Block pilot program that was approved as part of the FY 2023-24 budget. This program is meant to coordinate and provide place-based volunteering opportunities via grants and support to community groups to clean neighborhoods. Funding, however, currently is not ongoing. Target Date: Dec-2023 (Delayed From: Dec-2018)

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#16-05 South Bay Water Recycling
 	
#04   To sustain South Bay's operational and capital cost recovery status in the future, ESD should:
    A) Renegotiate the revenue sharing terms of the Integration Agreement to allow the City to access South Bay revenue to fund South Bay's projected capital costs sooner than is projected to occur under the Agreement as currently written; and
    B) Secure a recycled water wholesale cost of service study that can be used to maximize the ability to maintain cost recovery for South Bay.
	ESD	Partly Implemented	A) South Bay Water Recycling (SBWR) staff have been in discussions with the Santa Clara Valley Water District (Valley Water) regarding the terms of the Integration Agreement, implementation of the Strategic Master Plan, and other agreements between the City and the District. Additional Council direction was given in September 2021 to negotiate with Valley Water until December 2021, with facilitator lead discussions occurring through Fall 2021. These discussions are continuing but have moved beyond simply renegotiating terms of existing contracts and instead have evolved into discussions about an additional water purification facility.
			B) ESD participated in a statewide rate study sponsored by the WateReuse Research Foundation, which was completed in December 2018. SBWR reviewed the study findings to determine an optimum fee study structure that will address program needs. SBWR reports that currently wholesale rates are sufficient to cover program needs. Pending a new Comprehensive Agreement with Valley Water, final modifications to the Integration Agreement, and/or increasing maintenance costs for aging infrastructure, the wholesale rate structure will be periodically re-evaluated. Target Date: Jun-2024 (Delayed From: Jan-2017)
			
			Potential Monetary Benefit: At the time of the audit, we estimated the City would be able to invest an additional $2.8 million annually for needed reliability projects if the City renegotiated the Integration Agreement with the Water District.

#16-07 Office of the City Clerk #03 To ensure records of City Council proceedings are posted timely, the City Clerk should utilize existing technology to streamline the approval and posting of synopses and/or minutes.	CLERK	Not Implemented	The City has a contract with Granicus to update their agenda management software. The software within the contract also encompasses minutes and boards and commissions components. The Office of the City Clerk reports that they have been coordinating with the City Manager's Office, Public Works, and the Information Technology Department to work with the vendor to implement the software, and that department staff are currently training in its use. Once the agenda management piece is fully implemented, the Office of the City Clerk plans to work with the vendor on the boards and commissions and then minutes components. Target Date: Mar-2024 (Delayed From: Apr-2017)

#16-07 Office of the City Clerk
 	
#20   The City Clerk's Office should:
    A) Develop consistent methodologies to track and calculate the performance measures for its statutory responsibilities that are reported in the City's Operating Budget,
    B) Identify staff leads tasked with maintaining these performance measures and reporting them on a frequent basis to the City Clerk, and
    C) Develop action plans to address areas where results do not meet established targets or expected results.
	CLERK	Partly Implemented	The Office of the City Clerk has documented methodologies for calculating performance measures and assigned team leads to maintain these performance measures. The Office reports that beginning in Fall 2023, the City Clerk is planning to include monthly reports on the Rules and Open Government Committee consent calendar to show monthly progress on performance measures and expenses related to interpretations. Once action plans to address areas where results do not meet established targets or expected results are developed, which addresses part (c) of the recommendation, this recommendation will be considered implemented. Target Date: Dec-2024 (Delayed From: Oct-2017)

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#16-10 The Apartment Rent Ordinance #15 To ensure customers are provided necessary services, the Housing Department should develop a strategic plan for the Rental Rights and Referrals Program that outlines desired goals and outcomes, and establishes measures of program effectiveness.	HSG	Partly Implemented	The Housing Department (HSG) reports completing a public process to seek input on the Rent Stabilization Program Strategic Plan in Spring 2023. A draft plan was reviewed by the Housing Community and Development Commission on August 10, 2023 and the final plan will be presented to the Community and Economic Development City Council Committee in late September 2023. Target Date: Oct-2023 (Delayed From: Jun-2018)
#16-11 Mobile Devices #01 To ensure appropriate controls over City-owned mobile devices (including cellphones, smartphones, hotspots, tablets, and laptops), the Administration should require departments to label City-owned mobile devices and maintain current inventories. The inventories should include the type of device, serial number, the name and ID of the employee to whom the device is assigned, the phone number (if applicable), the date of issuance, and the date returned (if applicable).	ITD	Implemented	The Information Technology Department's (ITD) guidelines and recommendations for managing mobile devices and the City Administrative policy on Procurement of Laptops and Tablets (1.7.8) was presented to City departments. All City departments have labeled assets as City-owned property or installed mobile device management software on all City devices. ITD reports its inventory database and management software are updated in real time when new devices are purchased. Additionally, the inventory database syncs with management software hourly to keep the inventory list current.

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#17-02 Office of Equality Assurance
 	
#01   To better administer the prevailing and living wage compliance programs, the Office of Equality Assurance should:
    A) Procure a software solution to automate payroll review to free up staff time for other responsibilities (e.g., site visits, review of supplemental documentation);
    B) Adopt a risk-based strategy for conducting site visits and reviewing supplemental documentation to efficiently verify the accuracy of information in submitted payrolls; and
    C) Ensure the program has sufficient supervisory resources following the implementation of Recommendation #3.
	OEA	**Partly Implemented - Priority**	A) In the FY 2022-23 Adopted Operating Budget, the Office of Equality Assurance (OEA) received funding for an online data system to better administer prevailing and living wage compliance programs. OEA issued a Request for Proposal (RFP) and staff reviewed products that included the following: 1) conducts automated monitoring of Prevailing and Living Wage requirements on Public Works projects; 2) stores and reports case information regarding OEA enforcement activity; and 3) collects worker demographics information for use in designing, implementing, evaluating, and enforcing present and future workforce participation policies and goals. On June 6, 2023, the City Council accepted the report on the RFP for Certified Payroll Labor Compliance and Work Force Management and adopted a resolution authorizing the City Manager to negotiate and execute an agreement with eComply Solutions LLC. OEA is in the final stages of executing a contract and expects the software to be in use by November 2023.
			B) Public Works has developed a tracking system using Excel to maintain a list of compliance infractions and violations. Public Works reports that this tracking system allows staff to be consistent with enforcement, including penalties assessed, while also allowing staff to see trends with construction and make determinations on the need for additional oversight and site visits. In addition, two OEA staff review potential high- and moderate-risk projects with all OEA Specialists to aid in determining site visits.
			C) OEA developed and executed minimum wage enforcement agreements with multiple local agencies. The revenue collected was allocated to fund a Senior Analyst position, which was filled in September 2021. Additionally, during the FY 2022-23 Budget Review, OEA received funding for three management level Contract Compliance Coordinators to develop sufficient supervisory resources throughout the division. OEA reports that two staff were hired in November of 2022 and the recruitment of the last position is scheduled to be completed in 2023. Target Date: Jan-2024 (Delayed From: Jun-2018)
			
			Potential Monetary Benefit: We estimate that a software solution would free time for two FTE to be redeployed to other OEA functions that are currently understaffed. Redeploying these staff will potentially reduce the need to hire additional staff to administer OEA responsibilities.

#17-04 Open Government #01 The Administration should create an Open Government policy to be included in the City's Administrative Policy Manual. The policy should state the purpose and goals of the Open Government Ordinance and Resolution and cross reference with the specific procedures outlined in the resolution and other City policies as necessary.	CMO	Partly Implemented	The City Manager's Office is working towards finalizing updates to the draft administrative policy. Once the updates are incorporated, staff expect to have the City Attorney's Office review before sending the policy to the Office of Employee Relations for finalization. Target Date: Dec-2023 (Delayed From: Dec-2018)

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#17-04 Open Government **#02** The Office of Economic Development, in coordination with the City Attorney's Office, should develop a policy and procedures to clarify whether and how to disclose cost-benefit information for provisions of economic benefit to private entities when: the provision is a part of a larger incentive program to be issued to entities that meet specified criteria, multiple provisions may benefit a single entity within a short timeframe, the City provides services on behalf of/for a private entity, and the entity receiving the benefit is a non-profit or public agency.	OEDCA	Partly Implemented	The City Attorney's Office (CAO), Office of Economic Development and Cultural Affairs (OEDCA), and relevant partners have met several times to discuss OEDCA's recommended approach to the various scenarios listed in the recommendation. OEDCA has drafted a proposed policy memo that was reviewed by the CAO. OEDCA is working toward achieving final consensus from internal stakeholders on the proposed approach. When that is achieved, OEDCA reports they will post the policy memo as a user-friendly webpage on the OEDCA intranet page. OEDCA reports that while staff capacity and workload have impacted progress during the reporting period, scheduling is currently in progress to convene internal departments on finalizing and posting the memo. Additionally, a new analyst has been assigned to work on the Office's subsidy-related procedures. Target Date: Dec-2023 (Delayed From: Jun-2018)

#17-04 Open Government
 	
#08 The City Council should consider a change to the Revolving Door Ordinance that mitigates potential conflicts of interest and simplifies the rules surrounding former designated employees who work for non-profit organizations as lobbyists or on legislative or administrative matters which they worked on as part of their City employment. Potential policy directions include:
    A) Narrowing the non-profit exemption to 501(c)(3) organizations, regardless of whether the organization had received support from the City; or
    B) Striking the non-profit exemption, such that the same rules apply whether former designated employees go to work for non-profit or for-profit organizations.
	CAO / CLERK	Implemented	The City Council referred this recommendation to the Board of Fair Campaign and Political Practices for further consideration, prior to the item's return to Council. The Board discussed the recommendation at its January 10, 2018 meeting, and decided to recommend that Council strike the non-profit exemption. The recommendation went to the May 10, 2023 Rules & Open Government Committee meeting and was referred to the full City Council for discussion. The City Council heard the item at the August 29, 2023 Council meeting and voted to extend the non-profit exemption to all 501(c)(3) organizations, regardless of whether the organization had received support from the City. This corresponds with part a of the recommendation.

#17-04 Open Government **#09** The Administration should update City policies and guidance on the retention and disposition of electronic records and City email to reflect the current technological environment and allow for more effective management of public records. This includes the storage of records to efficiently respond to public records requests and the disposition of records per approved retention schedules.	CMO	Partly Implemented	The purpose of this recommendation was to address the growth of electronic records, many of which are not public records, such as preliminary draft documents or old emails that may be routine, mass, or unsolicited. The Open Government Manager issued a Citywide survey to better understand current staff needs and existing processes and reports meeting with the individual departments. The City Manager's Office (CMO) reports that staff continue to work on condensing findings and aims to craft an updated, uniform policy pertaining to electronic file management in early Winter 2023. The CMO reports that reduced staff capacity impacted being able to close out the recommendation. Target Date: Dec-2023 (Delayed From: Jun-2018)

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#17-04 Open Government
 	
#10 To better manage electronic records on the City's enterprise file share and email systems, the Administration should consider a combination of strategies, including but not limited to:
 	
  A) Developing procedures for department records administrators to conduct electronic file clean outs to dispose of unnecessary electronic files as well as those saved past the City's approved retention schedules.
  B) Periodic reminders to City staff to clean out their email folders, along with guidance on what is a public record that should be saved, and what is not.
	CMO	Partly Implemented	The Administration issued an RFQ in 2021 to obtain software specific to the management of electronic records. This software, GovQA, was purchased, and the Administration implemented it in August 2022. The Administration provided staff training from GovQA, as well as access to training recordings and user guides that are stored on the City's intranet site. The Open Government Manager issued a Citywide survey to discover staff needs and reports meeting with individual departments. The City Manager's Office (CMO) reports that the Open Government Manager continues to meet with departments in order to condense findings and aims to craft an updated, uniform policy pertaining to electronic file management in early Winter 2023. The CMO reports that reduced staff capacity impacted being able to close out the recommendation. Target Date: Dec-2023 (Delayed From: Dec-2018)

#17-06 Audit of Retirement Services #15 The Retirement Boards should adopt a formal set of performance measures to be included in the retirement plans' budgets for both plan administration and the investment program. The Retirement Boards should provide the City Council with the opportunity to review and provide comment on the adopted performance measures.	RET	Implemented	In 2021, the Joint Personnel Committee approved CEO performance metrics and CIO investment staff metrics. Staff report that these metrics were used during the FY 2021-22 fiscal year for their CEO/CIO performance review. The Office of Retirement Services worked with the City Manager's Budget Office, and an updated set of performance measures was included in the City's FY 2023-24 Adopted Operating Budget.
#18-02 Audit of the San José Police Activities League #03 The San José Police Department should inform and encourage officers regarding available volunteer opportunities at PAL.	PD	Closed	According to SJPD, officers have participated at some key PAL events and pass PAL opportunities to the community when sports sign ups occur. Additionally, SJPD reports that PAL is working on other volunteer opportunities for officers including in the boxing and martial arts programs. With the reorganization of PAL following the implementation of the new agreement between PAL and the City, the service delivery has changed, and Police no longer have a regular role at the facility outside of Police representation on the board. For these reasons, we recommend this item to be closed.
#18-02 Audit of the San José Police Activities League #04 The San José Police Department should determine if some opportunities for police officers to work with youth in PAL programs can be paid.	PD	Closed	According to the Department, under the current staffing and budgetary restrictions, SJPD has been focusing on providing police core services to the city. Also, with implementation of the new agreement between PAL and the City, the service delivery has changed, and Police no longer has a regular role at the facility outside of Police representation on the board. For these reasons, we recommend this item to be closed.
#18-02 Audit of the San José Police Activities League #17 PRNS and Public Works should review the facilities, develop a list of long-term and short-term priority improvements, and determine the funding mechanism to address those improvements.	PRNS / PW	Implemented	PRNS and Public Works developed a list of short- and long-term capital improvement priorities. The Parks and Community Facilities Development 2024-2028 Capital Improvement Program included $2.2 million for PAL Stadium electrical improvements (which is now moving forward into the design phase) and a PAL stadium reserve of $200,000 has been set aside. Several minor projects and improvements have been completed since this recommendation was made. Additionally, PRNS is working with a consultant to identify ADA improvements to the facility. Funding for PAL projects, such as through the Construction and Conveyance Tax revenues, is done on an ongoing, annual basis.

Report and Recommendations	Dept (s)	Current Status	Comments
#18-03 Department of Public Works #01 To better allocate training and non-project costs to capital projects, Public Works and the City Manager's Budget Office should appropriate a portion of capital staff time for such charges in the Public Works Program Support Fund (150), and allocate such costs to projects through the Public Works Cost Allocation Plan.	PW / CMO	Partly Implemented	In coordination with the City Manager's Budget Office, Public Works initially allocated $50,000 for training costs within the Public Works Program Support Fund (150). The Department reports that additional funding is necessary to fully cover training and other non-project costs within Fund 150. The Department also reports it will review spending from FY 2022-23 to identify costs, and that this work is targeted to be completed by December 2023. Target Date: Jun-2024 (Delayed From: Jul-2019)
#18-03 Department of Public Works #05 To support consistent project management delivery, knowledge transfer during staff turnover, and accessibility for future reference, Public Works should use a standard electronic file structure for capital projects and determine what files should be kept to ensure that key documents are maintained for each phase of the capital delivery process.	PW	Implemented	The Capital Project Management System (CPMS) team standardized electronic file structures and document retention. Additionally, Public Works centralized project documents within SharePoint to further support staff in maintaining key project documents and providing retention guidelines. The Department developed a folder structure for project files, and moved files to the appropriate folders within the CPMS platform. This will help project managers report project updates and milestones.

#18-03 Department of Public Works
 	
#06   To ensure consistent project delivery, Public Works should:
 	
   a) Update its project management manual using existing project management guidelines and checklists as well as current practices,
   b) Expand the manual to include guidance for each project phase and include duties of all divisions that are responsible for project delivery, and
   c) Establish a process to regularly review and update the manual as needed.
	PW	Partly Implemented	Public Works reports that Training and Development staff are working on standardizing project management forms and templates with a target for completion by June 2024. The Department also reports that additional funding will be needed to continue to make updates to its project management manual. Target Date: Jun-2024 (Delayed From: Mar-2019)

#18-03 Department of Public Works #07 Public Works should review and update its Standard Details and Specifications, in coordination with the City Attorney's Office and other departments, to ensure it contains up-to-date specifications, and establish a process to regularly review and update the manual as needed.	PW / CAO / DOT / ESD	Partly Implemented	Public Works reports that several technical construction specifications and details have been updated, but that the effort is on hold. The Department reports that staff are working to identify the resources necessary to support this effort. Target Date: Jun-2024 (Delayed From: Dec-2020)

#18-03 Department of Public Works
 	
#08   To improve its metrics used to assess performance, Public Works should:
   a) Clarify that the performance metrics "on-budget" and "on-schedule" for capital projects refer to the construction phase of project delivery, and
   b) Track the categories of change orders over time across all projects.
	PW	Partly Implemented	The Department tracks individual project change orders as part of its project closeout process, and will attempt to monitor change orders across all of its capital projects through its Capital Project Management System (CPMS). Staff is also working with the benchmarking team and the Admin group to clarify 'on-budget' and 'on-schedule' performance measures to ensure the criteria for determining these measures are consistent throughout the Department. The Department reports that the CPMS team is working on implementing a change order log within the system that is targeted to be completed by December 2023. Target Date: Dec-2023 (Delayed From: Mar-2019)

Report and Recommendations	Dept (s)	Current Status	Comments

#18-04 Audit of Vehicle Abatement
 	
#12   The Police Department should:
    a) revisit the calculation of impound costs and recommend that the City Council approve an adjustment to the vehicle release fee accordingly, and
    b) bring forward to the City Council a recommendation for the City to institute a subsidized vehicle release fee for low-income vehicle owners.
	PD	Partly Implemented	After reviewing the vehicle release fee, the Police Department adjusted the fee to $122 per vehicle; the Council adopted the revised fee, effective February 2019. The Department of Planning, Building and Code Enforcement is in the process of negotiating and executing an agreement with a vendor for tow administrator services. Following implementation of this agreement, the Administration plans to use data gathered through the new platform to review costs and evaluate a subsidized vehicle release fee. Target Date: Mar-2024 (Delayed From: Jun-2019)

#18-06 Community Center Reuse (now the Neighborhood Center Partner Program) #02 To better track the net costs of individual facilities in the Reuse Program, PRNS should improve tracking of maintenance costs and revenues, periodically review the City's cost for re-use facilities, and assess the continued value of reuse sites.	PRNS	Partly Implemented	PRNS' Building Management Administrator (BMA) and Senior Maintenance Worker are tasked with addressing building infrastructure, equipment needs, and facility improvements. The BMA evaluates and analyzes available database systems to review work orders and associated facility operational and maintenance costs of Neighborhood Center Partner Program buildings. Staff report that the BMA is compiling data to complete a 12-month summary of facility costs based on work orders by site and type. Staff plans to present a 2022-23 report to management to consider costs when making long-term program and maintenance decisions. Target Date: Dec-2023 (Delayed From: Dec-2021)
#18-06 Community Center Reuse (now the Neighborhood Center Partner Program) #03 To provide policy makers with information about the Reuse Program in all districts, PRNS should include information on contracted and actual reported services by program activity across all service providers and facilities in their annual reuse updates.	PRNS	Partly Implemented	PRNS developed reporting and monitoring requirements that were included in a 2021 RFQ and incorporated into service providers' executed contracts. Service providers submitted a mid-year report in April 2022 and an end-of-year report in November 2022. PRNS plans to provide an update on program performance to the Neighborhood Services and Education Committee (NSE) after a full program year, with the first update scheduled for the September 2023 NSE meeting. Target Date: Dec-2023 (Delayed From: Jul-2020)
#18-06 Community Center Reuse (now the Neighborhood Center Partner Program) #08 PRNS should immediately ensure verification or certification of background checks of reuse providers' paid and unpaid staff, in accordance with the reuse agreement.	PRNS	Implemented	An "Attestation of Background Check" form was developed by PRNS and approved by the City Attorney's Office to confirm partner compliance with fingerprinting, background checks, TB testing requirements, and Trustline registration (if applicable) for all employees and volunteers working and/or interacting with vulnerable populations at Neighborhood Center Partner Program (NCPP, formerly Reuse) sites. All NCPP agencies from 2022 have submitted an "Attestation of Background Check" form.

#18-07 Audit of the City's Homeless Assistance Programs
 	
#07   To analyze the effectiveness of the City's homeless assistance efforts, the Housing Department should use HMIS to:
    a) Aggregate City of San Jose data by strategy area (rapid rehousing, permanent housing, crisis response, and prevention) and report on key performance indicators including: exits to permanent housing, returns to homelessness, number of participants enrolled per strategy area; and
    b) Compare the performance of the City's homeless assistance by strategy area to identified targets and the performance of the CoC on a semi-annual basis.
	HSG	Implemented	The Department reports an analyst in the Homeless Response Team has completed HMIS training and is working with agencies to monitor performance and data entry into HMIS. The Annual Homeless Report includes key performance indicators including exits to permanent housing and number of participants enrolled per strategy. The FY 2021-2022 Homeless Annual Report was approved by City Council in May 2023. Returns to homelessness are captured as a systemwide target per the Community Plan to End Homelessness.

Report and Recommendations	Dept (s)	Current Status	Comments

#18-07 Audit of the City's Homeless Assistance Programs
 	
#11 To effectively manage monitoring activities and utilize monitoring results to improve project delivery of its homeless response grants, the Housing Department should:
    a) Develop monitoring procedures including an annual monitoring plan, grantee performance summary, and upload monitoring reports and risk assessment to the City's grants management system;
    b) Conduct on-site monitoring visits for each homeless assistance contract at least every two years as has been described in its annual action plan; and
    c) Compare grantee progress reports against HMIS reported data on a semi-annual basis to ensure the accuracy of grantee reported performance metrics.
	HSG	**Implemented - Priority**	a) Grants Management has a Grants Monitoring Policies and Procedures Manual. The Grants Management Analysts plan to complete the annual risk assessments and performance summaries in fall 2023 for FY 2022-23. The team files these reports in the Grants Management SharePoint library and uses WebGrants to assist in managing all agreements/projects.
			b) Monitoring consultants from the Pun Group completed programmatic and fiscal monitoring of ESG-CV agreements in FY 2022-23, both remotely and on-site. These high-risk agreements were primarily for homelessness prevention, outreach, and emergency shelters project agreements. The Department reports receiving 11 high-risk monitoring reports. A monitoring schedule was developed for all 44 agreements in FY 2023-24.
			c) The Housing Department assigned its Homeless Response and Grants Management analysts to validate HMIS reported data with Quarterly Reports submitted by agency partners. The HRT and Grants Analysts report validating Q1 2022-23 and Q3 2022-23, with the practice planned to be continued in FY 2023-24. Housing also reports that their Data Quality Team plans to hold a data workshop for grantees in the fall to discuss new data quality reports, AB 977, and how to upload the data quality reports into WebGrants.

#18-10 Audit of Towing Services
 	
#01 To provide a method to address violations, the City should include in future towing services agreements:
    a) An escalating penalty structure of liquidated damages, suspensions, and contract termination. Liquidated damages should be increased over time.
    b) Provisions requiring towing contractors to respond to another tow zone in case of a tow refusal or suspension (with a different timeliness standard).
	PBCE	Partly Implemented	The award of contract for the City-generated Tow Services RFP was approved by the City Council on August 15, 2023. Following City Council approval, the City will negotiate and execute the agreement with the vendor. The new contract will be for Tow Administrator Services for City-generated tows, which includes administering the City's tow program, subcontracting with and managing the performance of tow companies to provide the tow services, and utilizing/providing software to track and manage tow requests and fulfillment. The draft contract includes an escalating penalty structure and requires the contract administrator to find a provider to complete the tow, even after receiving a refusal. Target Date: Mar-2024 (Delayed From: Jul-2020)

#18-10 Audit of Towing Services **#03** The City should issue a new RFP for the towing services agreements, taking into consideration the issues identified and recommendations made in this report.	PBCE	**Implemented - Priority**	The RFP process concluded and the award of contract for the Tow RFP was approved by the City Council on August 15, 2023. The Administration reports that the contract includes provisions to address the items listed in this report.
#18-10 Audit of Towing Services **#04** The City should consider allowing contractors to submit proposals for a contract fee, paid by the contractor to the City per towed vehicle, as part of the Request for Proposal process. The amount of the contract fee should be evaluated along with other aspects of a potential contractor's proposal.	PBCE	Closed	The award of contract for the City-generated Tow Services RFP was approved by the City Council on August 15, 2023. Following City Council approval, the City will negotiate and execute the agreement with the vendor. The new contract will be for Tow Administrator Services for City-generated tows, which includes administering the City's tow program, subcontracting with and managing the performance of tow companies to provide the tow services, and utilizing/providing software to track and manage tow requests and fulfillment. Under the new model, the City will no longer contract directly with the tow service providers. Instead, the vendor will contract with the tow providers to provide the tow services. The vendor will not be paying a fee to the City per towed vehicle.

Report and Recommendations	Dept (s)	Current Status	Comments
#18-10 Audit of Towing Services #05 In future towing services agreements, the City should continue the junk vehicle reimbursement program or, in conjunction with Recommendation #4, request that proposed contract fees account for the costs of junk vehicle disposal.	PBCE	Partly Implemented	The award of contract for the City-generated Tow Services RFP was approved by the City Council on August 15, 2023. Following City Council approval, the City will negotiate and execute the agreement with the vendor. The new contract will be for Tow Administrator Services for City-generated tows, which includes administering the City's tow program, subcontracting with and managing the performance of tow companies to provide the tow services, and utilizing/providing software to track and manage tow requests and fulfillment. The proposed contract will include terms regarding junk vehicle disposal. Target Date: Mar-2024 (Delayed From: Jul-2020)
#18-10 Audit of Towing Services #06 The City Administration, in consultation with appropriate departments, should establish clear guidelines for the appropriate disposal of hazardous waste and junk vehicles.	PBCE	Partly Implemented	The award of contract for the City-generated Tow Services RFP was approved by the City Council on August 15, 2023. Following City Council approval, the City will negotiate and execute the agreement with the vendor. The new contract will be for Tow Administrator Services for City-generated tows, which includes administering the City's tow program, subcontracting with and managing the performance of tow companies to provide the tow services, and utilizing/providing software to track and manage tow requests and fulfillment. The proposed contract includes passthrough requirements for the handling and disposal of hazardous waste. Target Date: Mar-2024 (Delayed From: Jul-2020)
#18-10 Audit of Towing Services #09 The City should modify future towing services agreements to allow towing contractors to have tow yards located outside of their assigned zones, such as anywhere within the City limits.	PBCE	Partly Implemented	The award of contract for the City-generated Tow Services RFP was approved by the City Council on August 15, 2023. Following City Council approval, the City will negotiate and execute the agreement with the vendor. The new contract will be for Tow Administrator Services for City-generated tows, which includes administering the City's tow program, subcontracting with and managing the performance of tow companies to provide the tow services, and utilizing/providing software to track and manage tow requests and fulfillment. The proposed contract includes a passthrough requirement allowing tow providers located within ten miles of the city limits to enter into an agreement with the vendor to provide tow services. Target Date: Mar-2024 (Delayed From: Jul-2020)

#18-10 Audit of Towing Services
 	
#10   The City should consider additional changes to future towing services agreements, such as:
    a) Specifying that tow yard capacity must be sufficient, and having respondents propose tow yard capacity;
    b) Allowing towing contractors to engage in private business towing;
    c) Specifying that the number of tow trucks must be sufficient; and/or
    d) Redrawing the tow zone boundaries such that they have an equal number of expected tows.
	PBCE	Partly Implemented	The award of contract for the City-generated Tow Services RFP was approved by the City Council on August 15, 2023. Following City Council approval, the City will negotiate and execute the agreement with the vendor. The new contract will be for Tow Administrator Services for City-generated tows, which includes administering the City's tow program, subcontracting with and managing the performance of tow companies to provide the tow services, and utilizing/providing software to track and manage tow requests and fulfillment. The proposed contract includes provisions for parts A and C of the recommendation. Regarding part B, the proposed contract does not include any pass-through requirements that would limit private property tows. Regarding part D, the method of tow assignments will be determined by the vendor and may or may not continue to be zone based. Target Date: Mar-2024 (Delayed From: Jul-2020)

Report and Recommendations	Dept (s)	Current Status	Comments
#18-10 Audit of Towing Services #11 The City should require towing contractors to submit all information as specified in the City's towing services agreements (including claimed vehicles), regardless of whether payments are missed or late.	PBCE	Partly Implemented	The award of contract for the City-generated Tow Services RFP was approved by the City Council on August 15, 2023. Following City Council approval, the City will negotiate and execute the agreement with the vendor. The new contract will be for Tow Administrator Services for City-generated tows, which includes administering the City's tow program, subcontracting with and managing the performance of tow companies to provide the tow services, and utilizing/providing software to track and manage tow requests and fulfillment. The proposed contract includes language requiring monthly reports of the number and location of tows by day/month/year and Council district; type of tows by vehicle type; tow refusals (including reasons); reason for tow; City department requesting tow; disposition of tow; vehicle status; tows completed; tow notices; and number of claimed, junked, or auctioned vehicles, among other information. Target Date: Mar-2024 (Delayed From: Jul-2020)
#18-10 Audit of Towing Services #12 In future towing services agreements, the City should require towing contractors to provide tow records in an electronic format or consider requiring the use of a towed vehicle database system (either procured by the City or by towing contractors with access granted to City staff).	PBCE	Partly Implemented	The award of contract for the City-generated Tow Services RFP was approved by the City Council on August 15, 2023. Following City Council approval, the City will negotiate and execute the agreement with the vendor. The new contract will be for Tow Administrator Services for City-generated tows, which includes administering the City's tow program, subcontracting with and managing the performance of tow companies to provide the tow services, and utilizing/providing software to track and manage tow requests and fulfillment. According to staff, the vendor selected for tow administration is including their software at no additional cost and will be able to meet or exceed all previously proposed technological requirements. Target Date: Mar-2024 (Delayed From: Jul-2020)
#18-10 Audit of Towing Services #13 In future towing services agreements, the City should clarify the collection process for the contract fee.	PBCE / FIN	Partly Implemented	The award of contract for the City-generated Tow Services RFP was approved by the City Council on August 15, 2023. Following City Council approval, the City will negotiate and execute the agreement with the vendor. The new contract will be for Tow Administrator Services for City-generated tows, which includes administering the City's tow program, subcontracting with and managing the performance of tow companies to provide the tow services, and utilizing/providing software to track and manage tow requests and fulfillment. Services provided by the vendor will be paid annually at the beginning of each year. The resulting agreement will include an initial two-year term ending on or about 8/31/2025 with up to eight one-year options to extend the agreement through about 8/31/2033 for a total of 10 years. Target Date: Mar-2024 (Delayed From: Jul-2020)
#18-10 Audit of Towing Services #14 To reduce time required to oversee contract terms, in future towing services agreements the City should charge one consolidated fee to towing contractors based on the number of towed vehicles.	PBCE	Partly Implemented	The award of contract for the City-generated Tow Services RFP was approved by the City Council on August 15, 2023. Following City Council approval, the City will negotiate and execute the agreement with the vendor. The new contract will be for Tow Administrator Services for City-generated tows, which includes administering the City's tow program, subcontracting with and managing the performance of tow companies to provide the tow services, and utilizing/providing software to track and manage tow requests and fulfillment. Because the City will no longer be contracting with the tow providers directly, the tow provider fees will no longer be required. Target Date: Mar-2024 (Delayed From: Jul-2020)

Report and Recommendations	Dept (s)	Current Status	Comments
#18-10 Audit of Towing Services #15 For improved oversight over the towing services agreements, the administration of the contract should be consolidated in the Police Department with an evaluation of the resources needed to perform this responsibility.	PD	Not Implemented	The award of contract for the City-generated Tow Services RFP was approved by the City Council on August 15, 2023. Following City Council approval, the City will negotiate and execute the agreement with the vendor. The new contract will be for Tow Administrator Services for City-generated tows, which includes administering the City's tow program, subcontracting with and managing the performance of tow companies to provide the tow services, and utilizing/providing software to track and manage tow requests and fulfillment. According to staff, onboarding and implementation of the contract and new software is expected to take several months. Following onboarding and implementation staff will begin transition of the program from PBCE to SJPD. Target Date: Jun-2024 (Delayed From: Jul-2020)
#19-01 Audit of 9-1-1 and 3-1-1 #05 To increase focus on outreach and recruiting for Communications staff, Police Communications and Fire Communications should each develop a recruiting plan for their respective divisions, and explore opportunities for collaboration and joint recruitment opportunities.	PD / FIRE	Partly Implemented	According to the Police Department's recruiting plan, Communications positions are advertised on the recruiting website www.SJPDYOU.com and on social media. Additionally, a Communications Senior Police Dispatcher works with Police Recruiting to attend job fairs, symposiums, and recruiting events. The Senior Dispatcher attends these events with current Police Communications Specialists and Police Radio Dispatchers. The Police Department reports that they will advise the Fire Communications Manager if there is an excess of Police dispatch applicants. According to the Fire Department, their Fire Communication Analyst is developing a formalized recruitment plan. Target Date: Dec-2023 (Delayed From: Jun-2021)
#19-01 Audit of 9-1-1 and 3-1-1 #06 The Police and Fire Department should utilize external marketing firms to bolster marketing efforts to recruit communications staff for both Police and Fire staff.	PD / FIRE	Partly Implemented	The Sworn Police Department Recruiting Unit has a renewed agreement with Civilian, Inc. to help with recruiting. The Police Department reports that Civilian is working on videos and social media. Additionally, the Department reports that the Unit's Senior Dispatcher has attended hiring fairs, created a recruiting team to attend events, and hosted Q&A sessions about employment opportunities. The Fire Department reports that their Fire Communications Analyst is developing a recruitment plan and will evaluate the use of external marketing firms. Target Date: Dec-2023 (Delayed From: Jun-2021)
#19-01 Audit of 9-1-1 and 3-1-1 #07 The Police and Fire Departments should work with the Public Works Department to make closer parking options available to Communications staff that work night shifts.	PD / FIRE	Partly Implemented	Police and Fire Communications personnel continue to have parking options across the street in a County lot. The N. San Pedro Street and Mission Street parking lot is also available and secured by Department card readers. The Police Department offers interior parking spots for Police Communications personnel working on swing and night shifts. The Fire Department purchased a vehicle for escorting personnel during hours of darkness in March 2023. A service agreement for third-party security vendor was executed in February 2023. Staff report that Fire, Police, and the security company vendor are coordinating to initiate services. Target Date: Nov-2023 (Delayed From: Dec-2020)
#19-01 Audit of 9-1-1 and 3-1-1 #09 To retain qualified staff that are more inclined to call taking versus dispatch, the Administration should explore the creation of a call taker position in the Fire Department.	FIRE	Partly Implemented	Based on the Fire Communications Workforce Optimization Study, Mission Critical Partners recommended additional telecommunicators. As a result, the Fire Department reports working with the Human Resources Department to reinstate the Public Safety Communications Specialist (call taker) classification. Target Date: Jun-2024 (Delayed From: Jun-2021)

Report and Recommendations	Dept (s)	Current Status	Comments
#19-01 Audit of 9-1-1 and 3-1-1 #12 To remove report-taking responsibilities from emergency call takers, the Police Department should assess and potentially distribute report-taking responsibilities that could be handled by (a) the City Customer Contact Center, (b) police officers on modified duty, (c) retiree rehires, or (d) Community Service Officers.	PD	Partly Implemented	According to the Department, report-taking responsibilities will remain within Police Communications, and staff plan to implement a more timely report-taking system. The Police Department continues to use retiree rehires and per-diem staff for call-taking, radio dispatching, and Telephone Report Automation Center (TRAC) calls. The Department reports that Community Service Officers are placed in the Police Department lobby to take in-person reports, but do not currently handle reports over the phone. The Department has determined that assigning these call-taking responsibilities to the City Customer Contact Center or police on modified duty is not feasible. Target Date: Dec-2024 (Delayed From: Jun-2020)
#19-03 Development Noticing #01 Planning should propose updates to Council Policy 6-30 that set realistic goals for the timing of on-site notices, and require evidence of on-site posting prior to setting a hearing date.	PBCE	Not Implemented	According to the Department, due to limited staffing resources in the Planning Division it does not plan on amending policy 6-30 at this time. The Department reports they will begin efforts to identify staffing resources and they intend to revisit updating the policy in FY 2023-24. Target Date: Dec-2024 (Delayed From: Dec-2021)

#19-03 Development Noticing
 	
#03   Planning should propose updates to Council Policy 6-30 and develop and implement procedures to:
    A. Proactively identify projects and dominant neighborhood languages to ensure hearing notices are properly translated,
    B. Include guidance on when interpretation services for hearings should be provided, and
    C. Remove the requirement that requesting parties pay for the translation of hearing notices, and determine an appropriate funding source.
	PBCE	Partly Implemented	A language map was implemented in January 2020 into the AMANDA integrated permitting system to help staff identify predominant languages in project areas. According to the Department, full implementation of this recommendation would be included in a full review of Policy 6-30. However, due to limited staffing resources in the Planning Division, the Department does not plan on amending policy 6-30 at this time. The Administration reports they intend to revisit updating the policy in FY 2023-24. Target Date: Dec-2024 (Delayed From: Dec-2021)

#19-03 Development Noticing #04 To clarify expectations on noticing practices, Planning should propose changes to Council Policy 6-30 to provide additional guidance on mailing radii and permit types.	PBCE	Not Implemented	According to the Department, implementation of this recommendation would be included in a full review of Policy 6-30. However, due to limited staffing resources in the Planning Division, the Department does not plan on amending policy 6-30 at this time. The Department reports it will continue to undertake outreach and engagement strategies in coordination with the City's Community Engagement Working Group (CWEG) in the interim. The Administration reports they intend to revisit updating the policy in FY 2023-24. Target Date: Dec-2024 (Delayed From: Dec-2021)
#19-03 Development Noticing #05 Planning should propose changes to Council Policy 6-30 to set goals to increase the availability of online information prior to a public hearing.	PBCE	Partly Implemented	According to the Department, implementation of this recommendation would be included in a full review of Policy 6-30. However, due to limited staffing resources in the Planning Division, the Department does not plan on amending policy 6-30 at this time. The Administration reports they intend to revisit updating the policy in FY 2023-24. Target Date: Dec-2024 (Delayed From: Dec-2021)

Report and Recommendations	Dept (s)	Current Status	Comments

#19-04 The Mayor's Gang Prevention Task Force (now the San José Youth Empowerment Alliance)
 	
#04   The Department of Parks, Recreation and Neighborhood Services should ensure participant needs are consistently assessed by developing processes to:
    a) Assess youth participants through the adoption of a standardized assessment tool to be used for all Task Force programming,
    b) Create corresponding service plans based on those risk levels, and
    c) Track and report enrollment by risk level including pre and post results for all Task Force services.
	PRNS	Partly Implemented	A consultant created and piloted a screening tool with two BEST funded agencies and two Youth Intervention Services (YIS) programs. Based on feedback from the pilot stage, the consultant adjusted the tool to align risk categories with risk levels identified by the screener. The implementation of the Risk Assessment Screening tool began in September 2022 for two YIS case management programs: Safe School Campus Initiative and Female Intervention Team. For the remaining programs, PRNS reports the tool will be used to determine if a youth is correctly assigned to a program based on their risk level, and to have information available on the client profile for each program. According to staff, PRNS plans to review how to implement the tool within each program, and BEST plans to implement the screening tool for new contracts in 2023-24. Target Date: Mar-2024 (Delayed From: Jun-2021)

#19-04 The Mayor's Gang Prevention Task Force (now the San José Youth Empowerment Alliance)
 	
#08   The Department of Parks, Recreation and Neighborhood Services should work with the City Attorney's Office to update the current Memoranda of Agreement with school districts to include:
 	
    a) All services provided by City staff on school campuses,
    b) Roles and responsibilities for City staff and school administrators, including criteria for Safe School Campus Initiative activations, and
    c) Key documents that would be required to enroll participants, including parental consent forms.
	PRNS	Partly Implemented	The San José Youth Empowerment Alliance (formerly known as the Mayor's Gang Prevention Task Force) serves 17 school districts. PRNS has updated and executed agreements for nine school districts including East Side Union High School District, Alum Rock, Franklin-McKinley, Moreland, San Jose Unified, and the Santa Clara County Office of Education (alternative schools), the Fremont Union High School District, the Campbell Union High School District, and the Cambrian School District. According to PRNS, a draft agreement with the Campbell Union School District (TK-8th grade) has been submitted to the City's contract review process. Additionally, staff report that draft agreements have been submitted to the following school districts for their review: Oak Grove, Morgan Hill Unified, Orchard, Evergreen, and Berryessa Union School District. Staff report they are contacting the remaining two school districts to complete new agreements while previous agreements to provide services to each district remain in force. Target Date: Dec-2023 (Delayed From: Jul-2020)

#19-04 The Mayor's Gang Prevention Task Force (now the San José Youth Empowerment Alliance)
 	
#14   The Department of Parks, Recreation and Neighborhood Services should:
    a) Reassess reported program outcomes and units of service for all Task Force programs, and
    b) Re-define and annually report key program outcome measures.
	PRNS	Partly Implemented	PRNS hired a consultant to develop a performance measurement framework for all Task Force programs (BEST and Youth Intervention Services) to reassess program outcomes and units of service. The framework sought to align the preliminary theory of change developed by the evaluation consultant (Social Policy Research Associates), City audit recommendations, and program capacity for data collection. Staff report the planning process for reassessing program outcomes and re-defining program outcome measures for both YIS and BEST funded programs was completed July 2022. Staff plan to use the new performance outcome measure framework for 2023-24 program evaluations for BEST. This aligns with a new cycle for BEST agencies, following the first year after the agency selection process. Staff report funds for the second phase evaluation for YIS programs were included in the 2023-24 Budget. PRNS plans to implement the second phase evaluation for YIS following a renewed selection process for evaluation consultants in 2023. Target Date: Jun-2024 (Delayed From: Jul-2021)

Report and Recommendations	Dept (s)	Current Status	Comments
#19-04 The Mayor's Gang Prevention Task Force (now the San José Youth Empowerment Alliance) #15 To evaluate the satisfaction of services provided to youth participants and their families, the Department of Parks, Recreation and Neighborhood Services should establish a formal mechanism for youth to provide feedback through the annual administration of participant surveys. The results of the surveys should be included in the annual report to Council on Task Force activities.	PRNS	Partly Implemented	For the BEST program, PRNS has been conducting youth surveys and reporting results in the annual report presented to the Neighborhood Services and Education (NSE) Committee and City Council. PRNS presented youth satisfaction survey results for BEST participants in their annual report to NSE in May 2023. Staff reported that Youth Intervention Services (YIS) completed a revised pilot survey in 2022 with a sample of Safe School Campus Initiative and Female Intervention Team clients to assess their view of the programs and outcomes achieved. Staff plan to expand use of the survey instrument to other YIS programs during 2023-24 and to provide an annual update to NSE in March 2024. Target Date: Jun-2024 (Delayed From: Jul-2020)
#19-06 Form 700s #02 The City Clerk's Office should establish standard procedures surrounding the assessment of late fines and referral of non-filers to the Fair Political Practices Commission (FPPC). The procedures should include using its e-filing system to track follow up activities, such as assessing late fines and sending non-filing notices.	CLERK	Partly Implemented	According to the Office of the City Clerk, the FPPC changed the reporting procedures for non-filers and the new process is more labor-intensive than previously. The Office determined that having department Form 700 liaisons prepare the FPPC referrals would be less labor intensive and incentivize the department liaisons to get their filers to complete their Form 700s. The Office reports they are currently working with the liaisons on this and that the procedures are being reworked accordingly. Target Date: Apr-2024 (Delayed From: Jun-2020)

#19-07 Procurement Cards
 	
#01   The Finance Department should:
   a) Periodically (at least monthly) review list of separated employees and ensure that p-cards of employees on that list are immediately deactivated, and
   b) Reassess and clarify policy expectations to deactivate p-cards when employees are on leaves.
	FIN	Partly Implemented	The Finance Department has started to perform monthly reviews of separated employee lists to ensure that p-cards assigned to former City employees are deactivated. The Department plans to clarify policy expectations as part of the revised p-card policy and new administrative guide. Both documents are under senior staff review. Target Date: Dec-2023 (Delayed From: Jun-2020)

#19-07 Procurement Cards
 	
#02   The Finance Department should:
   a) Develop a process to annually share recertification data with p-card coordinators so departments can easily cross-check and verify compliance with the recertification quiz,
   b) Require p-card holders that have not completed the recertification to immediately do so, and
   c) Suspend p-cards for employees that do not comply with the recertification requirements within an agreed-upon timeframe.
	FIN	Partly Implemented	The Finance Department is now responsible for administering and monitoring the annual recertification quiz Citywide, including enforcing suspensions as needed. The Department plans to address items b) and c) of this recommendation as part of the p-card policy update or p-card administrative guide. Both documents are under senior staff review. Target Date: Dec-2023 (Delayed From: Jun-2020)

Report and Recommendations	Dept (s)	Current Status	Comments

#19-07 Procurement Cards
 	
#03   To help employees comply with applicable purchase requirements, Finance should:
    a) Aggregate all policies and guidelines applicable to p-card purchases, including furniture purchases, in an easy and user friendly resource available on the City's intranet site; and
    b) Work with Public Works to clarify restrictions on vehicle related p-card expenses and that any questions regarding such purchases be directed to Public Works' Fleet Division, and include such guidance in the p-card administrative guide.
	FIN / PW	Partly Implemented	Finance plans on aggregating all p-card related policies and guidelines, including those related to furniture purchases, and making them available on Purchasing's intranet site. The Department is also working with Public Works' Fleet Division to clarify restrictions on vehicle-related p-card purchases and the correct procurement methods for vehicle-related purchases. This clarification will be included as part of the aggregation of p-card related policies and guidelines. Target Date: Dec-2023 (Delayed From: Jun-2020)

#19-07 Procurement Cards #04 The Finance Department should work with the Information Technology Department to clarify whether cloud based subscriptions are considered services and whether these types of services require Information Technology Department approval.	FIN	Partly Implemented	San José's Municipal Code defines software as a service. The Finance Department will clarify in its p-card policy and administrative guide that cloud-based subscriptions require approval from the Information Technology Department. Both documents are under senior staff review. Target Date: Dec-2023 (Delayed From: Jun-2020)

#19-07 Procurement Cards
 	
#05   We recommend Finance work with Office Depot to review past pricing and purchasing data to determine and ensure the City received:
    a) Discounts on non-contracted items;
    b) Appropriate rebates, including those based on the sales of "piggybacked" cities; and
    c) Appropriate pricing under the terms of the agreement.
	FIN	Partly Implemented	Finance has reviewed with Office Depot past City pricing and purchasing data for contracted items and has reached a settlement of $63,000 with Office Depot to account for missed discounts and unpaid rebates on these items. Due to staffing challenge at both the Department and Office Depot, as well challenges arising from the COVID-19 pandemic, the Department has not yet been able to review pricing and purchasing data for non-contracted items or confirm rebates for "piggybacked" cities. Target Date: Dec-2023 (Delayed From: Jun-2020)
			
			Potential Monetary Benefit: At the time of the audit, we estimated the City may have lost out on at least $176,00 in savings.

#19-07 Procurement Cards
 	
#07   The Finance Department should:
    a) Include in its department p-card coordinator training expectations about on-going monitoring of p-card purchases to ensure that departments are appropriately utilizing Citywide and department-specific open purchase orders when applicable;
    b) Work with the Information Technology Department to ensure that related purchase order information is available in all browsers, or that purchase orders specifically clarify that the related information is only available through Internet Explorer browsers.
	FIN / ITD	Partly Implemented	Finance is including in its p-card training sessions the expectation that departments use Citywide and department-specific open purchase orders when applicable and practical. The Department intends to incorporate this expectation within its revised p-card policy or administrative guidelines. Both documents are under senior staff review. The Department has published instructions to help City staff view complete purchase order information on all internet browsers. Target Date: Dec-2023 (Delayed From: Jun-2020)

Report and Recommendations	Dept (s)	Current Status	Comments

#19-07 Procurement Cards
 	
#09   PRNS should develop procedures for p-card usage that include:
   a) A review of p-card usage to reevaluate the operational necessity of individual staff having a p-card and cancel p-cards if not necessary,
   b) Guidelines to establish the business need for purchases, including for food and beverages used for events or programs,
   c) Providing expectations for tracking and securing high-value items purchased with p-cards,
   d) Ensuring staff are using available purchase orders for food and beverage purchases,
   e) Developing guidelines surrounding the purchase of gift cards that set expectations on dollar limits, usage, and supporting documentation, and
   f) Ensuring that p-card payments are made in a timely manner.
	PRNS	Implemented	The Department developed a Standard Operating Procedure (SOP) that addresses all elements of this recommendation. The SOP was approved by executive staff and posted on the Department's internal resource page.

#19-08 Street and Utility In-Lieu Fees #05 To ensure that the City's utility undergrounding fee is a fair estimate of the cost of utility undergrounding projects, Public Works should reassess the utility undergrounding in-lieu fee.	PW	Partly Implemented	Based on the projected costs of a project that was underway at the time, during the audit there was concern that the undergrounding fee was not a fair estimate of the costs of utility undergrounding projects. While staff had anticipated updating the undergrounding fee based on recent project costs, two projects were delayed because of COVID-19, unforeseen utility congestion, and design issues. Staff anticipates one current project to be completed in March 2024 and another in late 2025, and intends to use the costs in these projects to assess the undergrounding fee. Meanwhile, the PW staff will continue to update the underground fee per Construction Cost Index, as has been done annually. Target Date: Dec-2025 (Delayed From: Jun-2021)

#20-02 Fleet Maintenance and Operations
 	
#02   To help manage fleet asset levels and the allocation of fleet assets, Public Works should update the City Policy Manual 1.8.1 to:
   a) Adjust or establish minimum utilization standards for all fleet assets,
   b) Require annual utilization reviews to identify underutilized assets, and
   c) Include procedures on coordinating utilization reviews with City departments and the use of underutilized assets, such as transferring underutilized assets to the Citywide motor pool, disposing them, or reallocating them as appropriate.
	PW	Partly Implemented	Public Works is currently working with a vendor to analyze fleet utilization, right sizing, and fleet electrification. Updates to the policy are underway and expected in October 2023. Target Date: Oct-2023 (Delayed From: Mar-2022)
			
			Potential Monetary Benefit: At the time of the audit, we identified $160,000 in work orders generated in FY 2018-19 from fleet assets identified as potentially underutilized.

Report and Recommendations	Dept (s)	Current Status	Comments

#20-02 Fleet Maintenance and Operations
 	
#03   In the context of overall budget priorities, Public Works should work with the Budget Office to develop short- and long-term staffing strategies to achieve desired performance results, that may include:
    a) Further use of the rehire retirees program,
    b) Use of contractual services for additional repair types or asset classes, and/or
    c) Additional overtime opportunities for current staff.
	PW/ CMO	Partly Implemented	Public Works received two Communication Installer positions in the FY 2023-24 budget process and expects to begin recruitment in the second quarter of the fiscal year. Additional staffing needs will be developed and shared with the Budget Office in the second and third quarters of FY 2023-24. Target Date: Jul-2024 (Delayed From: Dec-2021)

#20-02 Fleet Maintenance and Operations
 	
#04   To improve Citywide preventive maintenance (PM) compliance, Public Works' Fleet Division should:
    a) Work with departments to confirm point of contacts for PM notifications and complete implementation of the automated PM notifications,
    b) Establish a Citywide PM compliance target, as well as internal PM compliance targets for departments/asset classes, an
    c) Implement a PM compliance incentive program, that could include expansion of the fuel shut-off program for noncompliant assets that meet criteria identified by the Fleet Division, or including departmental PM compliance performance into the fleet replacement prioritization process.
	PW	Partly Implemented	Public Works has implemented automated emails for preventative maintenance notifications, and is working with its vendor to implement the dashboards that will help the Department as well as customer departments monitor preventative maintenance compliance. Target Date: Dec-2023 (Delayed From: Dec-2021)

#20-02 Fleet Maintenance and Operations #07 To enhance performance monitoring and inform resource allocation decisions, Public Works' Fleet Division should develop internal performance measures and reports to monitor availability of specific assets at the department level.	PW	Partly Implemented	Public Works is working with its asset management vendor to create an analytics module for production. Once completed, Fleet will reach out to department contacts to set up access and training within the new module. Target Date: Dec-2023 (Delayed From: Jan-2023)
#20-02 Fleet Maintenance and Operations #08 To enhance accountability and transparency, Public Works' Fleet Division should develop and report on performance measures on work order timeliness.	PW	Partly Implemented	Public Works reports it continues to work with its asset management vendor to create dashboards to help monitor work order timeliness. Target Date: Dec-2023 (Delayed From: March 2023)

#20-02 Fleet Maintenance and Operations
 	
#09   To support consistent data entry and reporting, Public Works' Fleet Division should create procedures around:
    a) Classification of repair reason IDs in AssetWorks,
    b) Data entry of work orders and contracted services work orders, an
    c) Pulling reports on active assets, preventive maintenance compliance, vehicle utilization, work orders, and/or others as necessary.
	PW	Partly Implemented	Public Works reports they have performed several upgrades to how labor is captured in the fleet database and finished a clean up of labor tasks. Staff is currently drafting Standard Operating Procedures (SOP) with a goal of completion by December 2023. Target Date: Dec-2023 (Delayed From: Dec-2021)

Report and Recommendations	Dept (s)	Current Status	Comments
#20-02 Fleet Maintenance and Operations #12 Public Work's Fleet Division should develop performance targets related to the timeliness of fleet asset purchases and actual costs of acquisitions against budgeted funds. Performance against those targets should be reported in the department's Fleet Management Annual Report.	PW	Not Implemented	Public Works reports that it has been unable to start working on this recommendation because of global supply chain issues, which has resulted in nearly all vehicle purchases schedule in prior years to be carried forward to FY 2023-24. Target Date: Dec-2024 (Delayed From: Jun-2022)

#20-02 Fleet Maintenance and Operations
 	
#13   To better allocate the costs of the maintenance and replacement programs, Public Works' Fleet Division should:
    a) Track staff hours for the fleet acquisition process, and
    b) Charge City departments separate labor rates to recover the staff costs for (1) maintenance services and (2) acquisitions and build-outs of new or replacement assets.
	PW	Partly Implemented	Public Works has confirmed dual labor charge functionality within its database and reports it has finalized costs associated with procurement of vehicles and equipment. The Department intends to notify stakeholders of additional costs for vehicle/equipment procurements, and provide data to partner departments for future budget consideration. Target Date: Oct-2023 (Delayed From: Jun-2022)

#20-03 Audit of Fire Development Services #03 To make it easier for customers to navigate the permitting process, the Bureau of Fire Prevention should update the website such that information is current and organized by discipline or customer type, and create simplified, concise resources for customers, similarly by discipline or project type.	FIRE	Partly Implemented	The Fire Department continues to work on a comprehensive website design and update organized based on discipline. Staff report that the website will incorporate links to the permit submittal landing page, specific project guidance documents, Fire Department related ordinances, and the contact numbers for additional questions and project-related assistance. Target Date: Jan-2024 (Delayed From: Aug-2022)
#20-03 Audit of Fire Development Services #04 The Bureau of Fire Prevention should pilot an option for customers to schedule combination inspections, such that staff trained in multiple disciplines (i.e., alarms, sprinklers, life safety) can inspect multiple systems at one time.	FIRE	Partly Implemented	The Fire Department initiated the cross-training of existing inspectors to provide and perform multiple discipline inspections (i.e., alarms, sprinklers, life safety). Staff are working to initiate a pilot option for combined inspection scheduling. The scheduling software has been updated to create a combination inspection option. The Fire Department reports that the pilot program to evaluate customer demands for combination inspections (alarms, sprinklers, and life safety) was initiated on April 7, 2023, and will conclude on October 7, 2023. Prior to initiating this pilot, the Department implemented new policies, workflows, website updates, and training for Development staff. Combination inspection offerings after the pilot program conclusion will be based on an evaluation of the combination inspection demand. Target Date: Oct-2023 (Delayed From: Jun-2021)

Report and Recommendations	Dept (s)	Current Status	Comments

#20-03 Audit of Fire Development Services
 	
#06   To ensure inspection time is used efficiently, the Bureau of Fire Prevention should develop policies to address unprepared customers, such as:
    a) Incentivizing customers to cancel appointments when they are not prepared by piloting a reduced cancellation fee, and
    b) Clarifying expectations for when staff should leave a site that is not ready for full inspection.
	FIRE	Implemented	a) The Fire Department reports that the 2023-2024 Fees & Charges schedule was adopted and will be implemented to reduce cancellation fees and increase the ability to offer canceled inspection time slots to other customers. The current workflow process requires an applicant to request a cancellation of a scheduled inspection at least 5 business days prior to the scheduled inspection day to avoid a cancellation fee. If the scheduled inspection is canceled within 5 business days, but at least 2 business days prior to the scheduled inspection day, the applicant is charged the half-hour rate. If the inspection is canceled within 2 business days of the inspection day, the inspection fee is forfeited.
			b) The Fire Department has developed new guidelines which include requirements for when to cancel, fail, or partially pass an inspection along with a report tracking inspectors' compliance with these guidelines. The Department has modified their policies and procedures with the assistance of newly available reports. Staff report using this information to assess inspector performance and implement training as necessary.

#20-03 Audit of Fire Development Services
 	
#07   To improve customer service, the Bureau of Fire Prevention should implement a more efficient and customer friendly scheduling process, that may include:
    a) Developing an online scheduling system, potentially with limits on how far out inspections can be scheduled,
    b) Posting any limits on inspection scheduling along with expected wait times (for when new inspection slots are available) online, and
    c) Resolving call routing issues between the PBCE call center and Fire Development Services Division.
	FIRE	Partly Implemented	The Fire Department reports that the online inspection scheduling platform is in the final stages of testing and is being reviewed with the Information Technology Department. It is expected to be launched in FY 2023-24. The Department has established inspection scheduling limits when inspection times are impacted to prevent an applicant from reserving an entire week of inspections. By March 2022, a new phone tree for the Planning, Building and Code Enforcement Department's call center was implemented. One of the goals was to streamline the process for inspection scheduling and general questions for the Department. Staff report that further adjustments were made to the messaging that reduced call wait times and allowed returning customers to skip the recorded messages. Target Date: Dec-2023 (Delayed From: Aug-2022)

#20-03 Audit of Fire Development Services #13 The Fire Department should revise its calculation of the fire inspection cycle time measure to reflect the time from when an inspection was requested until when the inspection occurred, and revise its target, as appropriate.	FIRE	Partly Implemented	The Fire Department reports that staff have created an inspection schedule available to applicants requesting an inspection through the call center. Information is provided regarding the available inspection slots for a 2 week period. Staff generate a bi-weekly report that indicates the wait times for an available inspection slot, depending on inspection type (i.e., Fire Engineering, Fire Alarms, Fire Sprinklers, and Hazardous Materials). This report is based on inspection module data through AMANDA. While this information allows customers to understand wait times for inspections as they are scheduling, the Department has not yet updated the performance measure calculation to reflect the wait time for inspections across projects overall. The Fire Department reports that staff will meet internally to discuss and revise their performance measure methodology as appropriate in Fiscal Year 2024-25. Target Date: Jul-2024 (Delayed From: Jul-2022)

Report and Recommendations	Dept (s)	Current Status	Comments
#20-03 Audit of Fire Development Services #14　The Fire Department should review the methodology of its calculations of the number of plan reviews and the percent of time that plan check processing time targets are met, and should reset targets, as appropriate.	FIRE	Partly Implemented	The Fire Department is working with City Information Technology Department staff to identify an existing report that lists projects that exceed processing time targets. The objective for this is to modify the existing report to include total projects over a given time period that have met processing targets for enhanced trend analysis. These reports will provide information to better track projects that are exceeding targets and update performance measure calculations as needed. The Fire Department reports that staff will meet internally to discuss and revise their performance measure methodology as appropriate in Fiscal Year 2024-25. Target Date: Jul-2024 (Delayed From: Jul-2022)
#20-04 Park Maintenance #04　To ensure appropriate allocation of capital resources for park improvements in Council Districts and help prioritize capital budgeting, PRNS should: 　a) Develop separate maintenance and capital/infrastructure Park Condition Assessment scores, and 　b) Use the capital/infrastructure Park Condition Assessment scores in the Construction and Conveyance Tax Fund allocation formula.	PRNS	Partly Implemented	PRNS reports that the Capital team plans to incorporate PCA data for park restrooms and overhead structures in the 2024-25 Construction and Conveyance funding distribution. In Winter 2023, the Capital team will reassess playgrounds, artificial turf sites, exercise stations and sport courts. The Capital team is finalizing plans for regularly scheduled PCA data collection every two years to ensure park infrastructure PCA data is kept up-to-date. The Department estimates this plan will be completed in Fall 2023. Distribution of C&C funding is based on the condition of capital infrastructure and data is used to distill priorities to advance projects to correct identified park infrastructure deficiencies. Target Date: Dec-2023 (Delayed From: Aug-2023)
#20-04 Park Maintenance #05　To ensure that data collection efforts adequately meet its needs, PRNS should: 　a) Refocus data collection priorities, determine short-term and long-term data collection and data analytics goals, and set clear objectives on achieving those goals, 　b) Reassess the use of Infor EAM to determine if it meets those needs, and 　c) Develop an ongoing training program for staff to ensure that data entry is consistent and accurate and meets its business goals.	PRNS	Not Implemented	PRNS' Business Intelligence (BI) Manager reviewed vendors for Cloud vs. On-Premise environments, including meeting with system management from Public Works and outside consultants, to determine the best option for Parks data needs. This process resulted in the decision to keep the current Cloud environment. As of July 2023, the BI Manager reports looking into a brand name/sole source continuation policy while also preparing for a potential procurement process. The current EAM contract expires on August 4, 2024. PRNS reports holding BI training bi-weekly from Sept. 2022 to Jan. 2023 for Park Maintenance and Infrastructure (PMI) and Destinations, Events, and Sport (DES) staff, including weekly office hours and additional trainings held by the BI Manager. Target Date: Jul-2024 (Delayed From: Jan-2022)
#20-04 Park Maintenance #09　PRNS should develop a formal process to track and reconcile its larger equipment and vehicles and improve internal coordination of vehicle purchases and asset management.	PRNS	Implemented	PRNS' Vehicle Assets Management SOP was reviewed and accepted by the Department's Fleet Committee. The SOP was presented to PRNS Executive staff for final ratification in Q1 of FY 2023-24 and approved. Staff reports that the procedures have been implemented and have been currently utilized to identify and prioritize FY 2023-24 PRNS vehicle acquisitions.
#20-04 Park Maintenance #11　To reduce travel time, PRNS should reassess routes with consideration for traffic peak times, park locations, and staffing.	PRNS	Partly Implemented	PRNS reports all Park Districts have completed maintenance route assessments/analyses and redistributed parks more efficiently among crews. Additionally, PRNS is finishing final preparations to move Park District 8 into the Overfelt House at Overfelt Gardens Park, bringing the district's staff 6 miles closer to the parks they maintain. They expect this move to be done by in the Fall 2023. Target Date: Oct-2023 (Delayed From: Dec-2021)

Report and Recommendations	Dept (s)	Current Status	Comments
#20-04 Park Maintenance #13 PRNS should assess language access needs for parks in areas with higher concentrations of limited English speaking households and provide information and resources in multiple languages in those areas.	PRNS	Partly Implemented	PRNS reports requiring dedicated funding to assess language access needs and replace signs in areas with high concentrations of limited English speaking households. The Department plans to consider developing a budget proposal for this effort among other budget priorities as part of the FY 2024-25 budget development process. Target Date: Jun-2025 (Delayed From: Jun-2023)
#20-05 Development Partners' Work-in-Progress Reserves #01 To better assess workload and resources, Planning, Building and Code Enforcement's Planning Division should develop and implement procedures to track the work in progress on current development projects, based on staff hours worked, milestones, or some other metric.	PBCE	Partly Implemented	PBCE reports the Planning Division has created the structure and requirements for the work in progress report and have created a sample of the report. According to the Department, Planning Division staff will finalize the requirements for the report and submit them to the Information Technology Department to create the report in the City's permitting system. PBCE Management anticipate this work could be completed by December 2023. Target Date: Dec-2023 (Delayed From: Sep-2021)
#20-05 Development Partners' Work-in-Progress Reserves #02 To better assess workload and resources, Public Works Development Services Division should develop and implement procedures to track the work in progress on current development projects, based on staff hours worked, milestones, or some other metric.	PW	Partly Implemented	Public Works has developed procedures for time tracking in AMANDA for engineering and inspection staff, and time tracking and data collection is ongoing. The Department has continued monitoring and reporting from this time tracking, and intends to correlate the time tracked with funds spent. Public Works intends to continue to coordinate between departments and development milestones to estimate current work in progress. Target Date: Jun-2024 (Delayed From: Jun-2020)
#20-05 Development Partners' Work-in-Progress Reserves #04 To ensure that the Development Partners have adequate funding to support their development work, Public Works, the Fire Department, and Planning, Building and Code Enforcement should work with the Budget Office and the City Attorney's Office to develop reserve policies or guidelines around the appropriate uses of funds, including work-in-progress reserves.	CMO / PW / PBCE / FIRE / CAO	Partly Implemented	The Administration has made progress by creating individual budgeted funds for each of the development fee programs. This recommendation is partly implemented because the Administration has not implemented a new process to account for the work-in-progress reserves. The City Manager's Budget Office, Finance Department, City Attorney's Office, and the Development Services partners plan to meet to discuss and develop a process following the development of work-in-progress reports from Planning, Public Works, the Fire Department, and the Finance Department. Target Date: April-2024 (Delayed From: Sep-2021)
#20-05 Development Partners' Work-in-Progress Reserves #05 To properly account for development fee revenues, the Finance Department should work with the City's external financial auditor to determine the proper accounting treatment of development fee revenues that have been collected for projects still in progress.	FIN	Partly Implemented	Finance reports they have coordinated with PBCE and the City Manager's Budget Office to establish the prescribed recommendations as a pilot for special projects. According to the Department, this would allow customers to make a deposit into a liability visible code in the Fund 238 Balance Sheet Appropriation, and then recognize revenues as the permits are issued. The Department reports the process should serve as the template going forward. Target Date: April-2024 (Delayed From: Dec-2021)
#21-01 Police Staffing, Expenditures, and Workload #02 To optimize police staffing, the Police Department should include an analysis of alternative schedules either in its current redistricting work or in a separate study, and report to the City Council on the results of the studies.	PD	Partly Implemented	The Department entered into an agreement with Matrix Consulting to begin work on a redistricting and staffing deployment analysis. The vendor is currently in the information gathering stage of the process and is expected to provide a final report of the review in December 2024. Target Date: Dec-2024 (Delayed From: Jun-2023)

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#21-01 Police Staffing, Expenditures, and Workload
 	
#03   To determine the most suitable approaches for responding to certain types of calls, the Police Department should:
    a. Begin tracking calls that may benefit from an alternative response, such as incidents involving individuals experiencing homelessness or individuals with disabilities.
    b. Determine whether some of the responses can be diverted to non-sworn staff or coordinated with other City departments or agencies.
	PD	Partly Implemented	The Department now requires officers to track whether a response involves persons that are suspected or confirmed to be unhoused or if there is a perceived disability. The Department has collected a year's worth of data on calls for service related to unhoused individuals. Analysis of the data is pending. Target Date: Jun-2024 (Delayed From: Jun-2023)

#21-01 Police Staffing, Expenditures, and Workload #04 To ensure that targets for community policing address Council and community priorities, the Police Department should develop a long-term community policing strategy that describes how performance targets address those priorities and work with the City Administration to identify consistent sources of funding for priority community policing positions, such as foot patrol.	PD	Not Implemented	The Department reports that it plans to evaluate community policing opportunities through a consultant (which has not currently begun). Target Date: Jun-2024 (Delayed From: Jun-2023)

#21-01 Police Staffing, Expenditures, and Workload
 	
#05   To limit the risk of fatigue and more evenly distribute overtime hours across the department, the Police Department should:
    a. Enforce existing limits on total overtime hours worked in a day, week, and year, including which types of overtime can be worked beyond these limits.
    b. Update eResource to ensure all prescheduled and biddable overtime assignments are captured in the system.
    c. Develop a policy to address frequent violations of Duty Manual specified overtime weekly limits.
	PD	Partly Implemented	On May 19, 2021, the Department issued Memorandum #2021-015 titled "Overtime Controls." This memorandum limited overtime to that which is absolutely mandatory and unavoidable. The memorandum further clarified that no discretionary overtime would be allowed and that all overtime is subject to management review. All Captains and Division Managers are required to submit a memorandum quarterly to the Chief Executive Officer justifying the use of overtime. The Department has updated eResource to include most biddable and prescheduled overtime and intends to continue to update it on an ongoing basis. However, the Police Department's overtime expenditures continue to be high and were about $58 million in FY 2022-23; an increase from $47 million at the time of the audit. Overtime hours worked also continue to be high--almost 600,000 hours; an increase from the approximately 450,000 hours we reported during the audit in 2019-20. The increase has been primarily driven by the high number of sworn vacancies and the need to backfill these positions. As of June 2023, there were 181 sworn vacancies out of a total of 1,173 sworn positions. The Department reports that it will develop a plan to enforce existing overtime rules to ensure staff complies, ensure prescheduled assignments are appropriately tracked in eResource, and address policy violations of overtime limits. Target Date: Dec-2023 (Delayed From: Jun-2022)

Report and Recommendations	Dept (s)	Current Status	Comments
#21-01 Police Staffing, Expenditures, and Workload #06　To ensure that supervisory staff can better assess the purpose and appropriateness of overtime use, the Police Department should: 　a. Clearly define types of overtime considered mandatory and discretionary, including when follow up and report writing should be conducted on overtime. 　b. Develop guidelines for documenting Captain approval of discretionary overtime. 　c. Update internal procedures and train staff on how to log discretionary, mandatory, or voluntary overtime type codes in their timecards.	PD	**Partly Implemented - Priority**	The Department issued a memo, Memo #2021-015, which outlines overtime controls for the Department and new requirements that include Captains and Division Managers to report out on the use of overtime in their division on a quarterly basis. The Department states that it will continue to review overtime, including how it is being used, review its overtime policies in consideration of the current staffing issues, and develop a plan that considers policy changes, clarification of discretionary and mandatory overtime, consistent messaging, training for staff, and management review. The Department also reports that it is working on piloting a new timecard system that is anticipated to better track time and automate overtime rules for better controls. Target Date: Jul-2024 (Delayed From: Jun-2022) Potential Monetary Benefit: With greater controls and approval over overtime for discretionary time (e.g., admin, report writing, training, and follow up), we estimate savings of $1,147,350 if such overtime was reduced by 7.5 percent.
#21-01 Police Staffing, Expenditures, and Workload #07　To ensure transparency, the Police Department should clarify which overtime assignments can be worked for pay or compensatory time and review and update the Memorandum of Agreement and/or General Orders, as appropriate.	PD	Partly Implemented (Subject to meet and confer)	The Department reports that all paycars have been updated in eResource and that it will update its annual overtime memorandum to include regularly used paycars. Target Date: Dec-2023 (Delayed From: Dec-2021)
#21-01 Police Staffing, Expenditures, and Workload #09　To supplement sworn police services and manage overall workload challenges in the department, the Police Department should: 　a. In the context of the overall budget, add more Community Service Officers (CSOs) to address Priority 3 and 4 incidents, and 　b. Develop guidelines to ensure more equitable distribution of CSOs across districts, such that districts with higher workloads receive appropriate coverage. This may include redistributing workload and assignments as vacancies occur.	PD	Not Implemented	The Department has not begun work on this recommendation. Target Date: Jun-2024 (Delayed From: Jun-2023) Potential Monetary Benefit: We estimate savings of $751,500 if CSOs responded to additional calls rather than sworn officers using overtime. This is dependent on future hiring of additional CSOs.
#21-01 Police Staffing, Expenditures, and Workload #10　To better align Department call priorities with CSO work, the Police Department should update its Duty Manual to: 　a. Reassess its priority list of CSO-dispatchable calls and determine how to better utilize CSOs to address those priorities. 　b. Include common types of calls not currently listed in the Duty Manual, such as "Suspicious Vehicles" and "Expired Registration". 　c. Develop a strategy for CSO involvement in community policing, as described in the SJPD Duty Manual.	PD	Not Implemented (Subject to meet and confer)	The Department has not begun work on this recommendation. Target Date: Jun-2024 (Delayed From: Jun-2023)

Report and Recommendations	Dept (s)	Current Status	Comments
#21-03 Real Estate Services #01 To better manage the City's real estate assets, the Real Estate Services Division should work with City departments to compile a comprehensive list of real estate assets that includes department ownership and intended or actual use of the property.	OEDCA	Not Implemented	According to Real Estate Services (RES), they have coordinated with the Information Technology Department (ITD) and partner departments, including DOT, Finance, PRNS, Housing, ESD, and Public Works to identify needs for an enterprise solution. This work was presented to the Smart Cities Committee. RES is working with Purchasing to put a bid out to procure the software. This software will give RES the foundation to compile a comprehensive database of the City's real estate assets, including department ownership and uses. Target Date: Jun-2024 (Delayed From: Jan-2024)

#21-03 Real Estate Services
 	
#02   The Real Estate Services Division should work with the Information Technology Department, the Finance Department, and other City departments to implement a database platform to better manage the City's real estate assets that includes:
   a) Property management information such as lease terms, payments, and related information,
   b) Property-related agreements or other relevant information to identify ownership or management responsibilities, nd
   c) Any other information that the Real Estate Services Division deems necessary.
	OEDCA	Partly Implemented	According to Real Estate Services (RES), they have coordinated with the Information Technology Department (ITD) and partner departments, including DOT, Finance, PRNS, Housing, ESD, and Public Works to identify needs for an enterprise solution. This work was presented to the Smart Cities Committee. RES has been assigned a buyer by Purchasing to put a bid out to procure the software. This software will give RES the foundation to compile a comprehensive database of the City's real estate assets, including department ownership and uses. The bid for a real estate asset and lease management software was recently published on Biddingo. Target Date: Jun-2024 (Delayed From: Jan-2024)

#21-03 Real Estate Services #03 The Real Estate Services Division should work with other City departments to identify all vacant lands within the City's real estate portfolio, and report on that land and their intended uses to the City Council on an annual basis.	OEDCA	Not Implemented	Real Estate reports that the database software platform referenced in recommendations #1 and #2 can be developed in a way that stores the information needed for annual reporting on the City's vacant land inventory. Target Date: Jun-2024 (Delayed From: Jan-2024)

#21-03 Real Estate Services
 	
#04   The Real Estate Services Division should work with the multiple departments involved in maintenance of City properties and the Information Technology Department to:
   a) Identify business process and service integration to ensure the data in its asset management software can be cross-referenced with other departments' databases, and
   b) Coordinate with other departments to ensure the City's vacant properties are provided with ongoing maintenance.
	OEDCA	Not Implemented	Real Estate reports that after it has completed the buildout of the database referenced in recommendation #2, Real Estate plans to engage the Information Technology Department to build the system in a manner that allows for optimal standardization of data across City departments. Once Real Estate's software database is established, Real Estate plans to work with other departments to standardize data and facilitate cross-referencing between departments. Target Date: Jun-2024 (Delayed From: Jan-2024)

#21-03 Real Estate Services #05 To improve San José residents' access to cellular networks, after the Real Estate Services Division completes the market rate analysis of its telecommunication fees, it should bring recommendations for a new fee schedule to the City Council for approval.	OEDCA	Implemented	Real Estate completed a market analysis of telecommunications facilities and Council approved the updated fee schedule on June 13, 2023.

Report and Recommendations	Dept (s)	Current Status	Comments

#21-04 Code Enforcement Management Controls
 	
#01   The Department of Planning, Building and Code Enforcement should revise the Code Enforcement Division's incident policy to include direction around courses of action (e.g., temporary reassignment, partner-use, other actions) to address instances such as:
  a) extortion or bribery attempts made to staff,
  b) serious allegations and complaints, or
  c) other instances deemed appropriate by the Administration.
	PBCE	Not Implemented	Code Enforcement is in the process of drafting an update to its incident policy. Target Date: Oct-2023 (Delayed From: Apr-2023)

#21-04 Code Enforcement Management Controls
 	
#03   To enforce the Massage Ordinance permitting requirements, the Administration should:
  a) Create a roster of massage businesses based on active Business Tax Certificates and/or the list of certified massage therapists under the California Massage Therapy Council, and procedures to regularly update the roster, and
  b) Based on the roster of businesses, implement an outreach program to inform and educate massage businesses on the Massage Ordinance.
	CMO	Not Implemented	The Police Department receives data from the City of San José Business Tax Certificate database, however staff need to complete additional work to identify potential subject businesses. Once complete, Code Enforcement and the Police Department plan to coordinate work to expand outreach efforts to the community, including but not limited to: updating departmental websites, creating a program brochure in coordination with departmental public information officers, creating an informational letter to be sent with permit renewal invoices, and holding informational workshops. This work has not begun due to ongoing significant staffing vacancies within Code Enforcement over the past two years. Target Date: Dec-2023 (Delayed From: Dec-2023)
			
			Potential Monetary Benefit: During the audit, we found over 200 businesses with business tax certificates without massage permits. We estimated initial applications for unpermitted massage businesses would generate $500,000 in permit fees and $280,000 in ongoing renewal fees.

#21-04 Code Enforcement Management Controls #05 To ensure massage businesses renew their massage permits timely, the Police Department should establish a procedure for ensuring permitted businesses are notified when they need to renew their massage permit and the consequences of not renewing their permit.	PD	Not Implemented	The Police Department reports that Permits Unit staff are currently building out an online permit form and have submitted a purchase request for software to enable notifications to be sent to permit holders regarding the expiration of their permits. Staff anticipate implementation in December 2024, following a competitive procurement process. Staff reports that the City purchasing division is finalizing the RFP for bid. Target Date: Dec-2024 (Delayed From: Dec-2022) Potential Monetary Benefit: At the time of this audit, we estimated initial applications for unpermitted massage businesses would generate $500,000 in permit fees and $280,000 in ongoing renewal fees.

Report and Recommendations	Dept (s)	Current Status	Comments

#21-04 Code Enforcement Management Controls
 	
#07   To clarify the purpose and responsibilities in the massage program, the Police Department and Department of Planning, Building and Code Enforcement should align on and create guidance through a Memorandum of Understanding or other means of documentation, to include:
    a) Massage permit program goals;
    b) Roles and responsibilities of the different Police Department units and Code Enforcement;
    c) Expectations for code inspections upon application, renewal, and/or regular compliance;
    d) Protocols for how and when the Vice Unit should inform the Code Enforcement inspector and Code supervisor of investigatory activities; and
    e) Criteria and procedures for case referral between Code Enforcement, the Vice Unit, and the Permits Unit for businesses not in compliance with the Massage Ordinance or where there are indications of criminal activity.
	PBCE / PD	**Not Implemented - Priority**	The Police Department has provided a draft of a Memorandum of Understanding (MOU) to Code Enforcement for review. Code Enforcement is in the process of reviewing the proposed MOU and providing comments. Target Date: Dec-2023 (Delayed From: Aug-2022)

#21-04 Code Enforcement Management Controls
 	
#08   To mitigate risk associated with the massage program, the Police Department and the Department of Planning, Building and Code Enforcement should consider:
    a) Backgrounding Code Enforcement inspectors assigned to the massage program, at a level determined appropriate by the Police Department's Background Unit, and/or
    b) Implementing a policy for partner use for complaint-based massage inspections and other non-routine, high-risk inspections (e.g., inspections of unpermitted businesses) for the massage program.
	PBCE / PD	Partly Implemented	Code Enforcement plans to satisfy this recommendation utilizing option (b). Planning, Building and Code Enforcement (PBCE) acquired funding in the FY 2022-23 Adopted Operating Budget for a Code Enforcement Inspector position to serve as a back-up and partner for complaint-based massage inspections and other non-routine, high-risk inspections for the massage program. However, due to high vacancies, the position has not yet been filled and that the massage program remains on hold. Code Enforcement has conducted an ongoing recruitment since October 2021 to fill their high rate of Code Enforcement Inspector vacancies. Staff anticipates that the position will be filled in fall 2023 following the conclusion of the current recruitment in progress. Staff expects to have a partner policy in place and the program resumed by December 2023. Target Date: Dec-2023 (Delayed From: Aug-2022)

#21-04 Code Enforcement Management Controls #09 To allow the Department of Planning, Building and Code Enforcement to track the permit status of massage businesses, the Police Department should grant access to the roster of permitted massage businesses to Code Enforcement.	PD / PBCE	Implemented	Staff report that SJPD updated its massage business program roster and granted Code Enforcement access.

Report and Recommendations	Dept (s)	Current Status	Comments

#21-04 Code Enforcement Management Controls
 	
#11 To aid in evaluating program performance, the Department of Planning, Building and Code Enforcement should:
    a) Establish performance measures and targets for special programs, like cannabis and massage, that relate to program goals (e.g., annual inspection targets, percentage of completed inspections based on the roster, percentage of businesses brought into compliance),
    b) Either create system-based reports for special program performance measures or establish a process to check inspector-reported data for accuracy, and
    c) Report performance measures to the appropriate City Council committee.
	PBCE	Not Implemented	Due to significant staff vacancies the massage program and related work items have remained on hold. As such, performance measures for the massage and cannabis programs have not been updated. Upon completion of recommendations #3 and #7 which relate to massage program goals and the roster of massage businesses in San José, the Department plans to further revise program performance measures and inspection targets for the massage program. Code Enforcement also plans to develop protocols for monthly system-based reporting to be completed by the Division's new Senior Analyst. The Administration will evaluate the appropriate Council Committee to report Code Enforcement's massage program performance measures (NSE or PSFSS) and will add the update to that committee's work plan. Target Date: Dec-2023 (Delayed From: Jul-2023)

#21-04 Code Enforcement Management Controls
 	
#12 To better set expectations for staff and address potential risks in its programs, the Department of Planning, Building and Code Enforcement should:
    a) Create and update Code Enforcement policies using a risk-based approach to identify where programs may not meet objectives, for example, incorporating policies or guidance for elements of supervisory review, documentation for deviating from policies, and for special programs,
    b) Combine the policies into a comprehensive digital manual, and
    c) St a schedule for periodic review of policies and procedures to update as needed.
	PBCE	Partly Implemented	Staff worked with a Fuse Fellow to create a comprehensive digital policy manual of all Department policies and procedures. The manual is located on the Department's SharePoint site and includes a policy for the periodic review of policies. Staff report the manual launched in October 2022 for all PBCE staff and has been fully implemented for staff use. Code Enforcement reports staff are in the process of systematically reviewing all Division policies and procedures to ensure they reflect current practices and expectations, that staff are informed of expectations, and to create new policies as appropriate. Review and update of all policies and procedures has been delayed as Supervisors and Managers have focused on the onboarding and training of 19 new code enforcement inspectors since the time of the audit. Staff anticipates completing the review of the approximately 90 existing policies and procedures by December 2024, with priority towards updating policies described in the audit. Target Date: Dec-2024 (Delayed From: Nov-2022)

#21-04 Code Enforcement Management Controls #13 To promote consistent case review practices, the Department of Planning, Building and Code Enforcement should develop training for new Code Enforcement supervisors.	PBCE	Not Implemented	Code Enforcement reports they are in the process of developing a new comprehensive training for supervisors including a 90-day onboarding checklist. Target Date: Oct-2023 (Delayed From: Apr-2022)
#21-04 Code Enforcement Management Controls #15 The Department of Planning, Building and Code Enforcement should revise Code Enforcement's "attempt to contact" letter template to include authority, complaint description, and purpose of inspection prior to inspection and, as appropriate, supervisors' contact information for questions or concerns.	PBCE	Implemented	The "attempt to contact letter" is a standard, template letter used by Code Enforcement to contact a responsible party (i.e., property owner, tenant, or property manager) when other attempts to contact the responsible party, such as an in-person inspection, email, or phone call, have been unsuccessful. As recommended, the Code Enforcement Division revised the "attempt to contact letter" to include enforcement authority per the Municipal Code, complaint description, and, an option to add supervisors' contact information, as appropriate, for questions or concerns, and the purpose of the letter or inspection. The revised letter has been added to the Code Enforcement Case Management System and staff have been advised of the change.

Report and Recommendations	Dept (s)	Current Status	Comments
#21-04 Code Enforcement Management Controls #17 Department of Planning, Building and Code Enforcement should develop targets and track Code Enforcement program performance to: a) Establish expectations for inspector activity and performance and incorporate into regular performance evaluations (e.g., time to case closure based on type of violation and number of open cases). b) Rebalance workloads or add resources, as needed.	PBCE	Not Implemented	According to the Department, Code Enforcement plans to research and review historical and current data, reports, and timelines to revise or update current expectations for case response times, case closure timelines by violations type, and manageable caseload level, as appropriate, to develop and establish clear and reasonable expectations for inspector activity and performance. The updated expectations and performance standards will be incorporated into staff performance evaluations. This work has been delayed as Supervisors and Managers have focused on the onboarding and training of 19 new code enforcement inspectors since the time of the audit. Code Enforcement onboarded a new Senior Analyst in July 2023 that will likely be able to assist with this work. Leadership will continue to explore strategies to rebalance workloads, utilize resources more efficiently, and add staffing. (Delayed From: Dec-2022)
#21-04 Code Enforcement Management Controls #18 The Code Enforcement Division within the Department of Planning, Building and Code Enforcement should complete all outstanding performance evaluations and set a schedule for regular evaluations going forward.	PBCE	Partly Implemented	As of August 2023, staff reports that 82 percent of Code Enforcement's appraisal are current or due. New employee onboardings and other transitions has resulted in appraisals that are coming due, due, or overdue per Human Resources tracking. A performance evaluation timeline was implemented with the Multiple Housing and CDBG Program Supervisor team, and Code Enforcement reports they plan to modify and roll out the timeline for all supervisors and managers. Target Date: Oct-2023 (Delayed From: Jun-2022)
#21-04 Code Enforcement Management Controls #19 To align performance evaluations with Division goals, the Department of Planning, Building and Code Enforcement should review and revise its employee expectations and incorporate into Code Enforcement performance evaluations based on objective criteria and measurement (e.g., inspector use of photos, consistency in case notes; supervisor quality of supervisory case review).	PBCE	Not Implemented	Code Enforcement planned to complete the revision of employee expectations by October 2022, for use as criteria in performance evaluations beginning in FY 2022-23. However, Code Enforcement reports that the revision of employee expectations has been delayed as staff is working to systematically review all policies and procedures to ensure they reflect current practices and expectations, and that staff are informed of the expectations for inspector activity and performance. As updates to the policies and procedures are completed, Division leadership plans to advise staff of the updates and their applicability as criteria for future performance evaluations. Target Date: Jun-2024 (Delayed From: Oct-2022)
#21-05 Municipal Water Billing and Customer Service #01 To improve the City's leak notification process, the Environmental Services Department and the Information Technology Department should, in coordination with the City Attorney's Office and in accordance with the City's Digital Privacy Policy: a) Develop a process to collect the email addresses and mobile phone numbers of existing customers, and b) Enroll customers to receive automated leak notices via text, voice message, mail, and/or email through WaterSmart or another mechanism as appropriate, while providing customers the option of opting-out from receiving such notices.	ESD / ITD / CAO	Implemented	The Environmental Services Department (ESD) began implementing a marketing campaign that encourages customers to enroll in the WaterSmart Program, and update their contact information in their WaterSmart account. ESD reports that social media posts began running December 2022. Email leak notifications are sent to customers (whether or not the customer has enrolled in an online WaterSmart account) as long as an email address is on file within CIS (the City's utility billing system) and/or WaterSmart. ESD completed a review to ensure the program comports with the City's Information and Systems Security Policy (1.7.6) and Digital Privacy Policy (0-49), and completed the Privacy Initiative Form which was approved by the Information Technology Department's Cybersecurity team.

Report and Recommendations	Dept (s)	Current Status	Comments

#21-05 Municipal Water Billing and Customer Service
 	
#03   To help manage meter investigation service orders, the Environmental Services Department should:
    a) Develop a process for periodically assessing pre-exception parameters using data around past results and staff insight, and
    b) Adjust pre-exception parameters to better identify potential water leaks.
	ESD	Implemented	Staff created a process and schedule to periodically review CIS parameters. The Department reports that the changes to the process and staff training help to better identify trends with pre-exception, including water supply conditions, customer water usage, market conditions, and other customer account specific information. Adjusting the parameters helped reduce service orders by thirty percent since 2021.

#21-05 Municipal Water Billing and Customer Service #04 To streamline the service order process, the Environmental Services Department, in coordination with the Information Technology Department, should update the process to enable staff to coordinate service orders electronically.	ESD / ITD	Not Implemented	According to the departments, staff investigated using the Business Process Automation system to manage service orders with online forms. However, according to the departments, there is not a current method to automatically sync data between CIS (the City's utility billing system) and an online form without significant investment. Staff report that they have explored options but it cannot be done due to current system constraints. The Department intends to address this with Advanced Metering Infrastructure (AMI) that it anticipates will be completed in 2027. Target Date: Jun-2027 (Delayed From: Jun-2022)
#21-05 Municipal Water Billing and Customer Service #05 To better assess performance, the Environmental Services Department should revise the performance measure methodology for "% of customer service requests handled within 24 hours" to use operational data instead of customer survey data.	ESD	Not Implemented	The purpose of this recommendation is to accurately measure the timeliness of customer service requests. The Department reports that Advanced Metering Infrastructure (AMI), anticipated for completion in 2027, may result in further work order tracking and response, replacing the need for a separate mobile work order module within CIS (the City's utility billing system). Target Date: Jun-2027

#21-05 Municipal Water Billing and Customer Service
 	
#07   The Finance Department and the Environmental Services Department should increase access to Municipal Water-related materials through:
    a) Identifying materials that could benefit from translation into commonly spoken languages in San José and making the translations available (e.g., late payment notices, the Low Income and Vulnerable Designations application form, and/or online customer platforms such as E-Bill Express).
    b) Providing translated notes in commonly spoken languages on materials such as forms and bills, sent to customers with instructions on how to obtain translated versions or information.
	FIN / ESD	Implemented	The Low Income, Vulnerable Designations, Third Party Authorization, and Bill/Back of Bill forms have been translated and are available for customer use. The Late Payment Notice and Bill Appeal Form were also updated and translated into several languages. According to the departments, the E-Bill Express platform does not have the capability to provide language translations of the user interface.

Report and Recommendations	Dept (s)	Current Status	Comments

#21-05 Municipal Water Billing and Customer Service
 	
#09   To improve accessibility for customers to view and pay their bills, the Finance Department should work with the Information Technology Department, to:
     a) Enable Muni Water customers to view detailed statements online, and
     b) Provide customers the option to receive electronic statements.
	FIN / ITD	Not Implemented	The Finance Department reports that is working with its bill print provider and online payment collection provider to evaluate potential online billing and payment options. Target Date: Dec-2023
			
			Potential Monetary Benefit: Paper bills are estimated to cost about $100,000 to print and mail annually for Muni Water's 26,000 accounts.

#21-05 Municipal Water Billing and Customer Service #10 The Finance Department should update the "How to Read Your Bill" instructions to align with the current payment/rate structure and include explanations for the additional charges line items (i.e., late payment charges, returned check).	FIN	Implemented	The Environmental Services Department (ESD) collaborated with the Finance Department to update the "How to Read Your Bill" instructions. The instructions were translated into several languages and posted on the City's website.
#21-05 Municipal Water Billing and Customer Service #11 To reduce the likelihood of late payments, the Finance Department and the Environmental Services Department should include consistent information on the bill, Muni Water's website, and the City's Pay My Bill webpage informing customers of the consequences of missed/late payments, including noting processing delays.	FIN / ESD	Implemented	The Environmental Services Department (ESD) reports that it collaborated with the Finance Department, the Call Center, and the City Manager's Office (CMO) to ensure consistent messaging on bills and websites. The CMO Webmaster assisted in updating City's Pay My Bill webpage and assist, as needed, the ESD Web Manager with Muni Water page updates.

Report and Recommendations	Dept (s)	Current Status	Comments
#22-02 Environmental Review for New Developments #01 To improve the coordination of reviews, the Department of Planning, Building and Code Enforcement should: a. Develop a training plan that includes both formal and informal training options on project management, environmental review, and entitlement review, and b. Expand the model in which planners handle both the entitlement and environmental reviews, with a division dedicated to projects with more complex environmental review.	PBCE	Partly Implemented	a) The Department of Planning, Building and Code Enforcement (PBCE) has developed a training plan. Topics include a high-level overview of the CEQA review process in San José for all Planning staff, developing a project description for Citywide and Housing projects, an overview of common exemptions, project and time management best practices, and more. PBCE has held four training sessions: CEQA Basics, Initial Study and EIR review, Exemptions, and Public Projects and Project Description Development (which included attendees from other City Departments). PBCE updated the Environmental Resources Intranet page to include updated information on the CEQA process for public projects, including the process for obtaining CEQA references for City Council memos, links to forms to help City staff provide the necessary information to make a CEQA determination, links to training PowerPoints, and more. b) PBCE reports that starting joint project management for more complex environmental reviews such as EIRs and Mitigated Negative Declarations has been delayed due to staff turnover, team transitions, and focus on other priority recommendations. PBCE reports that training of staff (Recommendation 1.a.) will increase knowledge of CEQA for entitlement planners so they can start preparing more complex exemptions and Addendums/Determination of Consistencies. PBCE also reports that the Department is creating a comprehensive multi-day training program that will provide all planners with basic knowledge of the City's development review and CEQA process. PBCE plans for these training sessions to be held in Fall 2023 and expects to use the trainings to help with re-starting joint project management in early 2024. Target Date: Mar-2024 (Delayed From: Dec-2023)

Report and Recommendations	Dept (s)	Current Status	Comments
#22-02 Environmental Review for New Developments #02 To improve the project management of environmental reviews, the Department of Planning, Building and Code Enforcement should develop a set of procedures that includes: a. Having regularly-held meetings with key stakeholders, b. Establishing timelines with all key milestones, and c. Expectations on project roles and responsibilities for the environmental review planner, entitlement planner, and other City departments and teams (e.g., how project changes should be communicated, who is responsible for the overall timeline).	PBCE	Partly Implemented	a) PBCE developed standard operating procedures (SOPs) for environmental impact reports (EIRs), negative declarations/mitigated negative declarations, and addendums. The SOPs include check-in expectations and recommendations at certain milestones, such as after public comments are received from the circulation of the draft EIR. Per the SOPs, during the kick-off meeting with the consultant and applicant, staff are expected to discuss communication expectations, including the timing and frequency of check-in meetings. b) PBCE updated environmental review timelines and milestones included in project schedule templates and SOPs. Staff developed templates in Excel to use for project schedule planning by staff and the Environmental Consultant. These templates include City target review times for the reviews of EIRs, MNDs/NDs, and Initial Study/Addendums. Staff are expected to share the project schedule template with consultants during scope of work review or the project kick-off meeting. c) The SOPs include the protocol for roles and responsibilities for City Staff. PBCE held training for other City Departments on information needed for an adequate project description. Forms were developed to facilitate preparing an adequate project description in order to inform and help the environmental review path for plan, regulation, and policy changes. In June 2023, PBCE published a memo on Environmental Review Roles and Responsibilities to its intranet site, which explains roles and expectations for all City Departments at each stage in the CEQA review process. Once the roles and responsibilities for the overall project timeline is documented in the procedure, this part of the recommendation will be considered implemented. PBCE plans to hold training for Development Services partners on the Roles and Expectations memo, with a focus on Planning, DPW, PRNS, ESD, and DOT. Target Date: Dec-2023
#22-02 Environmental Review for New Developments #03 To improve performance measurement and guide project management, the Department of Planning, Building and Code Enforcement should set performance targets for environmental review, including timeliness overall and timeliness of achieving milestones, and measure performance against the targets.	PBCE	Partly Implemented	Staff used existing data from AMANDA and the Environmental Project Tracking sheet to determine a baseline for total project review time by environmental document type. Staff reviewed total review time data for EIRs, MNDs/NDs, and Addendums for 2020 and 2021. In 2023, PBCE reports that staff compiled review times and hours for EIRs, MNDs/NDs, and Addendums for projects completed in 2022. PBCE reports that Environmental Review Team staff will continue tracking total review time on the completed projects page of the Environmental Project Tracking spreadsheet on SharePoint using AMANDA data. PBCE reports it is refining its Customer Service Charter, which includes performance metrics that will be tracked. Specific performance measures related to the Environmental Review Team include the following: 1) Percentage of Administrative Draft reviews completed within the City's target review times; 2) Average Review Times for Major Environmental Review Documents (evaluated bi-annual and annually). PBCE reports that planners are now entering review time for key milestones into AMANDA, which is an action item in the SOPs for internal staff (Recommendation #2). PBCE reports that it is also exploring other metrics, such as the number of legal challenges filed and the City's success rate in prevailing against these challenges. Target Date: Dec-2023 (Delayed From: Mar-2023)

Report and Recommendations	Dept (s)	Current Status	Comments
#22-02 Environmental Review for New Developments #04 To promote consistency of environmental review data entry, the Department of Planning, Building and Code Enforcement should: a. Update and expand AMANDA guidelines and related expectations around data entry for areas such as recording of staff hours, use of entry codes, and use of comments, and b. Develop training for staff about the AMANDA guidelines.	PBCE	Not Implemented	PBCE reports that AMANDA 7 guidelines will be updated after updates are made to the ENV folder in AMANDA based on Recommendation #5. b) AMANDA 7 training was held for the Environmental Team in March 2022 regarding closing out the folder for the project. Training for the updated AMANDA 7 folder will occur after completion of Recommendation #5. Target Date: Sep-2024 (Delayed From: Dec-2023)
#22-02 Environmental Review for New Developments #05 To effectively track project milestones, the Department of Planning, Building and Code Enforcement should establish a mechanism for consistently capturing necessary milestone data either using AMANDA or another tool, and update appropriate guidelines as necessary.	PBCE	Partly Implemented	Staff track key environmental review milestones on an Environmental Tracking Sheet for major projects while waiting for the update to the AMANDA 7 folder. PBCE reports that the tracking sheet is used to determine metrics for the Customer Service Charter for implementing Recommendation #3. PBCE reports that the update of the AMANDA 7 folder to improve milestone tracking and reporting will require commitment of a planner and Information Technology Department staff. Target Date: Jun-2025 (Delayed From: Dec-2023)
#22-02 Environmental Review for New Developments #06 To make the environmental review process more standardized and consistent, the Department of Planning, Building and Code Enforcement should update and expand relevant tools and templates for the environmental review team, as well as develop related procedures on the expected usage, including: a. Establish a standard project schedule tracker that staff are expected to use for projects, and b. Create additional tools and templates to support project management, such as agenda templates for meetings with different stakeholders, a consolidated list of the City's thresholds of significance, and City resolution templates for adoption for the different types of environmental reviews.	PBCE	Partly Implemented	a) Staff developed templates in Excel to use for project schedule planning by staff and the Environmental Consultant, and PBCE reports that these have been posted on the Environmental Review Team SharePoint site. These templates include City target review times for the reviews of EIRs, negative declarations/mitigated negative declarations, and Initial Study/Addendums. Templates will be shared with consultants during scope of work review or the project kick-off meeting. b) Additional tools and templates to support project management are still to be developed. In June 2023, City Council approved a Budget Request to retain an environmental consultant to assist with drafting and finalizing Environmental Consultant Guidelines with thresholds of significance and updated templates. PBCE expects this work to start in Q1 FY 2023-24. Target Date: Jun-2024 (Delayed From: Jun-2023)
#22-02 Environmental Review for New Developments #07 To educate City staff about available resources and expectations for the environmental review process, the Department of Planning, Building and Code Enforcement's environmental review team should conduct annual trainings for City staff in other departments or teams.	PBCE	Partly Implemented	PBCE developed a training plan and topics include a CEQA overview for external departments and Council memo citations, and focused CEQA training for departments with frequent project-level CEQA review. Trainings started on topics such as project description development and the CEQA process for projects. PBCE reports that trainings will be ongoing. Further, PBCE updated the Environmental Resources Intranet page, updated the guidelines for identifying environmental clearance for City Council Memos, and prepared a memorandum describing City staff roles and responsibilities in the environmental review process to educate and train City staff on the environmental review process. PBCE anticipates conducting a training in Fall 2023 on these materials. Once PBCE completes this training for City staff on the available resources and expectations for the environmental review process, this recommendation will be considered implemented. Target Date: Dec-2023 (Delayed From: Jan-2023)

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#22-02 Environmental Review for New Developments #08 To better manage the work done by environmental consultants, the Department of Planning, Building and Code Enforcement should: a. Establish project management requirements for the relationship with consultants, including regular check-ins, expectations for communication with the consultant, and guidelines for dealing with delays, and b. Consider instituting a list of required consultants.	PBCE	Partly Implemented	a) PBCE developed standard operating procedures (SOPs) for environmental impact reports (EIRs), negative declarations/mitigated negative declarations, and addendums. The SOPs include check-in expectations and recommendations at certain milestones, such as after public comments are received from the circulation of the draft EIR. Additionally, in Q4 FY 2021-22, staff drafted interim Environmental Consultant Guidelines. It includes guidelines for consultants on maintaining the project schedule and instructs the consultant to update the schedule based on any delays. PBCE reports that staff also reviewed guidelines for other jurisdictions that have expectations for quality of work and timeliness. In June 2023, City Council approved a Budget Request to retain an environmental consultant to assist with finalizing Environmental Consultant Guidelines. PBCE expects this work to start in FY 2023-24. PBCE reports that until the Environmental Consultant Guidelines are finalized, staff is working on a memo with general guidance for consultants, including expectations for quality of work, timeline management, responsiveness to lead agency direction and feedback, and guidelines for environmental scoping. b) Per a memorandum from the Director of PBCE dated 10/11/2022, all applications for private development that require CEQA analysis must use a consultant on the City's Approved Environmental Consultants list starting 1/1/2023. At the time of audit report, use of a City approved consultant was optional. The audit found that, since 2019, negative declaration/mitigated negative declaration projects with an approved consultant were completed about three months less in comparison to projects with other consultants. PBCE reports that it has been a challenge to get the development community on board with using the approved list of consultants. Target Date: Jun-2024 (Delayed From: Jun-2023)
#22-02 Environmental Review for New Developments #09 The Department of Planning, Building and Code Enforcement should finalize and publish guidelines about the City's CEQA requirements and process for environmental consultants to help them prepare environmental documents according to the City's standards.	PBCE	Not Implemented	In Q4 FY 2021-22, staff drafted interim Environmental Consultant Guidelines to help consultants develop their scope of work and schedule. PBCE reports that staff also reviewed guidelines for other jurisdictions that have thresholds of significance and expectations for quality of work and timeliness. In June 2023, City Council approved a Budget Request to retain an environmental consultant to assist with finalizing Environmental Consultant Guidelines with thresholds of significance and updated templates. PBCE expects to send out an RFQ to consultants with existing agreements for preparation of the Environmental Consultant Guidelines, review proposals, and select a consultant by Q2 FY 2023-24. Target Date: Jun-2024 (Delayed From: Jun-2023)

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#22-02 Environmental Review for New Developments #10 To ensure costs are appropriately recovered, the Department of Planning, Building and Code Enforcement should: a. Review and update guidelines for how to track time spent on environmental reviews and what activities should be billed, and b. Review the cost recovery calculation for environmental review fees.	PBCE	Partly Implemented	a) PBCE developed standard operating procedures (SOPs) for environmental impact reports (EIRs), negative declarations/mitigated negative declarations, and addendums. The SOPs include guidelines for tracking time spent on environmental reviews and includes references of what activities should be billed. PBCE reports that managers are developing a practice of ensuring planners input their time on a weekly/bi-weekly basis, and reports that managers also check to confirm hours are inserted that cover all project work and that invoices for additional staff hours above the base fee are paid prior to public hearings. PBCE also reports that staff have started implementing simple house-keeping practices that will help with cost-recovery, such as requesting vis-codes before attending meetings on upcoming projects, requiring payment of invoices prior to scheduling projects for hearings, and ensuring that staff regularly input their hours in AMANDA. b) PBCE reports that this piece of the recommendation will be part of the next comprehensive update of the Planning Fee Schedule, and that Environmental Review Team staff will coordinate with Administrative Team staff to provide data on hours and fee collection to support this effort. Target Date: Jun-2024 Potential Monetary Benefit: At the time of the audit, we determined that if the City was able to identify additional billable tasks (accounting for about 5 percent of planners' time), the City could save about $63,000.
#22-02 Environmental Review for New Developments #11 To reduce workload on environmental review planners, the Department of Planning, Building and Code Enforcement should re-assign invoicing and other administrative duties to support staff, to the extent possible. This could include filling the administrative position assigned to the environmental review team.	PBCE	Not Implemented	PBCE reports that the recruitment for the Principal Office Specialist position to support the Environmental Review and Historic Teams continues to be on hold due to budgetary constraints. Target Date: Jun-2025 (Delayed From: Dec-2022) Potential Monetary Benefit: We estimate the cost of invoicing and other administrative duties would be $49,000 less if conducted by administrative staff rather than planners.
#22-02 Environmental Review for New Developments #12 To enable the City Council to make informed decisions about strategic planning, the Department of Planning, Building and Code Enforcement should develop a process to regularly present to Council options for analyses that could streamline environmental reviews as part of the City's comprehensive planning efforts. This should include resources and tentative timelines needed to complete the work.	PBCE	Partly Implemented	Instead of presenting to Council, PBCE reports that the Environmental Review Team is working with the Citywide Team to include program-level environmental clearance in the scope of long-range planning efforts. Most recently, the City has selected consultant firms to prepare program-level environmental clearance for the Five-Wounds Urban Village and the Monterey Corridor in Coyote Valley. Both service orders have yet to be executed. PBCE reports that this effort will be expanded to a proposed Urban Village Plan for a market-ready Urban Village in west San Jose. Based on experiences with these three efforts, the Environmental Review Team expects to develop guidelines for future program-level environmental clearance. Target Date: Jun-2024 (Delayed From: Dec-2022)

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#22-03 Citywide Grant Management #01 To assist departments that manage grants awards Citywide, the Administration should identify staffing resources to develop and maintain Citywide administrative guidelines or procedures, and training materials around the different phases of grant management, including: i. Applying for grants, ii. Accounting, tracking, and monitoring of expenditures, including subrecipient and contractor management, iii. Grant closeout responsibilities, and iv. Preparing for federal audits and reviews, including notifying the Finance Department when the award is selected for an audit or review by a federal agency.	FIN	**Not Implemented - Priority**	While the Finance Department had identified three permanent positions and four limit-dated positions as of July 1, 2023 to work on grants-related work for FY 2023-24, the Department reports needing to divert resources to other work priorities, such as responding to the Emergency Operations Center (EOC) activation for the January and March 2023 storms, recovery activities for these FEMA-declared disasters, completing multiple requests for information from FEMA, and submitting COVID-19 related projects for FEMA reimbursement consideration. Target Date: Jun-2024 (Delayed From: Jun-2023)
#22-03 Citywide Grant Management #02 To provide a forum for inter-departmental coordination and training, the Administration should formalize the grant working group's role in coordinating training for grant managers across departments, and assessing and developing Citywide resources.	FIN	Not Implemented	As noted in the audit, Finance has an informal Grants Working Group to discuss funding opportunities and best practices. The Department plans to formalize the Grant Working Group's charter to include the group's purpose, composition, meeting frequency, and role in coordinating training for grant managers across departments. Target Date: Dec-2023 (Delayed From: Dec-2022)
#22-03 Citywide Grant Management #03 To comply with federal and state guidelines for reimbursable indirect costs, the Finance Department should develop a process to regularly submit the City's Indirect Cost Allocation Plan to the City's cognizant federal and state agencies.	FIN	Not Implemented	The Finance Department reports that it plans to develop a process to regularly submit the City Indirect Cost Allocation Plan to the City's cognizant federal and state agencies to comply with federal and state guidelines for reimbursable indirect costs. Target Date: Jun-2024 (Delayed From: Jun-2023)
#22-04 Take-Home Vehicles #01 The Administration should clarify and update guidelines for take-home vehicles in City Policy Manual 1.8.1 Use of City and Personal Vehicles to: a) Better define roles and responsibilities of department liaisons, Public Works, and the City Manager's Office, b) Provide acceptable mechanisms to calculate call-backs, such as required documentation of reported numbers, and c) Require exemption requests, in instances where employees do not meet all the policy guidelines, to include justification and reasoning for the request, including cost/benefit analyses as appropriate.	PW	Partly Implemented	Public Works reports it is currently working on updating the policy and plans to have the updates completed, reviewed, and approved by October 2023. Target Date: Oct-2023 (Delayed From: Nov-2022)

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#22-04 Take-Home Vehicles #02 To streamline the authorization process, Public Works should work with the Information Technology Department to simplify and develop an electronic approval process. This should include standard processes to: a) Identify take-home vehicles, which should include departments providing updates to Public Works and the City Manager's Office on a periodic basis to account for changes to the roster of employees approved for take-home vehicles, and b) Submit exemption requests for employees that do not meet all the policy requirements.	PW	Partly Implemented	Public Works established a new electronic request and approval form through SmartSheets. The Department sends quarterly reminder emails to departments to update the list of individuals assigned take-home vehicles. The emails also ask for records relating to the actual number of call-backs, position and unit data associated with individuals with take-home vehicles, one-way commute mileage data, and assessments of the cost-benefits of providing mileage reimbursements or auto allowances rather than a take-home vehicle (where possible). The expectations for these periodic department updates are expected to be added to the CPM 1.8.1 Policy revision. Target Date: Feb-2024 (Delayed From: Jan-2023)
#22-04 Take-Home Vehicles #03 To monitor for potential personal use: a) Public Works should ensure take-home vehicles are equipped with telematics, as appropriate, and relevant department staff have access to telematics. b) The Administration should update the policy to require departments to monitor for personal use, such as through random audits to identify off-hour, evening, or weekend use, or requiring department directors to attest that controls are in place to prevent personal use of take-home vehicles.	PW	Partly Implemented	Due to hardware delays, Public Works has not completed the transition to the telematics platform. Phase II is expected to start in August, 2023, and all four phases are expected to be completed by the end of the calendar year. Public Works also expects to update the City Policy Manual by October 2023. Target Date: Dec-2023 (Delayed From: Apr-2023)
#22-04 Take-Home Vehicles #04 To ensure clear expectations for employees who may be subject to taxable fringe benefits, the Administration should update City Policy Manual 1.8.1 Use of City and Personal Vehicles the Take-Home Policy C.P.M 1.8.1 to include IRS guidelines around what vehicles are exempt from fringe benefit calculations.	PW / FIN	Partly Implemented	Public Works and Finance report drafting an update to CPM 1.8.1 and expect to complete it by October 2023. Target Date: Oct-2023 (Delayed From: Nov-2022)
#22-04 Take-Home Vehicles #05 To ensure accuracy of IRS reporting of taxable fringe benefits, the Finance Department should: a) Work with Public Works to annually review the roster of take-home vehicles against IRS guidelines to identify vehicles subject to taxable fringe benefit reporting, and b) Revise the calculation of taxable fringe benefits to remove call-back events from the commute mileage.	FIN / PW	Partly Implemented	The Finance Department revised the calculation of taxable fringe benefits (removed the call back events from commute milage) and plans to work with Public Works (Fleet Division) to establish a mechanism for identifying which take-home vehicles are subject to taxable fringe benefit reporting per IRS guidelines. Public Works is working with Tech Services to upload vehicle data into AssetWorks. Target Date: Dec-2023 (Delayed From: Dec-2022)

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#22-05 Bill of Rights for Children and Youth #01 To enhance the impact of children and youth programing, as part of the City's Children and Youth Services Master Plan development process, the City Administration should: a)Identify a process and resources to develop and maintain an inventory of the City's children and youth programs and use the inventory to document gaps in services as it relates to the Bill of Rights for Children and Youth. b)Continue to enhance equity in service delivery by developing Citywide procedures and monitoring mechanisms to increase accessibility to children and youth programs in underserved areas. c)Implement a process for children and youth to access the spectrum of City programs and services, regardless of their entry point.	CMO	Partly Implemented	a) In collaboration with the Library and PRNS, the Administration created a centralized portfolio to record and track programs and services. This document was cross-referenced with the articles of the Bill of Right for Children and Youth. The Administration continues to expand and update this portfolio annually. The Administration reports it continues to identify and meet with potential partners to assist in addressing identified gaps, and to leverage the resources and expertise of other organizations (e.g.,, Santa Clara County, Santa Clara County Office of Education, community-based organizations, etc.). b) The Library and PRNS report they are continuing to enhance equity in service delivery. The Library developed an Equity, Diversity, and Inclusion Toolkit outlining learning materials for City staff across the organization. To improve access to programs and services, PRNS has standardized processes including: expanding mobile registration events in low-income/underserved communities and making priority registration the standard for all scholarship-eligible families. PRNS utilized American Rescue Plan funds to increase its scholarship budget which in turn increased scholarship utilization. PRNS and the Library have also partnered to provide increased and enhanced programing to under-resourced communities. Additionally, the City's Youth Commission promotes resources and opportunities citywide and within their respective districts ensuring equitable access to marginalized youth. To support the Youth Commission, Library staff requested additional funds through the budget process and received $11,000 in one time funding for commissioner leadership development. In September 2023, the City Council approved recommendations to amend the municipal code to compensate Youth Commissioners, define special eligibility requirements, and enhance the duties and function of the Youth Commission to encourage participation of youths. This is in alignment with the Citywide policy to reduce financial barriers to serve on board. c) As a part of the overall Children and Youth Services Master plan, the Administration reports that it is working collaboratively across City departments and external community stakeholders to develop a citywide strategic approach to provide families, children, and youth seamless access to services, regardless of their entry point. The Administration plans to incorporate digital access in this approach as well. Target Date: Jun-2024

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#22-05 Bill of Rights for Children and Youth #02 To promote continuous improvement of City's children and youth programs and services, and as part of the Children and Youth Services Master Plan development process, the City Administration should: A. Define metrics to assess overall progress towards desired outcomes identified in the Bill of Rights for Children and Youth. B. Develop a reporting schedule to the appropriate City Council committee on these metrics. This may require establishing data sharing agreements with partners, potentially including school districts and the Santa Clara County Office of Education.	CMO	Partly Implemented	A. As mentioned in recommendation #1, the Administration created and annually updates an inventory of programs and services and is identifying gaps. As part of the Children and Youth Services Master Plan document design, the Administration is identifying current metrics and progress towards desired outcomes that departments are regularly reporting to City Council as they relate to the Bill of Rights for Children and Youth. The Administration reports it continues to engage departments and external partners to review their respective outcomes, and identify strategies to align shared outcomes with the Children and Youth Services Master Plan. B. The Administration plans to present the Children and Youth Services Master Plan document to City Council in Fall 2023. Upon completion of the Children and Youth Services Master Plan, the Administration plans to develop a reporting schedule to provide ongoing updates to the Neighborhood Services and Education Committee. Target Date: Jun-2024
#22-06 COVID-19 Food Distribution Expenditures #01 For FEMA and ARPA funded expenditures, the Administration should document in its emergency cost recovery files: • specific justification for all sole-source and non-competitive contracts, as well as any changes to existing contracts beyond the scope of the original agreement, including appearances of conflicts of interest and efforts made to identify potential conflicts, • cost or price analysis for all purchases and contract modifications over the City's formal bidding threshold, and • other information as required to document compliance with federal requirements for competitive procurements (e.g., affirmative steps to include minority-owned firms in solicitation lists and separate negotiation of profit for solely responsive bidders). For expenses where the Administration is unable to document compliance with appropriate requirements, it should reallocate those expenses to alternate funding sources.	FIN	**Not Implemented - Priority**	The Finance Department has identified three permanent positions and four limit-dated positions, funded through June 30, 2024. According to the Department, the group will administer the City's COVID-19 grants, including timely programmatic and expenditure reporting, compiling, and centralizing expenditure documentation (contracts, purchase orders, invoices, and proofs of payment), and supporting the City through grantor audits. The Department plans to further review and maintain documentation around procurements in the emergency cost recovery files, including specific justification for sole-source and non-competitive contracts and amendments, cost or price analysis, and other information required to document compliance with federal requirements for competitive procurements. Target Date: Jun-2024 Potential Monetary Benefit: At the time of the audit, the City had $10.6 million in FEMA- and ARPA- funded expenditures from sole-source contracts with values above the City's formal bidding threshold. Additional documentation would protect the City in case of future federal audits.

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#22-06 COVID-19 Food Distribution Expenditures #02 To verify service delivery and reduce the potential for questioned costs from grant agencies, Parks, Recreation and Neighborhood Services in coordination with the Finance Recovery Group should: • Using a risk-based approach, collect sample documentation from food vendors to support reported service levels and eligibility of contracted populations where the City does not currently have detailed data on service delivery. Documentation should support that grant funds met contract terms. • As needed, collect documentation to supplement or clarify invoices that do not tie to service reports.	PRNS / FIN	Partly Implemented	According to PRNS, the Department conducted several risk-based reviews of supporting documentation from food partners during site visits and when invoices were received for payment for contracts from June to December 2022. Additionally, staff report spot-checking information by cross-referencing intake forms and delivery documents, and comparing invoice totals with itemized service and expenditure reports. PRNS has worked with food vendors to clarify errors or outliers in invoices or service reports. PRNS staff report working with the Finance Recovery Group to retroactively monitor food distribution contracts and prioritize data collection efforts based on when each contract is likely to be reviewed by federal auditors. PRNS was provided a list of priority contracts from Finance, and PRNS reports they are currently working to secure additional performance documentation from the agencies associated with those contracts. Target Date: Jun-2024 (Delayed From: Jun-2023) Potential Monetary Benefit: During the audit, $3.1 million in sampled invoices did not have associated documentation to support delivered services, such as zip codes, delivery dates, or unique IDs. Additional documentation would protect the City in case of future federal audits.
#22-06 COVID-19 Food Distribution Expenditures #03 To prepare for the next emergency, the Administration should update the Emergency Operations Plan to reassign the Purchasing Division's roles and responsibilities to ensure segregation of duties and formalize procurement tools as developed by staff during the COVID-19 emergency.	CMO	Not Implemented	The Office of Emergency Management (OEM) has taken the lead to update the Emergency Operations Plan and Community Recovery Annex. According to OEM, both plans are in draft form. Finance staff have been reassigned to the Finance and Administration Section and Recovery Section to separate staff making purchases from staff requesting purchases in the Logistics Section. OEM is updating their organizational chart to reflect these changes. OEM reports that Finance is working with an outside contractor to create a Cost Recovery Document to incorporate the procurement tools developed by staff during the COVID-19 emergency. Target Date: Mar-2024 (Delayed From: Jun-2023)
#22-06 COVID-19 Food Distribution Expenditures #04 To increase emergency preparedness, the Administration should establish processes in accordance with Uniform Guidance for City staff to review submitted documentation and verify information through site visits and desk reviews, and reference such guidance within the Emergency Operations Plan.	FIN / CMO	Not Implemented	The Finance Department intends to issue a Request for Proposal for review of existing policies and procedures and recommendations on enhancing the City's processes. According to the Department, Finance and the consultant will develop Citywide processes in accordance with the Uniform Guidance, which establishes uniform administrative requirements, cost principles, and audit requirements for Federal awards to non-Federal entities. Target Date: Jun-2024
#22-06 COVID-19 Food Distribution Expenditures #05 The Parks, Recreation and Neighborhood Services Department should update its contract development and management guidance to incorporate clear expectations on validating costs and verifying information through documentation and invoice reviews, site visits to program sites and administrative premises, and desk reviews based on levels of risk.	PRNS	Implemented	The Department's Strategic Partnership Unit, in coordination with the Food and Necessities Distribution Team, updated its contract development and management guidelines. The guidelines instruct analysts to sample participants records to confirm grantees retain adequate records and can substantiate reported performance. PRNS' site visit forms include steps to verify participant eligibility and reported activity. The forms also have steps to check invoices match reported activity, and reported expenses are backed up with receipts. The guidelines recommend prioritizing site visits based on factors such as the grantee's experience with City, services provided, and dollars awarded.

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#22-08 Tree Removals and Replacements #01 To ensure consistency in processing permits for tree removals, the Department of Planning, Building and Code Enforcement should: a. Develop procedures and related training for staff on how to process permits for tree removals, including how to apply the City's standard replacement ratios; and b. Develop procedures for supervisors to review permits with tree removals to ensure that replacements are required per standard ratios.	PBCE	Implemented	PBCE have created Tree Removal Processes and Policies that provides details, guidance, and procedures for the intake and review of tree removal applications on private properties from both tree removal applications and tree removal requests as part of a development permit. All tree removal approvals are expected to specifically detail the replacement trees required per the City's standard replacement ratio, and how the project would meet those obligations. Additionally, the supervisor conducting the review of these permits would verify the replacement ratio and fees prior to finalization of the approvals. According to Department management, supervisors have provided training to existing staff and onboarding of new staff.
#22-08 Tree Removals and Replacements #02 To support planners' decisions regarding technical issues relating to trees, the Department of Planning, Building and Code Enforcement should: a. Create guidance for how decisions regarding the health of a tree and whether the tree is native should be made, or b. Provide planners with further access to certified arborists as needed, either through contractors or City arborist position(s).	PBCE	Partly Implemented	According to PBCE Management, the workflow for live tree removal applications, including common practices for evaluating the health of tree(s), instructions on how to review reports provided by certified arborists and resources on identifying native trees, will be routed to the Forestry Division in the Department of Transportation. Additionally, staff report a guidance document is being drafted in conjunction with audit recommendation #6. Target Date: Dec-2023
#22-08 Tree Removals and Replacements #03 To ensure that fees are appropriately aligned with work performed, the Department of Planning, Building and Code Enforcement should review the process associated with a live tree removal permit and update the permit fee accordingly	PBCE	Partly Implemented	PBCE reports staff in the Planning Division have completed an hourly breakdown of the time spent on tree removal applications and analyzed and compared the results to the Planning Fee Schedule charge, finding no major discrepancies. However, the Department anticipates with added requests and new programmatic requirements, these calculations could change. Planning staff report they will engage in additional discussions to determine if the Fee Schedule should be updated. Target Date: Dec-2023
#22-08 Tree Removals and Replacements #04 To verify that trees have been replaced due to individual tree removals, the Department of Planning, Building and Code Enforcement should ensure applicants are complying with tree removal permit conditions to submit photographs or receipts of planted replacement trees. To facilitate this, Planning staff should: a. Create a follow-up process for Planning staff to review whether evidence has been submitted and issue reminders, and b. If the evidence has not been submitted within the specified time frame, assess a fine or the off-site tree replacement fee.	PBCE	Implemented	PBCE reports Planning staff have created a new process requiring applicants to upload photographic evidence to the sjpermits.org website to prove that all required replacement trees have been planted. According to the Department, once photos are uploaded to the website, the system will send an auto-generated email to the Planning Project Manager to verify the number and species of replacement trees match the plans, with the assistance of the Forestry Division. This includes the ability to generate reports to monitor which projects have not yet submitted photographic evidence, and follow up to issue reminders to those applicants.

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#22-08 Tree Removals and Replacements #05 To verify that trees are planted according to replacement requirements for development permits, the Department of Planning, Building and Code Enforcement should develop a process for staff to collect a certification of substantial completion of landscape and irrigation installation prior to the issuance of a certificate of occupancy, as described in the Municipal Code.	PBCE	Not Implemented	PBCE reports coordination is needed between Planning Division and Building Division staff to collect certification of substantial landscape and irrigation installation prior to issuing a certificate of occupancy. Determination of who will have responsibility for the certificate (staff or applicant) is needed. According to PBCE Management, DOT and PBCE will need to consider a new position for Landscape Inspector. The new position will need to be evaluated for budget, salary, hiring, etc., and which division would this position be assigned to. Target Date: Jun-2024
#22-08 Tree Removals and Replacements #06 To sufficiently recuperate lost canopy due to tree removals, Planning, Building and Code Enforcement, in coordination with the Department of Transportation, should: a. Review the tree replacement ratio to determine if it is appropriately meeting the goals of the community forest program, b. Revise the tree replacement policy to include considerations for canopy size and optimal species of replacement trees, and c. Provide permit applicants with guidance for appropriate tree selection to meet the replacement policy requirements and to best ensure tree survival.	PBCE / DOT	Partly Implemented	The Administration reports that with the adoption of Citywide Design Standards and Guidelines 2.3.8 Landscaping and Stormwater Management will accomplish most of the objectives outlined in this recommendation. According to the Administration, the Standard includes shading requirements, space and soil volumes, and tree spacing, and is expected to be adopted by June 30, 2024. Target Date: Jun-2024
#22-08 Tree Removals and Replacements #07 To ensure that in-lieu fees are spent timely and appropriately, the Department of Transportation should: a. Identify locations or uses for unspent in-lieu fee revenues that have accumulated since 2018, b. Develop a set of procedures to ensure that plantings are accurately charged to the inlieu fee appropriation, c. Develop a set of criteria/policy that dictates how and when in-lieu fees should be used on plantings, and d. Regularly review data from AMANDA to determine new in-lieu fees that were collected.	DOT	**Partly Implemented - Priority**	According to DOT Management, in FY 2022-23, 779 trees were planted with in-lieu fees, resulting in the expenditure of $325,350 and obligation of a further $498,000 for maintenance to total $823,350 while continuing efforts to identify new planting spaces. Staff report efforts to address part b and c of this recommendation are ongoing, with criteria under development for appropriate use of the in-lieu fees projected to be completed by December 2023. Target Date: Dec-2023
#22-08 Tree Removals and Replacements #08 The Department of Transportation should create metrics to measure progress towards the City's tree planting objectives, such as the number of tree removals, tree replacements, planting efforts, and cost-effectiveness of different planting approaches.	PBCE	Partly Implemented	According to DOT Management, the metrics reported for FY 2022-23 closeout were the number of trees planted. DOT reports staff are analyzing historical data to set a baseline to compare with new data being collected. Proposed items to analyze include, but not limited to, permitted tree removals, compliance to planting requirements, species and size of trees removed, and reason for removal. Additionally, the department reports an Inflation Reduction Act grant application has been submitted to the USDA Forest Service that includes a tree inventory component to aid in tracking new plantings. According to staff, 65% of the PRNS trees have been inventoried. Target Date: Dec-2023

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#22-08 Tree Removals and Replacements #09 To assist in measuring changes to the city's tree canopy, Planning, Building and Code Enforcement should revise what data is tracked about tree removals and replacements in AMANDA and provide training to staff on how to accurately complete the fields. This should be done in coordination with the Department of Transportation's development of metrics around the City's tree planting objectives.	PBCE	Partly Implemented	According to PBCE, new information fields have been added to the City's permitting system to track the total number of ordinance size trees proposed to be removed, total number of non-ordinance size trees proposed to be removed, and total number of proposed replacement trees. The Department reports the Information Technology Department is in the process of creating a report that will generate these metrics to assist staff in measuring changes to the City's community forest canopy. Target Date: Dec-2023
#22-08 Tree Removals and Replacements #10 To ensure the City is able to increase the scale of tree planting and grow the canopy effectively, the Department of Transportation should work with the Community Forest Advisory Committee to develop an outreach plan, including metrics to determine success of the outreach program.	DOT	Partly Implemented	DOT reports two meetings of the Community Forestry Advisory Committee have been conducted. According to the Department, a partnership with the City, Cal Fire, and the Western Chapter of the International Society of Arboriculture had been formed to develop a campaign about proper tree care. DOT staff report this project will be funded by Cal Fire. Additionally, the Department reports an Inflation Reduction Act grant application has been submitted to the USDA Forest Service that includes an outreach component. Staff report they are working on creating a public right of way planting program that property owners would opt into, using the number of requests for new trees as a metric to monitor the success of outreach efforts. Target Date: Dec-2023
#22-09 Firearm Regulations #01 To ensure that the San José Municipal Code better aligns with the California Penal Code, the City Administration should update sections 10.32.020, 6.90.320, and 6.90.330 of the Municipal Code.	CAO / CMO	Partly Implemented	The City Attorney's Office has drafted changes to the Municipal Code and will bring forward for Council approval once it has been reviewed by relevant staff. Target Date: Oct-2023
#22-09 Firearm Regulations #02 To provide consistency and clarify responsibilities, the Police Department should update the Duty Manual to reflect the different types of gun violence restraining orders, and develop procedures on the current process for each, including staff responsibilities on disseminating communications on applicable administrative or law updates in a timely manner.	PD	Not Implemented	The Department has not begun work on this recommendation. Target Date: Jun-2024
#22-09 Firearm Regulations #03 To educate the community about the availability of gun violence restraining orders, the Police Department should: a. Include awareness of gun violence restraining orders in its public education efforts, such as incorporating relevant information into the Crime Prevention Unit's community outreach presentations, and/or developing public service announcements. b. Include information on the different types of gun violence restraining orders and how to obtain one on the City's website, as well as make the information available in multiple languages.	PD	Implemented	The Department has updated its website to include information about the GVRO process. Additionally, it now includes information about GVROs in its community outreach presentations. Finally, brochures are also available in Spanish and Vietnamese.

Report and Recommendations	Dept (s)	Current Status	Comments
#22-09 Firearm Regulations #04 To ensure a consistent process for firearm business regulation, the Police Department's Permits Unit should develop policies and procedures to document inspection expectations, roles and responsibilities, and documentation requirements. This includes: a. Expectations for inspections including the number of scheduled and unscheduled inspections and the number of staff required, and b. Documentation retention requirements for initial and renewal inspections and supervisory oversight.	PD	Implemented	The Permits Unit has developed policies and procedures that provide clear expectations on inspections. All inspections are now expected to be recording through the Officer's body worn camera and documented in a file folder.
#22-09 Firearm Regulations #05 To ensure completeness of inspections, the Police Department's Permits Unit should revise the inspection checklist to include: a. Sign off by second officer at inspections, b. Review of audio/video surveillance for compliance with the 30-day storage requirement including potentially documentation of dates, c. Review of requirement of attestation of firearm inventory check, and d. Document review of the display of suicide prevention, domestic violence prevention, and local gun law resources.	PD	Implemented	The Department revised the inspection checklist and includes the sign off by the second officer at inspections, review of audio/video surveillance for compliance with the 30-day storage requirement, review of the firearm inventory checklist and documenting review of the display of suicide prevention, domestic violence prevention, and local gun law resource.
#22-09 Firearm Regulations #06 To cross check for accuracy and completeness, the Police Department's Permits Unit should request an annual roster of employees requiring a Certificate of Eligibility from firearm businesses.	PD	Implemented	The Police Department's policies now require firearm businesses to provide an employee list to the Department on an annual basis so it can be cross-checked for completeness against the Certificates of Eligibility that businesses provide to the Department.
#22-09 Firearm Regulations #07 To ensure that firearm business permit fees are fully cost recovery, the Police Department should reassess actual time spent on inspections to determine whether the amount of time accurately reflects the time included in the cost recovery calculations.	PD	Implemented	The Department did a time task analysis for firearm business inspections for new permits and renewals. This includes the cost of reviewing the permit and insurance information checking the employee roster and certificates of eligibility, inspections, documenting inspections through photos and body worn cameral footage, etc. The 2023-24 Fees and Charges Report reflects this analysis.
#23-01 San Jose Conservation Corps #01 To better assess program effectiveness, Parks, Recreation and Neighborhood Services should include performance metrics related to timeliness or effectiveness of work in its next agreement with the Conservation Corps for the BeautifySJ program.	PRNS	Not Implemented	PRNS reports that BeautifySJ is currently establishing performance measures and met with the San Jose Conservation Corps in August 2023 to discuss the new measures which will be implemented around December 2023. The Department also notes, however, that including these measures into future agreements will need to take place after June 2024 due to new Conservation Corps agreements already being reviewed by the Special Parks Unit. At the time of this report, the performance measures had not yet been finalized. Target Date: Jul-2024

Report and Recommendations	Dept (s)	Current Status	Comments
#23-01 San Jose Conservation Corps #02 To improve participant outcome tracking, the City Administration should work with the Conservation Corps to establish a process to verify participant outcomes during the three-months post program period and validate outcomes with supporting documentation.	PRNS / CMO / OEDCA	Implemented	PRNS worked with the San Jose Conservation Corps to develop a standard operating procedure to track participant outcomes that includes gathering supporting documentation to verify the stated outcome. The San Jose Conservation Corps is required to do a 3-month post program follow-up with each participant and PRNS reports they have started implementing the procedure as participants exit the program.
#23-01 San Jose Conservation Corps #03 The Finance Department should work with Parks, Recreation and Neighborhood Services and the City Attorney's Office to determine the breakdown of indirect costs in the agreements with the San Jose Conservation Corps and take the necessary steps to ensure compliance with federal Uniform Guidance.	PRNS / CAO	Partly Implemented	PRNS reports holding discussions with the Finance Department and City Attorney's Office to determine the breakdown of indirect costs in the agreement. Target Date: Dec-2023
#23-01 San Jose Conservation Corps #04 To promote safety for Conservation Corps members, the City Administration should: a) Work with the San Jose Conservation Corps to finalize safety operating procedures for handling biowaste and hazards and provide the necessary tools to properly dispose of these hazards. b) Develop training requirements and guidance based on OSHA standards, and memorialize these requirements in future BeautifySJ agreements with the Conservation Corps.	PRNS / CMO	Not Implemented	PRNS reports that BeautifySJ staff met with SJCC supervisors in June 2023 to discuss required trainings for handling bloodborne pathogens and general first aid. Target Date: Mar-2024
#23-01 San Jose Conservation Corps #05 To streamline the hazard notification process, the Department of Parks, Recreation and Neighborhood Services should establish a process, such as a work order or other system, to timely notify and follow up with the appropriate parties of hazards in the field for proper disposal.	PRNS	Not Implemented	PRNS reports staff is currently working with the Information Technology Department to develop a new Encampment Management System that will allow for streamlined reporting of hazards. The human-centered design portion of the project was completed in March 2023 with subsequent design phases beginning in April 2023. In the interim, the Department reports meeting with SJCC supervisors to establish what trainings are required and in what time frame after new Corps members are hired. They also report that BeautifySJ staff are planning to re-train internal and SJCC staff on reporting procedures using Survey 123 Target Date: May-2024

Report and Recommendations	Dept (s)	Current Status	Comments
#23-02 Employee Travel Expenses #01 To ensure employee travel complies with the City's Employee Travel Policy, the Administration should require department travel coordinators and procurement card coordinators complete mandatory training on the policy and associated processes, such as: a)Documenting travel expenditures, b)Seeking the most economical travel options, and c)Submitting timely travel requests and packets. The training should be completed annually at a minimum, as well as when an individual becomes assigned as a travel or procurement card coordinator. Finance should also track attendance or completion of the training.	FIN	Implemented	The Finance Department conduced a Citywide Travel Policy overview and Travel Request training on June 2023. Topics covered in the training include travel expenditures documentation, economical travel options, and timeliness of packet submissions. The session was recorded and can be viewed on Finance's intranet website. Attendance for the training was tracked and mandatory for travel coordinators and procurement card coordinators. Subsequently, an email with a list of attendees was sent to Department Administrative Officers to ensure that those who missed the training can make it up by viewing Training Videos and User Guides. The Department reports that this training will be mandatory and tracked on an ongoing basis.