

Status of City Auditor Recommendations with Funding Impact 2023-2024 Adopted Operating Budget

There are audit recommendations that are addressed in actions included in the 2023-2024 Adopted Budget. The table below provides a summary of those audit recommendations. While this report focuses on audit recommendations with budget actions in 2023-2024, there are numerous outstanding audit recommendations with financial implications that are not being implemented as part of the 2023-2024 Adopted Budget. The City Auditor's Office reports on all outstanding audit recommendations on a semi-annual basis. These status reports can be found on the Auditor's Office website at: <https://www.sanjoseca.gov/your-government/appointees/city-auditor/audit-recommendations>.

Department	Item	Remarks
Parks, Recreation, and Neighborhood Services (PRNS)	Golf Courses: Loss of Customers and Revenues Requires A New Strategy (Report 15-08 Issued 9/2/2015, #01)	The 2023-2024 Adopted Operating Budget reflects the estimated revenues and expenses associated with the new lease agreements for the City's golf courses (Los Lagos, Rancho del Pueblo, and Muni), effective April 1, 2023. The prior repayment of outstanding debt service and execution of these new lease agreements provide for the elimination of ongoing General Fund subsidies. Refer to the Source and Use of Funds Statements section of the 2023-2024 Adopted Operating Budget for more information on the Municipal Golf Course Fund.

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Planning, Building, and Code Enforcement (PBCE)	Environmental Review for New Developments: Better Project Management and Reviewing Resources Can Improve the CEQA Process (Report 22-02 Issued 3/21/2022, #01)	<p>The 2023-2024 Adopted Operating Budget includes one-time non-personal/equipment funding of \$110,000 to address three recommendations from the City Auditor's Report 22-02, focusing on review times and consistency. These recommendations include preparation of Environmental Consultant guidelines, a significance threshold guide for preparing CEQA clearance documents, and standard CEQA documents templates for City staff and Environmental consultants. Once developed, the guidelines and templates will help environmental consultants and City staff prepare CEQA documents have a standard layout and approach to analysis, thereby strengthening the City's documents and reducing total review times by minimizing the number of administrative draft reviews. Guidelines will also help with the training of new Planners on the Environmental Review team and aide in the implementation of Audit Recommendation #1 - to expand the model in which planners handle both the entitlement and environmental review.</p> <p>More detail on this action can be found in the City Departments/Council Appointees section of the 2023-2024 Adopted Operating Budget for the Planning, Building, and Code Enforcement Department.</p>

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Planning, Building, and Code Enforcement (PBCE)	Code Enforcement Management Controls: Improvements to Oversight and Coordination Needed (Report 21-04 Issued 9/2/2021, #03)	The 2023-2024 Adopted Operating Budget adds 1.0 Senior Public Information Representative position to manage the communication and outreach efforts for Code Enforcement Division programs, support the Planning Division's community engagement efforts and the Building Division's Accessory Dwelling Unit (ADU) Grant program. This position will expand outreach efforts for Code Enforcement programs by conducting campaigns and presentations using behavior-change principles to reduce or prevent cases of blight, front yard paving, unpermitted auto repair, storage of inoperable vehicles, and illegal garage conversions to help reduce general code cases; improving compliance for Tobacco Retail License, ongoing ban of Flavored Tobacco sales, Massage, Vacant Buildings and Storefronts, Building Code Compliance, Abandoned Carts, and other special programs to help reduce code inspection workload. More detail on this action can be found in the City Departments/Council Appointees section of the 2023-2024 Adopted Operating Budget for the Planning, Building, and Code Enforcement Department.

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Police	<p>Police Staffing, Expenditures, and Workload: Staffing Reductions Have Impacted Response Times and Led to High Overtime Costs</p> <p>(Report 21-01 Issued 3/05/2021, #09)</p>	<p>The 2023-2024 Adopted Operating Budget adds 6.0 Community Service Officers, one-time non-personal/equipment funding of \$248,780, and ongoing non-personal/equipment funding of \$6,000 to expand the current Community Service Officer (CSO) Program to be assigned to the San José Downtown area. Helping to serve in an ambassador role with their consistent presence and visibility in San José's downtown area, the CSOs will engage with the public and businesses to address concerns and to build relationships. Primarily deployed on bicycles and on foot, CSOs will be assigned to the greater Downtown area and will perform non-hazardous police functions, conduct crime and burglary investigations, and deliver non-emergency police services in support of patrol. In addition, CSOs write reports in the field, interview witnesses, conduct follow-up investigations, collect evidence, photograph, fingerprint at crime scenes, and perform various other tasks. The non-personal/equipment funding includes a one-time allocation of \$180,000 for the purchase of three new vehicles, one-time allocation of \$68,780 for standard issue equipment and bicycles, and ongoing funding of \$6,000 for other supplies and equipment.</p> <p>More detail on this action can be found in the City Departments/Council Appointees section of the 2023-2024 Adopted Operating Budget for the Police Department.</p>

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Finance

COVID-19 Food Distribution Expenditures: The City Should Address Gaps in Emergency Documentation and Procedures

[\(Report 22-06 Issued 10/06/2022, #01 and #02\)](#)

The 2023-2024 Adopted Operating Budget extends temporary staffing by adding 1.0 Division Manager and 2.0 Senior Analyst positions on an ongoing basis, adding 3.0 Accounting Technicians and 1.0 Accountant II position through June 30, 2024, and allocating one-time personal services funding for a temporary position in the Finance Department's Recovery and Grants Management Team. Due to the influx of federal and state funding, including funding from the Federal Emergency Management Agency (FEMA), the Coronavirus Relief Act, and the American Rescue Plan Act (ARPA), a dedicated team was created to centrally track, document, and report on grant expenditures. The Team will allow the City to maximize cost recovery and pass future audits by enhancing documentation and monitoring of FEMA funded expenditures.

More detail on this action can be found in the City Departments/Council Appointees section of the 2023-2024 Adopted Operating Budget for the Finance Department.