



Office of the City Auditor

**Report to the City Council
City of San José**

**STATUS OF OPEN AUDIT
RECOMMENDATIONS AS OF
DECEMBER 31, 2023**

March 2024

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Office of the City Auditor
Joe Rois, City Auditor

March 14, 2024

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 DECEMBER 31, 2023

RECOMMENDATION

We recommend the City Council accept the Status of Open Audit Recommendations as of December 31, 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 39 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). 152 recommendations remain pending, 112 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 191 audit recommendations from our review as of December 31, 2023 (Appendix B).

191 recommendations in this report
26 were issued in new reports
39 implemented/closed since last update
152 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

- 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 has created a new overtime dashboard that allows supervisors to drill down to specific employees, units, and overtime codes and is also working on a new timecard system pilot. This system is anticipated to better track time and automate overtime rules. Training on the new timecard system and overtime entry is expected to be provided when the pilot begins. 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*)

According to the Department of Transportation (DOT), staff is in the process of finalizing criteria for the appropriate use of in-lieu fees, including ensuring 50 percent of plantings occur in the Council District from which fees were collected. Staff also tracks collected fees in the City's permitting system, with changes to the software planned to make the process more seamless. Recommendation #2208-7 target date: June 2024 (delayed from December 2023).

- Adding Community Service Officers to address lower priority Police calls (*Audit of Police Staffing, Expenditures, and Workload, 2021*) – *New priority added*

Six new Community Service Officer (CSO) positions were added in the Fiscal Year (FY) 2023-24 Adopted Operating Budget, bringing the total number of budgeted CSOs to 67. The Department is exploring additional opportunities for increasing CSO staffing and to expand capacity in the program. Finally, the Department plans to develop guidelines to distribute CSOs more equitably across police districts as was recommended in the audit. #2101-09 target date: March 2025 (delayed from June 2023).

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>). All of the original 12 priority recommendations have been implemented and new priority recommendations have been added.

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, finalized a Contract Creation, Administration and Management Resource Guide for use by City staff that covers various elements of contract monitoring and management. Recommendation #1306-09 IMPLEMENTED.

- Eliminate the Construction & Demolition Diversion Deposit (*Audit of Development Services, 2014*) – *New priority added*

At the time of the audit, we noted that the Construction & Demolition Diversion (CDD) deposit program was potentially duplicative of state mandates around diversion of construction and demolition waste. In addition, the deposit added costs to building projects and the City did not have a mechanism to ensure refunds to eligible permit applicants. Since that time, the Environmental Services Department (ESD) has undertaken outreach efforts to permit holders eligible for CDD refunds. ESD is also working with Planning, Building and Code Enforcement (PBCE) and the City Attorney's Office to consolidate the CDD and CALGreen programs, allowing for the elimination of CDD deposits. CALGreen is the state's green building code. Recommendation #1408-18 target date: December 2024 (delayed from March 2017).

- Adopt City policies and procedures by Retirement Services (*Audit of Retirement Services, 2023*) – *New priority added*

The Retirement Boards have adopted City policies relating to information systems and technology, ethical conduct, and fair employment, among others. The Retirement Boards have also adopted the City's procurement policies for some goods and services but are working with a consultant and their fiduciary counsel to develop separate policies for the remaining services. These changes are being presented to the Retirement Boards in spring 2024, with discussion and possible action by the City Council to be held at a later date. Recommendation #2305-01 target date: June 2024.

Improved service delivery

- Improve governance around information technology systems (*Audit of Information Technology, 2022*) – *New priority added*

This audit had two findings and five recommendations around the governance of the City's information technology environment. One of the recommendations was implemented in a prior reporting period, and the remaining four were implemented during this reporting period. Recommendation #2201-02 IMPLEMENTED.

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

The Police Department provided Code Enforcement with 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: June 2024 (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) is in the final stages of development and testing of new software to manage labor compliance. 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 added three management level additional Contract Compliance Coordinators in the FY 2023-24 budget. Recommendation #1702-01 target date: June 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, the City had been spending roughly \$14 million annually through City-issued procurement cards (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: June 2024 (delayed from June 2011).

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

Finance has identified three permanent positions and four limit-dated positions to focus on grants-related work. Finance reports the team has begun drafting the framework and outline of a new Citywide Grants Management policy, aiming to establish comprehensive guidelines and procedures across City departments. 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*)

As noted in the prior recommendation, Finance has identified resources to address grant-related work. According to the Department, the group has

been administering the City's COVID-19 grants, including compiling and reporting expenditure documentation (e.g., contracts, purchase orders, invoices, and proofs of payment). Additionally, Finance reports hiring an overstrength Analyst, who is responsible for documenting the City's compliance with sole-source contracts and working with the Purchasing Division on cost-pricing analysis. Finance plans to further review and maintain documentation around procurements in the emergency cost-recovery files 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 39 Recommendations in the Last Six Months

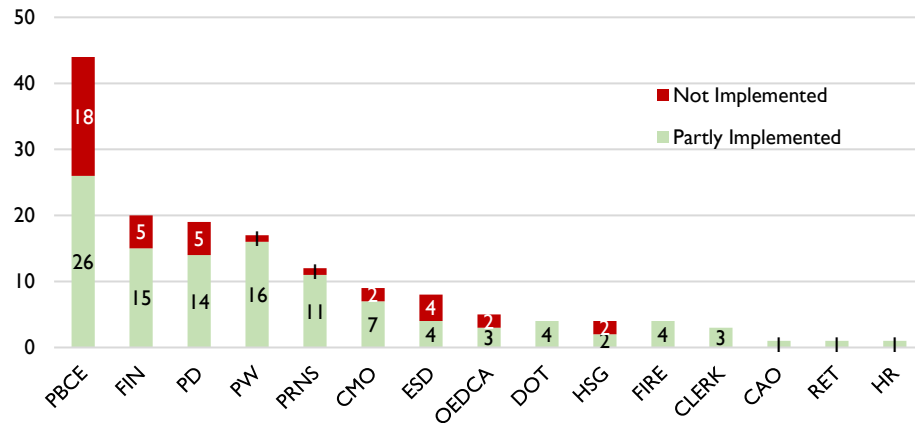
In addition to their work on the priority items listed above, departments continued to make progress toward implementing other open audit recommendations. Examples include:

- The City finalized an agreement for tow administrator services with an outside vendor for City-generated tows. This agreement addresses multiple recommendations from our 2018 audit of towing services, including an escalating penalty structure for contractors not completing tows, requirements around service delivery, recordkeeping, and other aspects of the program. (*Audit of Towing Services, 2018*)
- The City Manager's Office along with the City Attorney's Office and the Office of Employee Relations, finalized a new Open Government Policy within the City Policy Manual (Section 6.1.4) that creates more transparency around the City's Consolidated Open Government and Ethics Provisions. (*Audit of Open Government, 2017*)
- The Police Department reports taking steps to allow trained call takers to focus on emergency and non-emergency calls in the Communications Center by distributing report taking responsibilities to officers on modified duty, retiree-rehire employees, and part-time employees where possible. (*Audit of 9-1-1 and 3-1-1, 2019*)
- Finance worked with its outside vendors and online payment processor to allow utility customers to receive electronic billing statements online. (*Audit of Municipal Water Billing and Customer Service, 2021*)
- PBCE implemented multiple recommendations from our 2022 audit of the CEQA review process, including developing procedures that address communication with stakeholders and expectations of different parties in the CEQA review process, and setting baseline project review targets by type of project. PBCE continues to work on addressing the remaining recommendations in this audit. (*Audit of the Environmental Review for New Developments, 2022*)

Total of 152 Recommendations Are Still Pending

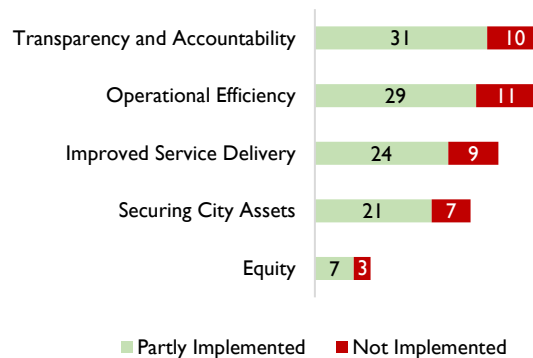
Of the 152 recommendations that are still pending, 112 (74 percent) are partly implemented and 40 (26 percent) are not implemented. PBCE has the largest number of open audit recommendations – the majority of which were from audits issued between 2021-2023.

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)

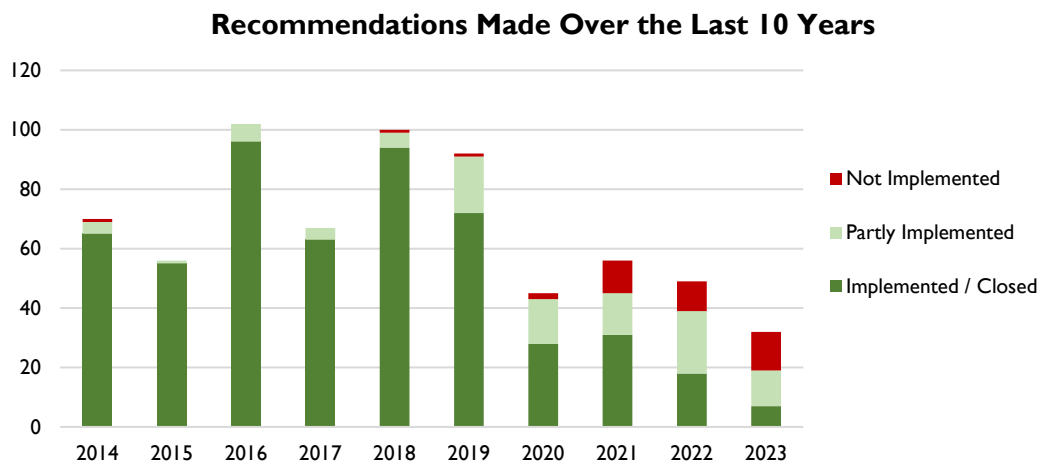
- Improving management of overtime of sworn employees and reassessing how Community Service Officers are deployed in the Police Department (an estimated \$1.9 million from multiple recommendations from a 2021 audit)
- Recovering 100 percent of the cost of the Police Department’s secondary employment 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 669 recommendations to improve or enhance City services. Of those recommendations, 79 percent have been implemented or closed.



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 64 percent of the 347 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 December 31, 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, 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 (January 1, 2019 – December 31, 2023)

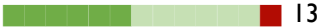



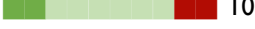

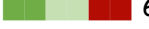
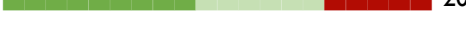
Appendix B: Detailed Listing of the Status of Open Recommendations as of December 31, 2023




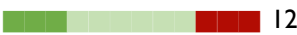

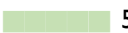


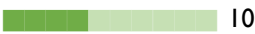
Appendix A:

SUMMARY LISTING RECOMMENDATIONS BY REPORT
(JANUARY 1, 2019 – DECEMBER 31, 2023)








key: ■ implemented ■ partly implemented ■ not implemented

Report	Audit Title	Dept(s)	We made recommendations to:	Current Recommendation Status
#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
#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	ITD	Strengthen the City's technology deployments process by improving planning, tracking, and reporting of major technology projects throughout the City	 10

Report	Audit Title	Dept(s)	We made recommendations to:	Current Recommendation Status
#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 workload and resource planning through better tracking of development work in progress	 5
#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

Report	Audit Title	Dept(s)	We made recommendations to:	Current Recommendation Status
#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
#22-01	Information Technology: Improved Governance Would Strengthen the City's Cybersecurity	ITD	Improve controls around the City's information and technology assets	 5
#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
#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

key: ■ implemented ■ partly implemented ■ not implemented

Report	Audit Title	Dept(s)	We made recommendations to:	Current Recommendation Status
#22-09	Firearm Regulations: The City Should Update Procedures Around Gun Violence Restraining Orders and Firearm Business Inspections	PD	Enhance firearm regulatory processes 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
#23-03	Integrated Waste Management Enforcement Program: Clarifying Goals and Performance Expectations Would Improve Enforcement Coverage	ESD	Improve the team's performance by having clearer goals and success metrics, along with performance expectations for inspectors	 7
#23-04	Housing Performance Measures: The City Should Focus and Align Measures to Support Decision-Making	HSG	Streamline and improve current performance measures	 3
#23-05	Retirement Services: Interim Report on the Alignment of Controls Between the City and the Office of Retirement Services	RET	Strengthen the internal controls around administrative functions in the Office of Retirement Services	 1
#23-07	Residential Building Permits: Additional Resources and Further Process Enhancements Can Reduce Wait Times and Improve Service Delivery	PBCE	Align PBCE resources to its building permit workload, create standard processes for permit intake and plan review, and improve communication with customers	 15

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Appendix B:

DETAILED LISTING OF THE STATUS OF PENDING
RECOMMENDATIONS AS OF DECEMBER 31, 2023

Report and Recommendations	Dept (s)	Current Status	Comments
<p>#10-09 City Procurement Cards</p> <p>#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.</p>	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: Jun-2024 (Delayed From: Jun-2011)
<p>#12-04 Police Department Secondary Employment</p> <p>#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.</p>	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)
<p>#12-04 Police Department Secondary Employment</p> <p>#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.</p>	PD	Partly Implemented	<p>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)</p> <p>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.</p>
<p>#12-04 Police Department Secondary Employment</p> <p>#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.</p>	PD	Partly Implemented	<p>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)</p> <p>Potential Monetary Benefit: In 2023, the General Fund subsidy of the secondary employment liability policy was \$45,600.</p>

Report and Recommendations	Dept (s)	Current Status	Comments
<p>#12-04 Police Department Secondary Employment</p> <p>#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.</p>	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)
<p>#12-06 Environmental Services</p> <p>#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.</p>	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 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. The Department reports that the policy is expected to be updated as part of the Proposed Operating Budget submittal for FY 2024-25. Target Date: Jun-2024 (Delayed From: Sep-2017)
<p>#12-06 Environmental Services</p> <p>#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.</p>	ESD	Partly Implemented	In coordination with the City Managers' Budget Office and the City Attorney's Office, the Environmental Services Department 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. The Department reports that the policy is expected to be updated as part of the Proposed Operating Budget submittal for FY 2024-25. Target Date: Jun-2024 (Delayed From: Dec-2016)
<p>#12-07 Fire Department Injuries</p> <p>#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.</p>	HR / FIRE	Partly Implemented	The Fire Department issued a Request for Proposal (RFP) for a consultant to review the physical requirements needed to perform the essential functions of specific fire classifications. However, Fire received only one response and the proposed price exceeded the amount that had been budgeted for the project. As a result, the Fire Department plans to repost the RFP potentially modifying the number of classifications for review to focus on the firefighter classification. Target Date: Dec-2024 (Delayed From: Jun-2018)

Report and Recommendations	Dept (s)	Current Status	Comments
<p>#13-06 Consulting Agreements</p> <p>#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.</p>	FIN / CMO	Implemented	In January, 2024, the City Manager's Office conducted a Citywide training specifically on consultant procurements. The training materials identify responsibilities for contracting departments, steps for procurement of consulting agreements, as well as links to additional Finance resources detailing the different procurement types available to staff. This City Manager's Office reports this training will be offered annually going forward.
<p>#13-06 Consulting Agreements</p> <p>#08 We recommend that the City:</p> <p>A) Reconcile overpayments as described above and get reimbursed for these overpayments,</p> <p>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</p> <p>C) Require contract managers to reconcile previously received deliverables to contract payments during the contract amendment process, prior to increasing contract amounts.</p>	CMO / FIN	Implemented	The City Manager's Office has coordinated with the City Attorney's Office to finalize a Citywide Contract Creation, Administration and Management Resource Guide for use by City staff that addresses parts (b) and (c) of this recommendation. The City Manager's Office reports the resource was made available to City staff in February, 2024. 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.
<p>#13-06 Consulting Agreements</p> <p>#09 We recommend the Administration develop Citywide policies and procedures on contract monitoring and management including:</p> <ul style="list-style-type: none"> - 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. <p>We further recommend that the City require contract administrators to annually certify they have reviewed and understand those policies and procedures.</p>	CMO / FIN	Implemented - Priority	The City Manager's Office has coordinated with the City Attorney's Office to finalize a Citywide Contract Creation, Administration and Management Resource Guide for use by City staff that addresses various elements of contract monitoring and management identified in this recommendation. This resource guide includes an annual certification for contract administrators to attest they have reviewed and understood those policies and procedures included in the guide. The City Manager's Office reports the resource was made available to City staff in February, 2024.

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<p>#13-06 Consulting Agreements</p> <p>#11 We recommend the Administration ensure that:</p> <p>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</p> <p>B) Require staff to include a notation regarding the City's retention policies in each individual contract file.</p>	CMO / FIN	Implemented	The City Manager's Office (CMO) has coordinated with the City Attorney's Office to finalize a Citywide Contract Creation, Administration and Management Resource Guide for use by City staff that addresses various elements of this recommendation. The City Manager's Office reports the resource was made available to City staff in February, 2024.
<p>#13-06 Consulting Agreements</p> <p>#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.</p>	FIN / CMO	Closed	According to Finance, they no longer conduct an annual procurement and contract monitoring training. Finance's Purchasing Division does offer periodic smaller topic specific trainings which are posted as resources for City staff on the Department's intranet site. In 2023, there were 10 such trainings conducted on a nearly monthly schedule. In May of 2023, the Division conducted a training on purchasing conflicts of interest and ethics. The slides from this training as well as a video recording are both available to City employees as a resource. Additionally, contract monitoring training is now being overseen by the City Manager's Office, most recently conducting the training in January of 2024. The City also recently created a new Open Government Policy that is part of the City Policy Manual. This includes links and references to the City's Open Government Provisions that include provisions related to avoiding conflicts of interest in procurements. Because of the change in how Finance conducts trainings for City staff, and the availability of additional resources that were not in place at the time of the audit, we recommend closing this recommendation.

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<p>#13-11 Code Enforcement</p> <p>#08 The City Administration should propose to expand the Residential Occupancy Permit program to include condominiums functioning as rental apartment complexes.</p>	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 had issued Residential Occupancy Permits for only about 84,000 units. This net difference of 41,000 units meant 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 policy at the time to exclude condominiums (potentially housing hundreds of renters) potentially left a significant portion of San José's renters at risk. An RFP was released in February 2023 and a contract was awarded to Infinite Solutions in January 2024 for a new case management system. Staff is currently in the process of executing an agreement with the vendor. Staff expects this new system will provide the capability to incorporate condominiums into the Residential Occupancy Permit Program. Additionally, the City's Housing Elements Strategy includes a feasibility study on the cost, needed staffing, potential timeline for expansion, and other resources needed to expand the types of housing units covered by proactive code inspections which help avoid complaint-based evictions. These units include rented single family homes, duplexes, condominiums, and/or townhomes. The study is expected to be completed in 2025. Staff anticipates that the study will explore staffing and resource needs for potential implementation of this expanded program. Target Date: Dec-2025 (Delayed From: Jul-2018)
<p>#13-11 Code Enforcement</p> <p>#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.</p>	PBCE	Not Implemented	Code Enforcement awarded a contract to Infinite Solutions Inc. for a new case management system in January 2024. Code Enforcement reports that this recommendation is pending implementation of the new case management system and anticipates that the new system would have the appropriate capability to produce the necessary information to make tenants aware of violations in their units. Target Date: Jul-2025 (Delayed From: Jul-2018)
<p>#13-11 Code Enforcement</p> <p>#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.</p>	PBCE	Implemented	In January 2024, Code Enforcement awarded a contract for a new Code Enforcement System to Infinite Solutions Inc. The Department is in the process of executing the agreement with the vendor and anticipates that the new system will give inspectors the ability to review case files, produce City templates in the field, and get real time updates. In the meantime, the Department reports that all inspectors have been provided laptops in which they can VPN to the current system if needed in the field. Because inspectors now have the ability to review case files in the field and the Department is in the process of procuring a new case management system, we consider this recommendation to be implemented.
<p>#13-12 Audit of Employee Travel Expenditures</p> <p>#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.</p>	FIN	Partly Implemented	Finance staff have incorporated this recommendation into a draft Procurement Cards Policy (City Administrative Policy 5.1.2) and updated Procurement Card Administrative Guide. Both documents are under senior staff review. Target Date: Jun-2024 (Delayed From: Jun-2017)

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<p>#13-12 Audit of Employee Travel Expenditures</p> <p>#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.</p>	FIN	Partly Implemented	After analyzing business requirements, Finance 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) in June 2023. The Department is currently working with the Information Technology Department and a vendor to develop the Travel Reimbursement workflow, which is scheduled to be completed by June 2024. Target Date: Jun-2024 (Delayed From: Jun-2018)
<p>#14-07 City Procurement Cards</p> <p>#01 We recommend that the Finance Department revise the Procurement Card Policy to:</p> <p>A) Emphasize the responsibility cardholders have to make prudent purchases;</p> <p>B) Include questions that guide cardholders to evaluate the reasonableness of their purchases;</p> <p>C) For purchases that require IT approval, require documentation of that approval be attached to p-card statements;</p> <p>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;</p> <p>E) Clarify the department coordinator's responsibility to notify Finance of all violations and that Finance should only refer personal purchases to OER; and</p> <p>F) Establish a process to have frequent contact via email with department coordinators</p>	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: Jun-2024 (Delayed From: Jun-2015)
<p>#14-07 City Procurement Cards</p> <p>#03 To improve transparency, accountability, and legibility, the Finance Department should create a pilot program that:</p> <p>a) Begins the transition to online approvals, payment code entries, annotations and general finance coding (office supplies, travel, etc.);</p> <p>b) Considers requiring monthly statements of activity be signed by cardholders and approving officials to ensure that all transactions are authorized;</p> <p>c) Allows individual departments to collect, store, and submit receipts in PDF; and</p> <p>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).</p>	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. The updated p-card policy and p-card administrative guide are pending Finance Leadership review. Publication will happen once review is complete. Target Date: Jun-2024 (Delayed From: Jun-2015)

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#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	The Finance Department included this recommendation in a revised City Procurement Cards policy, which is being reworked into a policy and companion administrative guide. Both documents are under senior staff review. Target Date: Jun-2024 (Delayed From: Jun-2015)
#14-08 Development Services #18 Eliminate the Construction & Demolition Diversion Deposit.	PBCE / ESD	Partly Implemented - Priority	The Environmental Services Department (ESD) reports they are working in collaboration with Planning, Building and Code Enforcement and the City Attorney's Office 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: Dec-2024 (Delayed From: Mar-2017)
#14-08 Development Services #19 To increase accessibility of online fee estimation, PBCE should update and simplify the online fee calculator.	PBCE	Not Implemented	Planning, Building and Code Enforcement (PBCE) reports that the Information Technology Department (ITD) completed work with the SJPermits.org portal vendor for updates related to self-started permits at the end of 2023. With that work completed, ITD anticipates the development of the online fee calculator feature could be complete by early 2025. Target Date: Mar-2025 (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	Closed	With the implementation of the new revenue management system, 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. For these accounts, investigative collectors can access the two department's respective billing systems to access account information, issue delinquent notices, and track collection activity. Because of the improvements to date, we recommend closing this recommendation. However, we believe Finance should continue to review options for these departments, including working with Fire on an expected RFQ for a new records management system in the future.

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<p>#15-05 PRNS Fee Activity Program</p> <p>#01 PRNS should work with the Budget Office to:</p> <p>A) Reassess the purpose of the Fee Activity Program (including cost-recovery targets),</p> <p>B) Provide reasonable justification for mid-year expenditure request,</p> <p>C) More clearly link revenues and expenses to their respective programs, and</p> <p>D) Determine which activities should be included in the Fee Activity Program.</p>	PRNS / CMO	Partly Implemented	<p>Parks, Recreation and Neighborhood Services (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. To reassess the Fee Activity Program's purpose and activities, PRNS first plans to analyze budgeted positions in the Fee Activity Program, identify work performed under incorrect appropriations, and submit identified discrepancies for a budget adjustment. PRNS then plans to present its analysis to the Budget Office to determine if any changes are needed to the program, such as revising cost recovery targets or rate category types. According to PRNS, cost components and revenue projections are included in the fee program for budget tracking and development. PRNS aims to evaluate the class and program costing model to ensure consistent pricing for each fee activity and develop a methodology for determining cost-recovery targets by activity each year. Additionally, PRNS staff report tracking costs and revenues to advance mid-year and year-end appropriation adjustments. Target Date: Jun-2024 (Delayed From: Jun-2016)</p>
<p>#16-02 Street Sweeping</p> <p>#01 DOT's in-house street sweeping operation should stop emptying street sweepings onto the street.</p>	DOT	Partly Implemented	<p>The Public Works Fleet team developed specifications for a hook lift truck and bins and submitted an order in December 2022. The Department reports that the hook lift truck was delivered in January 2024 and bins in December 2023, but the bin doors were not built to specifications. The rebuilt bins are anticipated for delivery by March 2024, to be prepared for use by June 2024. Target Date: Jun-2024 (Delayed From: Jun-2017)</p>
<p>#16-03 The City's Use and Coordination of Volunteers</p> <p>#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:</p> <p>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.</p> <p>B) Allowing volunteers to apply with multiple place-based programs at once.</p> <p>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.</p>	CMO / PRNS / ESD / DOT	Partly Implemented	<p>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 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 Beautify Your Block pilot program that was approved as part of the FY 2023-24 budget. This program was 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. This is expected to be considered during the upcoming budget process. Target Date: Dec-2024 (Delayed From: Dec-2018)</p>

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<p>#16-05 South Bay Water Recycling</p> <p>#04 To sustain South Bay's operational and capital cost recovery status in the future, ESD should:</p> <p>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</p> <p>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.</p>	ESD	Partly Implemented	<p>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.</p> <p>B) ESD participated in a statewide rate study sponsored by the WaterReuse 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)</p> <p>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.</p>
<p>#16-07 Office of the City Clerk</p> <p>#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.</p>	CLERK	Partly Implemented	<p>The City has a contract with a vendor to update their agenda management software. The software within the contract also encompasses minutes and boards and commissions components. The January 9, 2024, Council Meeting was the first meeting to go live with the software. The Office of the City Clerk reports that work is still being done on the interface for the site, and staff are also working on implementing the other parts of the software. This includes minutes, video, boards and commissions agendas and application process, and agendas for Council Committees. Target Date: Dec-2024 (Delayed From: Apr-2017)</p>
<p>#16-07 Office of the City Clerk</p> <p>#20 The City Clerk's Office should:</p> <p>A) Develop consistent methodologies to track and calculate the performance measures for its statutory responsibilities that are reported in the City's Operating Budget,</p> <p>B) Identify staff leads tasked with maintaining these performance measures and reporting them on a frequent basis to the City Clerk, and</p> <p>C) Develop action plans to address areas where results do not meet established targets or expected results.</p>	CLERK	Partly Implemented	<p>The Office of the City Clerk has documented methodologies for calculating performance measures and assigned team leads to maintain these performance measures. 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)</p>

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<p>#16-10 The Apartment Rent Ordinance</p> <p>#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.</p>	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 additional outreach was conducted in Fall 2023. The final plan is expected to be presented to the Community and Economic Development City Council Committee in April 2024. Target Date: Jun-2024 (Delayed From: Jun-2018)
<p>#17-02 Office of Equality Assurance</p> <p>#01 To better administer the prevailing and living wage compliance programs, the Office of Equality Assurance should:</p> <p>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);</p> <p>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</p> <p>C) Ensure the program has sufficient supervisory resources following the implementation of Recommendation #3.</p>	OEA	Partly Implemented - Priority	<p>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. 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 development and testing and expects the software to be in use by June 2024.</p> <p>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.</p> <p>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 2024. Target Date: Jun-2024 (Delayed From: Jun-2018)</p> <p>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.</p>
<p>#17-04 Open Government</p> <p>#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.</p>	CMO	Implemented	The City Manager's Office worked with the City Attorney's Office and the Office of Employee Relations to develop a Open Government Policy, which was signed by the City Manager on January 31, 2024. The Office of Employee Relations published this as the Open Government Policy in City Policy Manual Section 6.1.4.

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<p>#17-04 Open Government</p> <p>#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:</p> <p>a) The provision is a part of a larger incentive program to be issued to entities that meet specified criteria,</p> <p>b) Multiple provisions may benefit a single entity within a short timeframe,</p> <p>c) The City provides services on behalf of/for a private entity, and</p> <p>d) The entity receiving the benefit is a non-profit or public agency.</p>	OEDCA	Partly Implemented	<p>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 was working toward achieving final consensus from internal stakeholders on the proposed approach, but reports that staff transition and workload impacted progress during the reporting period. When that is completed, OEDCA reports it will post the policy memo as a user-friendly webpage on the OEDCA intranet page. Target Date: May-2024 (Delayed From: Jun-2018)</p>
<p>#17-04 Open Government</p> <p>#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.</p>	CMO	Partly Implemented	<p>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 aim was to condense findings and craft an updated, uniform policy pertaining to electronic file management. The CMO reports that competing workplan priorities impacted being able to close out the recommendation. Target Date: Dec-2024 (Delayed From: Jun-2018)</p>
<p>#17-04 Open Government</p> <p>#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:</p> <p>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.</p> <p>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.</p>	CMO	Partly Implemented	<p>The Administration issued an RFQ in 2021 to obtain software specific to the management of electronic records. This software was implemented in August 2022. The Administration provided staff training from the software provider, as well as access to training recordings and user guides that are stored on the City's intranet site. The City's Open Government Manager oversees the management and optimization of the electronic records management software. The Open Government Manager issued a Citywide survey to discover staff needs and provides trainings to City staff and departments, the most recent trainings being conducted in December 2023 and January 2024 to staff across departments. The CMO reports that these trainings related to the City's public records requests process, and that the Open Government Manager continues to meet with departments and staff members who need more individualized attention/instruction. Target Date: Dec-2024 (Delayed From: Dec-2018)</p>
<p>#18-03 Department of Public Works</p> <p>#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.</p>	PW / CMO	Partly Implemented	<p>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 and the Budget Office continue to work on determining the appropriate funding level to budget training costs in Fund 150 on an ongoing basis. Target Date: Jun-2025 (Delayed From: Jul-2019)</p>

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<p>#18-03 Department of Public Works</p> <p>#06 To ensure consistent project delivery, Public Works should:</p> <p>a) Update its project management manual using existing project management guidelines and checklists as well as current practices,</p> <p>b) Expand the manual to include guidance for each project phase and include duties of all divisions that are responsible for project delivery, and</p> <p>c) Establish a process to regularly review and update the manual as needed.</p>	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-2025 (Delayed From: Mar-2019)
<p>#18-03 Department of Public Works</p> <p>#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.</p>	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 a retire rehire employee will return to continue updating the special provisions. To continue making progress, Public Works reports that additional ongoing funding will be required. Target Date: Jun-2025 (Delayed From: Dec-2020)
<p>#18-03 Department of Public Works</p> <p>#08 To improve its metrics used to assess performance, Public Works should:</p> <p>a) Clarify that the performance metrics "on-budget" and "on-schedule" for capital projects refer to the construction phase of project delivery, and</p> <p>b) Track the categories of change orders over time across all projects.</p>	PW	Implemented	The Department tracks individual project change orders as part of its project closeout process, and is monitoring change orders across all of its capital projects through its Capital Project Management System (CPMS). Staff also worked 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 CPMS team implemented a change order log within the system.
<p>#18-04 Audit of Vehicle Abatement</p> <p>#12 The Police Department should:</p> <p>a) revisit the calculation of impound costs and recommend that the City Council approve an adjustment to the vehicle release fee accordingly, and</p> <p>b) bring forward to the City Council a recommendation for the City to institute a subsidized vehicle release fee for low-income vehicle owners.</p>	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 has executed a new agreement with a vendor for tow administrator services. Following the full implementation of this program, the Administration plans to use data gathered through the new platform to review costs and evaluate a subsidized vehicle release fee. Target Date: Jul-2025 (Delayed From: Jun-2019)

Report and Recommendations	Dept (s)	Current Status	Comments
<p>#18-06 Community Center Reuse (now the Neighborhood Center Partner Program)</p> <p>#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.</p>	PRNS	Implemented	In Parks, Recreation and Neighborhood Services (PRNS), the 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 (NCPD) buildings. The BMA compiled a 12-month summary of facility costs based on work orders by site and cost type for 2022-23. Staff note that the 2022-23 report was presented to management to aid in making long-term program and maintenance decisions, such as re-evaluating cost-sharing for maintenance and utilities costs with program partners, reviewing leases with school districts, and removing sites from NCPD that no longer fit the program model. Moving forward, PRNS anticipates that the BMA will generate annual facility cost reports to be presented to management, and the NCPD supervisor will be responsible for ensuring regular assessments of PRNS sites.
<p>#18-06 Community Center Reuse (now the Neighborhood Center Partner Program)</p> <p>#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.</p>	PRNS	Partly Implemented	Parks, Recreation and Neighborhood Services (PRNS) developed reporting and monitoring requirements for the Neighborhood Center Partner Program (NCPD), which were included in a 2021 Request for Quote and incorporated into service providers' executed contracts. To address concerns from NCPD services providers, PRNS stated it consolidated and standardized its reporting tools for service hours. PRNS anticipates adjusting the direct service hour requirements to the available programming space and type of service through an upcoming Request for Quote for additional NCPD partners. In Fall 2023, PRNS presented the total NCPD program hours provided during 2022 to the Neighborhood Services & Education Committee. PRNS plans to present actual service hours by individual agency to the committee in Fall 2024. Target Date: Sep-2024 (Delayed From: Jul-2020)
<p>#18-10 Audit of Towing Services</p> <p>#01 To provide a method to address violations, the City should include in future towing services agreements:</p> <p>a) An escalating penalty structure of liquidated damages, suspensions, and contract termination. Liquidated damages should be increased over time.</p> <p>b) Provisions requiring towing contractors to respond to another tow zone in case of a tow refusal or suspension (with a different timeliness standard).</p>	PBCE	Implemented	The City executed an agreement for City-generated tow services with Autura (previously Auto Return). The contract is 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 City has begun onboarding and implementation of the new vendor and software. The contract includes an escalating penalty structure and requires the contract administrator to find a provider to complete the tow, even after receiving a refusal.
<p>#18-10 Audit of Towing Services</p> <p>#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.</p>	PBCE	Implemented	The City executed an agreement for City-generated tow services with Autura (previously Auto Return). The contract is 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 City has begun onboarding and implementation of the new vendor and software. The contract administrator is responsible for contracting with tow providers, and the contract includes terms regarding junk vehicle disposal.

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<p>#18-10 Audit of Towing Services</p> <p>#06 The City Administration, in consultation with appropriate departments, should establish clear guidelines for the appropriate disposal of hazardous waste and junk vehicles.</p>	PBCE	Implemented	The City executed an agreement for City-generated tow services with Autura (previously Auto Return). The contract is 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 City has begun onboarding and implementation of the new vendor and software. The contract includes passthrough requirements for the handling and disposal of hazardous waste.
<p>#18-10 Audit of Towing Services</p> <p>#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.</p>	PBCE	Implemented	The City executed an agreement for City-generated tow services with Autura (previously Auto Return). The contract is 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 City has begun onboarding and implementation of the new vendor and software. The 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.
<p>#18-10 Audit of Towing Services</p> <p>#10 The City should consider additional changes to future towing services agreements, such as:</p> <ul style="list-style-type: none"> 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	Implemented	The City executed an agreement for City-generated tow services with Autura (previously Auto Return). The contract is 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 City has begun onboarding and implementation of the new vendor and software. The new contract specifies that tow yard capacity must be sufficient for tow volume; does not prohibit towing contractors from engaging in private business towing; specifies that the number of tow trucks must be sufficient; and allows the vendor to utilize any means to ensure equitable and reliable towing.
<p>#18-10 Audit of Towing Services</p> <p>#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.</p>	PBCE	Implemented	The City executed an agreement for City-generated tow services with Autura (previously Auto Return). The contract is 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 City has begun onboarding and implementation of the new vendor and software. Under the new agreement, the vendor must provide 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.

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<p>#18-10 Audit of Towing Services</p> <p>#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).</p>	PBCE	Implemented	The City executed an agreement for City-generated tow services with Autura (previously Auto Return). The contract is 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 City has begun onboarding and implementation of the new vendor and software. Under the new agreement, the vendor will utilize and provide software to City staff and tow operators to track and manage tow requests and fulfillment. The vendor has included their software at no additional cost and is expected to be able to meet or exceed all previously proposed technological requirements.
<p>#18-10 Audit of Towing Services</p> <p>#13 In future towing services agreements, the City should clarify the collection process for the contract fee.</p>	PBCE / FIN	Implemented	The City executed an agreement for City-generated tow services with Autura (previously Auto Return). The contract is 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 City has begun onboarding and implementation of the new vendor and software. Under the new agreement, the City will no longer be collecting a contract fee. Instead, the City is paying the vendor for services 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.
<p>#18-10 Audit of Towing Services</p> <p>#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.</p>	PBCE	Closed	The City executed an agreement for City-generated tow services with Autura (previously Auto Return). The contract is 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 City has begun onboarding and implementation of the new vendor and software. Because the City will no longer be contracting with the tow providers directly, the tow provider fees will no longer be required.
<p>#18-10 Audit of Towing Services</p> <p>#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.</p>	PD	Not Implemented	The City executed an agreement for City-generated tow services with Autura (previously Auto Return). The City has begun onboarding and implementation of the new vendor and software. The Department of Planning, Building and Code Enforcement is the lead on implementation in partnership with the Police Department with a plan to transfer oversight to the Police Department upon completion in FY 2024-25. The Administration reports that the Police Department will be submitting a FY 2024-25 budget request for staffing to administer the tow program once consolidated in the Police Department. Target Date: Aug-2024 (Delayed From: Jul-2020)

Report and Recommendations	Dept (s)	Current Status	Comments
<p>#19-01 Audit of 9-1-1 and 3-1-1</p> <p>#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.</p>	PD / FIRE	Partly Implemented	<p>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, a draft Fire Communications recruitment plan is underway and staff will continue to explore the feasibility of working with Police Communications. The Departments have been advised by Human Resources that joint hiring processes are not feasible since Fire Department and Police Department dispatcher classifications are separate classifications and are represented by different bargaining units. Target Date: Jun-2024 (Delayed From: Jun-2021)</p>
<p>#19-01 Audit of 9-1-1 and 3-1-1</p> <p>#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.</p>	PD / FIRE	Partly Implemented	<p>The Sworn Police Department Recruiting Unit had an agreement with Civilian, Inc. to help with recruiting. The Police Department reports that Civilian worked on videos and social media. In February 2024, the Department issued an RFP for recruitment consulting services to implement recruiting marketing strategies. 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 a draft Fire Communications recruitment plan is underway and will be utilized in determining the feasibility of using external marketing firms. Target Date: Jun-2024 (Delayed From: Jun-2021)</p>
<p>#19-01 Audit of 9-1-1 and 3-1-1</p> <p>#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.</p>	PD / FIRE	Partly Implemented	<p>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 a third-party security vendor was also executed in February 2023. The Fire Department reports continued coordination between the third-party security company and the Police Department to initiate the required background investigation for potential security employees. The Fire Department is working with the vendor to explore interim service delivery options with a more limited scope prior to the completion of the background investigation. Target Date: Jun-2024 (Delayed From: Dec-2020)</p>
<p>#19-01 Audit of 9-1-1 and 3-1-1</p> <p>#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.</p>	FIRE	Partly Implemented	<p>Following City Council and the Civil Service Commission approval, the Public Safety Communication Specialist classification was reinstated, effective December 7, 2023. The Fire Department reports that they have submitted a request for new positions in the classification in the FY 2024-25 budget process. Target Date: Jun-2024 (Delayed From: Jun-2021)</p>

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	Implemented	The Police Department reports that Communications has transitioned to a more efficient report-taking system, lessening the time it takes to file reports. Communications uses part-time unbenefited and retiree-rehire employees when possible to take reports. In addition, Communications has established a program in which some officers assigned to modified duty can work in Communications taking phone reports. This has freed up trained call takers to handle emergency and non-emergency calls.
#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	Partly Implemented	According to the Department, due to limited staffing resources in the Planning Division it does not plan on amending council policy 6-30 in FY 2023-24. While the Policy has not yet been updated by Council, the Department reports staff plan to implemented changes in its process to address this audit recommendation. This includes confirming the project scope with applicants and providing a digital sign for applicants to include in their posting with the initial City comment letter. According to the Department, staff do not accept any future resubmittals from the applicant until the applicant provides confirmation that the on-site sign is posted to ensure that it has been posted prior to setting a hearing date. The Department reports they have identified staffing resources to begin updating council policy 6-30 in FY 2024-25. Target Date: Jun-2025 (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	According to the Department, full implementation of this recommendation would be included in a complete review of Policy 6-30. However, due to limited staffing resources in the Planning Division it does not plan on amending policy 6-30 in FY 2023-24. Additionally, the Department anticipates any policy update will generate significant community interest, requiring substantial staff resources. The Department reports they have identified staffing resources to begin updating the policy in FY 2024-25. Target Date: Jun-2025 (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, full implementation of this recommendation would be included in a complete review of Policy 6-30. However, due to limited staffing resources in the Planning Division it does not plan on amending policy 6-30 in FY 2023-24. Additionally, the Department anticipates any policy update will generate significant community interest, requiring substantial staff resources. The Department reports they have identified staffing resources to begin updating the policy in FY 2024-25. Target Date: Jun-2025 (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, full implementation of this recommendation would be included in a complete review of Policy 6-30. However, due to limited staffing resources in the Planning Division it does not plan on amending policy 6-30 in FY 2023-24. Additionally, the Department anticipates any policy update will generate significant community interest, requiring substantial staff resources. The Department reports they have identified staffing resources to begin updating the policy in FY 2024-25. Target Date: Jun-2025 (Delayed From: Dec-2021)

Report and Recommendations	Dept (s)	Current Status	Comments
<p>#19-04 The Mayor's Gang Prevention Task Force (now the San José Youth Empowerment Alliance)</p> <p>#04 The Department of Parks, Recreation and Neighborhood Services should ensure participant needs are consistently assessed by developing processes to:</p> <ul style="list-style-type: none"> 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 agencies and four programs within the San José Youth Empowerment Alliance. The consultant adjusted the tool to align risk categories with risk levels identified by the screener. Parks, Recreation and Neighborhood Services (PRNS) reports implementing a risk assessment tool to screen participants for all Youth Intervention Services programs starting in July 2023. Additionally, PRNS reports that Bringing Everyone's Strength Together (BEST) programs implemented the tool in September 2023 for high school-aged youth. The BEST Grant Program plans to work with the consultant in the 2023-24 grant cycle to develop a different tool that is appropriate for ages 6-14. The tools are intended to 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. Staff plan to review how to implement the screening tool within each program for new contracts. Target Date: Jun-2024 (Delayed From: Jun-2021)
<p>#19-04 The Mayor's Gang Prevention Task Force (now the San José Youth Empowerment Alliance)</p> <p>#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:</p> <ul style="list-style-type: none"> 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 serves 18 school districts. Parks, Recreation, and Neighborhood Services (PRNS) has updated and executed agreements for ten school districts: Alum Rock Union Elementary, Cambrian School District, Campbell Union High School District, Campbell Union School District (TK-8th grade), East Side Union High School District, Franklin-McKinley, Fremont Union High School District, Moreland, the Santa Clara County Office of Education (alternative schools), and San Jose Unified. According to PRNS, a draft agreement with Berryessa Union School District is under the Department's review. Additionally, staff report that draft agreements have been submitted to the following seven school districts for their review: Cupertino Union, Evergreen, Morgan Hill Unified, Oak Grove, Orchard, Piedmont, and Union. Target Date: Jun-2024 (Delayed From: Jul-2020)
<p>#19-04 The Mayor's Gang Prevention Task Force (now the San José Youth Empowerment Alliance)</p> <p>#14 The Department of Parks, Recreation and Neighborhood Services should:</p> <ul style="list-style-type: none"> 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	Parks, Recreation and Neighborhood Services (PRNS) hired a consultant to develop a performance measurement framework for Bringing Everyone's Strength Together (BEST) and Youth Intervention Services (YIS) to reassess program outcomes and units of service. Staff report implementing the new performance outcome measure framework for 2023-24 program evaluations for BEST grantees to guide activities, address local priorities, ensure appropriate data is collected, and assess the BEST program's effectiveness and impact. Staff report funds for the second phase evaluation for YIS programs were included in the 2023-24 Budget. PRNS anticipates implementing the evaluation for YIS after renewing its list of Department evaluation consultants in May 2024. Target Date: Jun-2024 (Delayed From: Jul-2021)

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<p>#19-04 The Mayor's Gang Prevention Task Force (now the San José Youth Empowerment Alliance)</p> <p>#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.</p>	PRNS	Partly Implemented	Parks, Recreation and Neighborhood Services (PRNS) reports that all Bringing Everyone's Strengths Together (BEST) grantees have been conducting youth surveys. PRNS presented youth satisfaction survey results for BEST participants in their annual report to the Neighborhood Services and Education (NSE) Committee in May 2023, and the Department presented BEST survey results for the 2022-23 grant cycle to NSE in March 2024. For Youth Intervention Services (YIS), PRNS piloted a consultant-developed survey for two YIS programs and decided that a single survey may not be appropriate for all YIS programs due to differences in service intensity. PRNS plans to request that a second qualified evaluation consultant develop a survey or program-specific surveys that incorporate participant satisfaction and outcome questions and are appropriate for all seven YIS programs. PRNS anticipates that the evaluator list will be available in May 2024, from which PRNS will identify an evaluator. PRNS anticipates that the YIS survey results will be the first key deliverable for 2024-25. Target Date: Jun-2025 (Delayed From: Jul-2020)
<p>#19-06 Form 700s</p> <p>#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.</p>	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: Jun-2024 (Delayed From: Jun-2020)
<p>#19-07 Procurement Cards</p> <p>#01 The Finance Department should:</p> <ul style="list-style-type: none"> 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: Jun-2024 (Delayed From: Jun-2020)
<p>#19-07 Procurement Cards</p> <p>#02 The Finance Department should:</p> <ul style="list-style-type: none"> 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 a p-card policy update or in a p-card administrative guide. Both documents are under senior staff review. Target Date: Jun-2024 (Delayed From: Jun-2020)

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<p>#19-07 Procurement Cards</p> <p>#03 To help employees comply with applicable purchase requirements, Finance should:</p> <p>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</p> <p>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.</p>	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: Jun-2024 (Delayed From: Jun-2020)
<p>#19-07 Procurement Cards</p> <p>#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.</p>	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: Jun-2024 (Delayed From: Jun-2020)
<p>#19-07 Procurement Cards</p> <p>#05 We recommend Finance work with Office Depot to review past pricing and purchasing data to determine and ensure the City received:</p> <p>a) Discounts on non-contracted items;</p> <p>b) Appropriate rebates, including those based on the sales of "piggybacked" cities; and</p> <p>c) Appropriate pricing under the terms of the agreement.</p>	FIN	Partly Implemented	<p>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 challenges at both the Department and Office Depot, Finance has not yet been able to review pricing and purchasing data for non-contracted items or confirm rebates for "piggybacked" cities. Target Date: Jun-2024 (Delayed From: Jun-2020)</p> <p>Potential Monetary Benefit: At the time of the audit, we estimated the City may have lost out on at least \$176,000 in savings.</p>
<p>#19-07 Procurement Cards</p> <p>#07 The Finance Department should:</p> <p>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;</p> <p>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.</p>	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. Previously, the Department had published instructions to help City staff view complete purchase order information on all internet browsers. Target Date: Jun-2024 (Delayed From: Jun-2020)

Report and Recommendations	Dept (s)	Current Status	Comments
<p>#19-08 Street and Utility In-Lieu Fees</p> <p>#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.</p>	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 Spring 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)
<p>#20-02 Fleet Maintenance and Operations</p> <p>#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:</p> <ul style="list-style-type: none"> 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	<p>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 by April 2024. Target Date: Apr-2024 (Delayed From: Mar-2022)</p> <p>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.</p>
<p>#20-02 Fleet Maintenance and Operations</p> <p>#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:</p> <ul style="list-style-type: none"> 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 reports that it continues to utilize contractual services, rehire retirees and overtime as appropriate. The Department also reports that it continues to coordinate with the Budget Office to provide details of new staffing needs. Target Date: Jul-2024 (Delayed From: Dec-2021)

Report and Recommendations	Dept (s)	Current Status	Comments
<p>#20-02 Fleet Maintenance and Operations</p> <p>#04 To improve Citywide preventive maintenance (PM) compliance, Public Works' Fleet Division should:</p> <p>a) Work with departments to confirm point of contacts for PM notifications and complete implementation of the automated PM notifications,</p> <p>b) Establish a Citywide PM compliance target, as well as internal PM compliance targets for departments/asset classes, and</p> <p>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.</p>	PW	Partly Implemented	Public Works has implemented automated emails for preventative maintenance notifications, and its Technology Services team is working to implement the dashboards that will help the Department, as well as customer departments, monitor preventative maintenance compliance. Target Date: Sep-2024 (Delayed From: Dec-2021)
<p>#20-02 Fleet Maintenance and Operations</p> <p>#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.</p>	PW	Partly Implemented	Public Works reports that due to vendor delays, it has shifted to having an analytics module created by its Technology Services team. Once completed, Fleet will reach out to department contacts to set up access and training within the new module. Target Date: Sep-2024 (Delayed From: Jan-2023)
<p>#20-02 Fleet Maintenance and Operations</p> <p>#08 To enhance accountability and transparency, Public Works' Fleet Division should develop and report on performance measures on work order timeliness.</p>	PW	Partly Implemented	Public Works reports that it has shifted to having an analytics module created by its Technology Services team due to vendor delays and this work is underway. Target Date: Sep-2024 (Delayed From: March 2023)
<p>#20-02 Fleet Maintenance and Operations</p> <p>#09 To support consistent data entry and reporting, Public Works' Fleet Division should create procedures around:</p> <p>a) Classification of repair reason IDs in AssetWorks,</p> <p>b) Data entry of work orders and contracted services work orders, and</p> <p>c) Pulling reports on active assets, preventive maintenance compliance, vehicle utilization, work orders, and/or others as necessary.</p>	PW	Partly Implemented	Public Works reports it has finalized the classification of repair reason IDs in its fleet management software, and has begun pulling reports. The Department also reports that staff are making progress on the standardization of data entry. Public Works expects a Standard Operating Procedures (SOP) to be completed by May 2024. Target Date: May-2024 (Delayed From: Dec-2021)
<p>#20-02 Fleet Maintenance and Operations</p> <p>#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.</p>	PW	Not Implemented	Public Works reports that it has been unable to start working on this recommendation because of global supply chain issues, although market conditions have slightly improved. Target Date: Jan-2025 (Delayed From: Jun-2022)

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<p>#20-02 Fleet Maintenance and Operations</p> <p>#13 To better allocate the costs of the maintenance and replacement programs, Public Works' Fleet Division should:</p> <ul style="list-style-type: none"> 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	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 also notified stakeholders of additional costs for vehicle and equipment procurements, and provided data to partner departments for future budget consideration.
<p>#20-03 Audit of Fire Development Services</p> <p>#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.</p>	FIRE	Partly Implemented	The Fire Department continues to work towards finalizing a comprehensive website design and updates to provide organization based on discipline and activity type. The Department reports that the website will incorporate links to the permit submittal landing page, specific project guidance documents, Fire Department-related ordinances and policies available in multiple languages, and the contact numbers for additional questions and project related assistance. Target Date: Jun-2024 (Delayed From: Aug-2022)
<p>#20-03 Audit of Fire Development Services</p> <p>#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.</p>	FIRE	Implemented	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 concluded on October 7, 2023. At the end of this pilot program, the Fire Department observed minimal engagement and demand with the combination inspection option. Customer feedback highlighted that the disparate lead times and coordination of trades did not allow for the combination inspection option to be fully utilized.
<p>#20-03 Audit of Fire Development Services</p> <p>#07 To improve customer service, the Bureau of Fire Prevention should implement a more efficient and customer friendly scheduling process, that may include:</p> <ul style="list-style-type: none"> 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	Implemented	The Fire Department reports that the online inspection scheduling platform was implemented in FY 2022-23 and has received positive acceptance from customers who receive confirmation and cancellation notices via email. Customers can schedule inspections for themselves online at sjpermits.org. Additionally, the Department has established inspection scheduling limits when inspection times are impacted to prevent an applicant from reserving an entire week of inspections. In 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.

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<p>#20-03 Audit of Fire Development Services</p> <p>#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.</p>	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 Department reports that staff have met with Planning, Building, and Code Enforcement - Building Division on their methodology for measuring performance and intends to develop a newer performance measure methodology as appropriate in FY 2024-25. Target Date: Jul-2024 (Delayed From: Jul-2022)
<p>#20-03 Audit of Fire Development Services</p> <p>#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.</p>	FIRE	Partly Implemented	The Fire Department reports working with Planning, Building, and Code Enforcement - Building Division staff to establish weekly overdue plan review reports that identify projects that have exceeded process target times and require greater oversight. The Fire Department plans to meet internally to discuss and revise their performance measure methodology as appropriate in FY 2024-25. Target Date: Jul-2024 (Delayed From: Jul-2022)
<p>#20-04 Park Maintenance</p> <p>#04 To ensure appropriate allocation of capital resources for park improvements in Council Districts and help prioritize capital budgeting, PRNS should:</p> <ul style="list-style-type: none"> 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	Implemented	Parks, Recreation and Neighborhood Services (PRNS) has developed separate maintenance and capital/infrastructure Park Condition Assessment (PCA) scores based on data collected for one complete cycle. Additionally, the distribution of Construction and Conveyance Tax funding is based on the condition of capital/infrastructure and the PCA data is used to distill priorities to advance projects to correct identified park infrastructure deficiencies. The Capital team has scheduled full PCA data collection to take place every two years to ensure park infrastructure information is up-to-date moving forward.
<p>#20-04 Park Maintenance</p> <p>#05 To ensure that data collection efforts adequately meet its needs, PRNS should:</p> <ul style="list-style-type: none"> 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	In January 2023, Parks, Recreation and Neighborhood Services (PRNS) made changes to how park maintenance work orders are scheduled (from weekly to monthly). PRNS reports reviewing whether they can use the Municipal Code's sole source provisions to procure a new parks asset management system. This includes meeting with other technical users in the City including Public Works, Airport, and Environmental Services to understand their system preferences and the operational impacts of switching systems. PRNS' Business Intelligence (BI) Manager plans to conduct an RFP if sole source is not granted. The current contract expires on August 4, 2024. If necessary, PRNS plans to request an extension from Council to continue using the current asset management system until they can go to bid in October. PRNS reports holding BI training bi-weekly from September 2022 to January 2023 for Park Maintenance and Infrastructure and Destinations, Events, and Sport staff, including weekly office hours and additional trainings held by the BI Manager. Target Date: Dec-2024 (Delayed From: Jan-2022)

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#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	Parks, Recreation and Neighborhood Services (PRNS) reports that all Park Districts have completed maintenance route assessments/analyses and redistributed parks more efficiently among crews. PRNS also completed preparations and moved the staff of Park District 8 into the Overfelt Gardens Park, bringing the staff 6 miles closer to the parks they maintain. The Department is in the process of updating their organizational chart to reflect the redistribution of park maintenance routes. Target Date: Jul-2024 (Delayed From: Dec-2021)
#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	Parks, Recreation and Neighborhood Services (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 further reports that they are evaluating budget proposals to support implementation of multilingual park signage 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	Planning, Building and Code Enforcement (PBCE) reports that the Planning Division has created the structure and requirements for a work-in-progress report. Additionally, the Department reports staff are in the process of cleaning the permitting system with a focus on open invoices before submitting the report request to the Information Technology Department (ITD). According to PBCE, this is to ensure that once the report is created by ITD, the Planning Division will be able to accurately test the report. PBCE anticipate this work could be completed by December 2024, pending coordination and resources from ITD. Target Date: Dec-2024 (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. The City Manager's Budget Office, Finance Department, City Attorney's Office, and the Development Services partners plan to meet to discuss and develop reserve policies and guidelines following the development of work-in-progress reports from different departments. Target Date: Apr-2024 (Delayed From: Sep-2021)

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<p>#20-05 Development Partners' Work-in-Progress Reserves</p> <p>#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.</p>	FIN	Partly Implemented	The Finance Department reports they have coordinated with Planning, Building and Code Enforcement (PBCE) and the City Manager's Office to successfully complete a pilot to determine the proper accounting treatment of development fee revenues that have been collected for projects still in progress. However, according to the Department, the pilot did not establish a standard protocol for various types of Citywide development fees. Additionally, Finance reports PBCE held a meeting with the external auditor to provide an overview of the issue. Staff in PBCE are in the process of preparing more detailed information with the assistance from the Information Technology Department. According to the Department, determining the exact timeline for the next process remains challenging at this time. Target Date: Dec-2024 (Delayed From: Dec-2021)
<p>#21-01 Police Staffing, Expenditures, and Workload</p> <p>#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.</p>	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)
<p>#21-01 Police Staffing, Expenditures, and Workload</p> <p>#03 To determine the most suitable approaches for responding to certain types of calls, the Police Department should:</p> <p>a. Begin tracking calls that may benefit from an alternative response, such as incidents involving individuals experiencing homelessness or individuals with disabilities.</p> <p>b. Determine whether some of the responses can be diverted to non-sworn staff or coordinated with other City departments or agencies.</p>	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. In February 2024, the Department reported that it evaluated nine categories of police events for possible development of alternative service models. These nine categories included events involving unhoused individuals, disabilities, mental health issues and substance abuse. The Administration concluded that many of these types of events would require coordination with Santa Clara County. Specific proposals to provide this expanded service are pending. Finally, we should note that the Administration reported that adequate data was not available to analyze events that involved individuals with disabilities but anticipates that data may become available in the future. Target Date: Jun-2024 (Delayed From: Jun-2023)
<p>#21-01 Police Staffing, Expenditures, and Workload</p> <p>#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.</p>	PD	Partly Implemented	The Department reports that it plans to evaluate community policing opportunities through its consultant. The Department reports that its Community Engagement Plan is in Phase 1 - information and data collection, stakeholder identification and staff interviews. Target Date: Aug-2024 (Delayed From: Jun-2023)

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<p>#21-01 Police Staffing, Expenditures, and Workload</p> <p>#05 To limit the risk of fatigue and more evenly distribute overtime hours across the department, the Police Department should:</p> <ul style="list-style-type: none"> 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	<p>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 its scheduling software to include most biddable and prescheduled overtime and intends to continue to update it on an ongoing basis. Policy updates to address frequent violations of Duty Manual specified overtime weekly limits are still pending. In November 2023, the Administration's Bi-Monthly Financial Report for September/October 2023 noted that the Police Department's year-to-date overtime expenditures were 18.5% above 2022-23 levels and overtime hours through October (211,906) increased by approximately 8.4% over the same period in the prior fiscal year (195,469). The report further noted that increased overtime usage was attributed to staffing shortages, academy and training for new officers, backfilling street-ready vacancies, increased caseload, and operational impacts in how police services are provided due to policy changes and changes in the law. Target Date: Dec-2024 (Delayed From: Jun-2022)</p>
<p>#21-01 Police Staffing, Expenditures, and Workload</p> <p>#06 To ensure that supervisory staff can better assess the purpose and appropriateness of overtime use, the Police Department should:</p> <ul style="list-style-type: none"> 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	<p>Partly Implemented - Priority</p>	<p>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 reports that it has created a new overtime dashboard which is updated each pay period. Each supervisor can look at the dashboard and drill down to specifics by employee, unit, overtime code or other data inputs. Managers can now review overtime, including how it is being used, and review its overtime policies in consideration of the current staffing issues. 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. Training on the new timecard system and overtime entry will be provided at that time. Target Date: Jul-2024 (Delayed From: Jun-2022)</p> <p>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.</p>
<p>#21-01 Police Staffing, Expenditures, and Workload</p> <p>#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.</p>	PD	Partly Implemented (Subject to meet and confer)	<p>The Department's annual overtime memorandum provides general guidance on pay cars. According to the memorandum "preplanned overtime for pay cars will continue to be authorized as directed by the Chief and outlined in the MOU. These include grant funded programs, backfill pay cars for Patrol, Entertainment Zone, and other programs specifically identified for pay". However, clarification on which specific overtime assignments may be worked for pay or for compensatory time is still pending. Target Date: Dec-2024 (Delayed From: Dec-2021)</p>

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<p>#21-01 Police Staffing, Expenditures, and Workload</p> <p>#09 To supplement sworn police services and manage overall workload challenges in the department, the Police Department should:</p> <p>a. In the context of the overall budget, add more Community Service Officers (CSOs) to address Priority 3 and 4 incidents, and</p> <p>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.</p>	PD	<p>Not Implemented</p> <p>-</p> <p>Priority</p>	<p>As directed in the City Council-approved Mayor's March and June Budget Messages for Fiscal Year 2023-24, the Adopted Budget added six Community Service Officer positions assigned to the San José Downtown area bringing the total number of budgeted CSOs to 67. The Department is exploring additional opportunities for increasing CSO staffing and plans to begin work on developing guidelines to more equitably distribute work among the CSOs across various districts. Target Date: Mar-2025 (Delayed From: Jun-2023)</p> <p>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.</p>
<p>#21-01 Police Staffing, Expenditures, and Workload</p> <p>#10 To better align Department call priorities with CSO work, the Police Department should update its Duty Manual to:</p> <p>a. Reassess its priority list of CSO-dispatchable calls and determine how to better utilize CSOs to address those priorities.</p> <p>b. Include common types of calls not currently listed in the Duty Manual, such as "Suspicious Vehicles" and "Expired Registration".</p> <p>c. Develop a strategy for CSO involvement in community policing, as described in the SJPD Duty Manual.</p>	PD	<p>Not Implemented</p> <p>(Subject to meet and confer)</p>	<p>The Department has not begun work on updating the Duty Manual for parts a) and b) of this recommendation. Per the Department, CSOs are involved in various aspects of community engagement including the Parent Project which is a training program designed for parents. CSOs may volunteer to be trainers for this program; the Department reports that three CSOs are certified trainers in this program. Additionally, CSOs are also involved with backpack giveaways at local schools. However, a formal community engagement strategy for CSOs is still pending. Target Date: Jun-2024 (Delayed From: Jun-2023)</p>
<p>#21-03 Real Estate Services</p> <p>#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.</p>	OEDCA	Partly Implemented	<p>According to Real Estate Services (Real Estate), they have coordinated with the Information Technology Department (ITD) and partner departments, including Transportation; Finance; Parks, Recreation and Neighborhood Services; Housing; Environmental Services; and Public Works to identify needs for an enterprise solution. Real Estate reports that Purchasing is in the final stages of verification for selecting a software provider. This software will give Real Estate the foundation to compile a comprehensive database of the City's real estate assets, including department ownership and uses. Target Date: Sep-2024 (Delayed From: Jan-2024)</p>

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<p>#21-03 Real Estate Services</p> <p>#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:</p> <ul style="list-style-type: none"> 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, and c) Any other information that the Real Estate Services Division deems necessary. 	OEDCA	Partly Implemented	According to Real Estate Services (Real Estate), they have coordinated with the Information Technology Department (ITD) and partner departments, including Transportation; Finance; Parks, Recreation and Neighborhood Services; Housing; Environmental Services; and Public Works to identify needs for an enterprise solution. The bid for a real estate asset and lease management software was published on the City's e-procurement system in September 2023. Real Estate reports that Purchasing is in the final stages of verification for selecting a software provider. This software will give Real Estate the foundation to compile a comprehensive database of the City's real estate assets, including department ownership and uses. Target Date: Sep-2024 (Delayed From: Jan-2024)
<p>#21-03 Real Estate Services</p> <p>#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.</p>	OEDCA	Not Implemented	Real Estate reports that the database software platform referenced in recommendations #1 and #2 from this audit (2103-01 and 2103-02) can be developed in a way that stores the information needed for annual reporting on the City's vacant land inventory. Target Date: Sep-2024 (Delayed From: Jan-2024)
<p>#21-03 Real Estate Services</p> <p>#04 The Real Estate Services Division should work with the multiple departments involved in maintenance of City properties and the Information Technology Department to:</p> <ul style="list-style-type: none"> 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 from this audit (2103-02), 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)
<p>#21-04 Code Enforcement Management Controls</p> <p>#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:</p> <ul style="list-style-type: none"> 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 has drafted revisions to its incident policy to incorporate the listed items in the recommendation. Target Date: Apr-2024 (Delayed From: Oct-2023)

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<p>#21-04 Code Enforcement Management Controls</p> <p>#03 To enforce the Massage Ordinance permitting requirements, the Administration should:</p> <p>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</p> <p>b) Based on the roster of businesses, implement an outreach program to inform and educate massage businesses on the Massage Ordinance.</p>	CMO	Not Implemented	<p>Code Enforcement reconciled their list with the Police Department's active list of Massage businesses. The Police Department and Code Enforcement are working on developing a comprehensive list of massage businesses with ongoing input from both departments. Future roles and responsibilities will be outlined in a Memorandum of Understanding (MOU), which is currently in draft form (see recommendation #7 from this audit - #21-04 #07). Both departments intend to work on the remaining part of this recommendation in the spring of FY 2023-24. Target Date: Jun-2024 (Delayed From: Dec-2023)</p> <p>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.</p>
<p>#21-04 Code Enforcement Management Controls</p> <p>#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.</p>	PD	Not Implemented	<p>The Police Department reports that Permits Unit staff are building out an online permit form and have submitted a purchase request for software to enable notifications to permit holders regarding the expiration of their permits. Staff anticipates implementation in December 2024, following a competitive procurement process. Staff reports they are working with the City's Purchasing Division in Finance and are in the final stages of the RFP process. Target Date: Dec-2024 (Delayed From: Dec-2022)</p> <p>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.</p>
<p>#21-04 Code Enforcement Management Controls</p> <p>#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:</p> <p>a) Massage permit program goals;</p> <p>b) Roles and responsibilities of the different Police Department units and Code Enforcement;</p> <p>c) Expectations for code inspections upon application, renewal, and/or regular compliance;</p> <p>d) Protocols for how and when the Vice Unit should inform the Code Enforcement inspector and Code supervisor of investigatory activities; and</p> <p>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.</p>	PBCE / PD	Partly Implemented - Priority	<p>The Police Department provided a draft of a Memorandum of Understanding (MOU) to Code Enforcement for review in 2023. Code Enforcement is revising the draft Memorandum of Understanding to reflect current procedures, roles, and responsibilities and plans to provide a revised draft to Police in the spring of FY 2023-24. Target Date: Jun-2024 (Delayed From: Dec-2023)</p>

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<p>#21-04 Code Enforcement Management Controls</p> <p>#08 To mitigate risk associated with the massage program, the Police Department and the Department of Planning, Building and Code Enforcement should consider:</p> <p>a) Backgrounding Code Enforcement inspectors assigned to the massage program, at a level determined appropriate by the Police Department's Background Unit, and/or</p> <p>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.</p>	PBCE / PD	Not Implemented	According to Code Enforcement staff, Massage Program Inspectors have been instructed verbally to conduct inspections in pairs as a team and will create a policy formalizing this requirement. Target Date: Apr-2024 (Delayed From: Dec-2023)
<p>#21-04 Code Enforcement Management Controls</p> <p>#11 To aid in evaluating program performance, the Department of Planning, Building and Code Enforcement should:</p> <p>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),</p> <p>b) Either create system-based reports for special program performance measures or establish a process to check inspector-reported data for accuracy, and</p> <p>c) Report performance measures to the appropriate City Council committee.</p>	PBCE	Partly Implemented	Code Enforcement has established goals for special programs such as cannabis and massage. Staff intends to create system-based reports for special program measures and report them to the Public Safety, Finance and Strategic Support Council Committee in coordination with the Police Department as appropriate. Target Date: Dec-2024 (Delayed From: Dec-2023)
<p>#21-04 Code Enforcement Management Controls</p> <p>#12 To better set expectations for staff and address potential risks in its programs, the Department of Planning, Building and Code Enforcement should:</p> <p>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,</p> <p>b) Combine the policies into a comprehensive digital manual, and</p> <p>c) Set a schedule for periodic review of policies and procedures to update as needed.</p>	PBCE	Partly Implemented	Code has developed a comprehensive digital policy manual and a schedule for periodic review of policies and procedures. Code has created a priority matrix and work plan to update Code policies and procedures in the digital policy manual accordingly. Staff reports that assigned policy authors are expected to review and update existing policies and procedures to ensure they reflect current practices and expectations. Target Date: Dec-2024 (Delayed From: Nov-2022)
<p>#21-04 Code Enforcement Management Controls</p> <p>#13 To promote consistent case review practices, the Department of Planning, Building and Code Enforcement should develop training for new Code Enforcement supervisors.</p>	PBCE	Not Implemented	According to Code Enforcement this is delayed because of a vacancy and progress is expected to resume in Q4 of FY 2023-24. Target Date: Jun-2024 (Delayed From: Oct-2023)

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<p>#21-04 Code Enforcement Management Controls</p> <p>#17 Department of Planning, Building and Code Enforcement should develop targets and track Code Enforcement program performance to:</p> <p>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).</p> <p>b) Rebalance workloads or add resources, as needed.</p>	PBCE	Partly Implemented	Code Enforcement intends to review and update Code Enforcement Inspector expectations to incorporate into performance evaluations. The Department is working on reports that will improve how they track inspectors' workloads and performance. Code Enforcement also reports they have changed program staffing and reassigned inspector areas and cases to balance workloads. Target Date: Jul-2025 (Delayed From: Dec-2022)
<p>#21-04 Code Enforcement Management Controls</p> <p>#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.</p>	PBCE	Partly Implemented	According to Code Enforcement, the schedule for appraisal completion has been set based on the date of the last appraisal. Code Enforcement utilizes a tracking sheet provided by Planning, Building, and Code Enforcement Admin to keep apprised of upcoming, due, and overdue appraisals. The Department intends to complete outstanding appraisals by the spring of FY 2023-24. Target Date: Apr-2024 (Delayed From: Oct-2023)
<p>#21-04 Code Enforcement Management Controls</p> <p>#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).</p>	PBCE	Partly Implemented	Code Enforcement has completed a draft of new employee expectations, including six month and one-year probationary checklists of skills and expertise required. The Department intends to use the checklists as criteria in performance evaluations. Target Date: Jun-2024 (Delayed From: Oct-2022)
<p>#21-05 Municipal Water Billing and Customer Service</p> <p>#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.</p>	ESD / ITD	Not Implemented	According to the Department, staff investigated using the Business Process Automation system to manage service orders with online forms. However, according to the Department, there is not a current method to automatically sync data between 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)
<p>#21-05 Municipal Water Billing and Customer Service</p> <p>#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.</p>	ESD	Not Implemented	The purpose of this recommendation was to accurately measure the timeliness of responses to 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 the City's utility billing system. Target Date: Jun-2027

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<p>#21-05 Municipal Water Billing and Customer Service</p> <p>#09 To improve accessibility for customers to view and pay their bills, the Finance Department should work with the Information Technology Department, to:</p> <p>a) Enable Muni Water customers to view detailed statements online, and</p> <p>b) Provide customers the option to receive electronic statements.</p>	FIN / ITD	Implemented	The Finance Department worked with its bill print provider, billing system vendor, and online payment processor to implement new capabilities to allow water, garbage, and sewer utility customers to receive electronic billing statements online.
<p>#22-02 Environmental Review for New Developments</p> <p>#01 To improve the coordination of reviews, the Department of Planning, Building and Code Enforcement should:</p> <p>a. Develop a training plan that includes both formal and informal training options on project management, environmental review, and entitlement review, and</p> <p>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.</p>	PBCE	Partly Implemented	<p>a) Planning, Building and Code Enforcement (PBCE) has developed a training plan that includes topics such as a high-level overview of the California Environmental Quality Act (CEQA) review process in San José, developing project descriptions for Citywide and housing projects, an overview of common exemptions, project and time management best practices, and others. To date, trainings that have been held include CEQA Basics, Initial Study and Environmental Impact Report (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 others. PBCE also has prepared an onboarding academy for all new planners beginning in September 2023.</p> <p>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 a 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 reports that Implementation Project Managers already prepare their own Categorical Exemptions except for Class 32 In-Fill Exemptions. With the publication of a policy that includes standard operating procedures for preparing Class 32 In-Fill Exemptions (which are a type of exemption that requires more analysis), PBCE expects that Implementation Project Managers will have the ability to evaluate and prepare Class 32 In-Fill Exemptions with guidance from the Environmental Review Team. Target Date: Jun-2024 (Delayed From: Dec-2023)</p>

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<p>#22-02 Environmental Review for New Developments</p> <p>#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:</p> <ul style="list-style-type: none"> 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	Implemented	<p>a) Planning, Building and Code Enforcement (PBCE) developed standard operating procedures (SOPs) for environmental impact reports (EIRs), negative declarations/mitigated negative declarations (NDs/MNDs), 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, NDs/MNDs, 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 descriptions. 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 expectations for all City departments at each stage in the environmental review process. It also addresses who is responsible for the overall project timeline. PBCE plans to hold regular training on an annual basis for Development Services partners on roles and expectations, with a focus on Planning; Public Works; Parks, Recreation and Neighborhood Services; Environmental Services; and Transportation.</p>

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<p>#22-02 Environmental Review for New Developments</p> <p>#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.</p>	PBCE	Implemented	<p>Planning, Building and Code Enforcement (PBCE) used existing data from AMANDA and the Environmental Project Tracking sheet to determine a baseline for total project review time by environmental document type (e.g., environmental impact reports (EIRs), negative declarations/mitigated negative declarations (NDs/MNDs), and addendums). Staff have compiled review times and hours for various environmental review documents for 2023. There is also a comparison of average review times for different review types for 2019-2023. PBCE reports it is refining its Customer Service Charter, which includes performance metrics that are being tracked. Specific environmental review timeliness 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. For the Percentage of Administrative Draft reviews completed within the City's target review times, PBCE has a target of 80 percent. For the 2nd measure (average review times), PBCE defines average review times as the total time between Planning application submittal for private development projects or creation of the environmental review folder (for public projects) until project approval by the initial decision-making body. Targets for review time for EIRs are 20 months, 9 months for addendums, 15 months for NDs, and 15 months for MNDs. For 2023, PBCE reports average review times of 32.5 months for EIRs, 13.4 months for addendums, and 20.1 months for NDs/MNDs. Relative to prior years, PBCE attributes the increase in average review times in 2023 for EIRs and Addendums to the impact of approved projects that had been inactive. To help better measure the actual timeline for environmental review, PBCE reports that starting in calendar year 2024, the Environmental Review Team is also tracking the time between submittal of the first Administrative Draft and project approval.</p>
<p>#22-02 Environmental Review for New Developments</p> <p>#04 To promote consistency of environmental review data entry, the Department of Planning, Building and Code Enforcement should:</p> <p>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</p> <p>b. Develop training for staff about the AMANDA guidelines.</p>	PBCE	Not Implemented	<p>Planning, Building and Code Enforcement reports that AMANDA 7 guidelines will be updated after updates are made to the ENV folder in AMANDA 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 of this audit (22-02 #05). Target Date: Sep-2024 (Delayed From: Dec-2023)</p>

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<p>#22-02 Environmental Review for New Developments</p> <p>#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.</p>	PBCE	Implemented	Planning, Building and Code Enforcement (PBCE) tracks key environmental review milestones on an Environmental Tracking Sheet for major projects, and reports that staff have started tracking milestones for minor public project exemptions. This tracking sheet helps with determining metrics for the Customer Service Charter and calculating average review times and average review hours by document type on an annual basis. Staff also track some milestone data on a Completed Projects Tracking Sheet, which is intended for all projects completed in the calendar year. PBCE updated its standard operating procedures for different review types to include instructions for staff to enter in milestone data into the tracking sheets. PBCE still plans to update the AMANDA 7 folder to automate milestone tracking and reporting. PBCE reports that this work will require the commitment of a planner and information technology staff.
<p>#22-02 Environmental Review for New Developments</p> <p>#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.</p>	PBCE	Partly Implemented	a) Planning, Building and Code Enforcement (PBCE) developed templates in Excel to use for project schedule planning by staff and Environmental Consultants that have been posted on the Environmental Review Team SharePoint site. These templates include City target review times for the reviews of environmental impact reports (EIRs), negative declarations/mitigated negative declarations, and initial study/addendums. Templates are expected to be shared with consultants during the scope of work review or the project kick-off meeting. b) Additional tools and templates to support project management are still to be developed. PBCE issued an RFQ in September 2023 for an environmental consultant to assist with drafting and finalizing Environmental Consultant Guidelines with thresholds of significance and updated templates. PBCE reports that it selected a firm in December 2024 and that staff are currently drafting a service order for this work on the guidelines. Target Date: Dec-2024 (Delayed From: Jun-2023)
<p>#22-02 Environmental Review for New Developments</p> <p>#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.</p>	PBCE	Partly Implemented	Planning, Building and Code Enforcement (PBCE) developed a training plan and topics include an overview the California Environmental Quality Act (CEQA) 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 had updated its Environmental Resources Intranet page to include updated information on the CEQA process for public projects, updated 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. PBCE conducted a training in February 2024 for City departments on the CEQA and National Environmental Policy Act (NEPA) process and expectations. The training also touched on resources that are available on the Environmental Resources Intranet page, including guidelines for identifying environmental clearance for City Council memos. Once PBCE completes a training for City staff that addresses the resource on the roles and responsibilities in the environmental review process, this recommendation will be considered implemented. Target Date: Jun-2024 (Delayed From: Jan-2023)

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<p>#22-02 Environmental Review for New Developments</p> <p>#08 To better manage the work done by environmental consultants, the Department of Planning, Building and Code Enforcement should:</p> <p>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</p> <p>b. Consider instituting a list of required consultants.</p>	PBCE	Partly Implemented	<p>a) Planning, Building and Code Enforcement (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 project schedules 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. PBCE has engaged an environmental consultant to assist with finalizing the Environmental Consultant Guidelines (at the time of this update, PBCE was drafting the service order for this work, see recommendation 22-02 #06.b). 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 in October 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. The City is in the middle of an RFQ to update the City List of Approved Environmental Consultants, and possibly expand the number of pre-qualified consultants. Target Date: Dec-2024 (Delayed From: Jun-2023)</p>
<p>#22-02 Environmental Review for New Developments</p> <p>#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.</p>	PBCE	Not Implemented	<p>In Q4 FY 2021-22, staff drafted interim Environmental Consultant Guidelines to help consultants develop their scope of work and schedule. Planning, Building and Code Enforcement (PBCE) reports that staff also reviewed guidelines for other jurisdictions that have thresholds of significance and expectations for quality of work and timeliness. PBCE issued an RFQ in September 2023 for an environmental consultant to assist with drafting and finalizing Environmental Consultant Guidelines with thresholds of significance and updated templates. PBCE reports that it selected a firm in December 2024 and that staff are currently drafting a service order for this work on the guidelines. Target Date: Dec-2024 (Delayed From: Jun-2023)</p>

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<p>#22-02 Environmental Review for New Developments</p> <p>#10 To ensure costs are appropriately recovered, the Department of Planning, Building and Code Enforcement should:</p> <p>a. Review and update guidelines for how to track time spent on environmental reviews and what activities should be billed, and</p> <p>b. Review the cost recovery calculation for environmental review fees.</p>	PBCE	Partly Implemented	<p>a) Planning, Building and Code Enforcement (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 review the hours each planner inputs into AMANDA on a bi-weekly basis when timecards are due, 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-2025</p> <p>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.</p>
<p>#22-02 Environmental Review for New Developments</p> <p>#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.</p>	PBCE	Not Implemented	<p>Planning, Building and Code Enforcement (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, and that planners continue to do administrative tasks. Target Date: Jun-2024 (Delayed From: Dec-2022)</p> <p>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.</p>

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<p>#22-02 Environmental Review for New Developments</p> <p>#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.</p>	PBCE	Partly Implemented	<p>Instead of presenting to Council options for broader environmental analyses as recommended in the audit, Planning, Building and Code Enforcement (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. 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. A service order for the Five-Wounds Urban Village has been executed, and a service order for the Monterey Corridor in Coyote Valley is yet to be executed. PBCE reports that it is currently reviewing proposals from consultants for the proposed Saratoga Urban Village Plan. PBCE plans to incorporate lessons learned from current efforts into a policy for staff to aid future projects pursuing program-level environmental clearance. However, PBCE reports that funding continues to be a barrier to preparing program-level reviews. The purpose of this recommendation was to address this funding problem by presenting to the City Council options to streamline environmental reviews (including the funding needed), so that Council could make informed policy decisions as part of the City's comprehensive planning efforts. Target Date: Jun-2024 (Delayed From: Dec-2022)</p>
<p>#22-03 Citywide Grant Management</p> <p>#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:</p> <ul style="list-style-type: none"> 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	<p>Not Implemented - Priority</p>	<p>The Finance Department has identified three permanent positions and four limit-dated positions as of July 1, 2023 to focus on grants-related work for FY 2023-24. Finance reports the team has begun drafting the framework and outline of a new Citywide Grants Management policy, aiming to establish comprehensive guidelines and procedures across City departments. The Department intends to finalize a draft of this Administrative Policy by June 30, 2024. Target Date: Jun-2024 (Delayed From: Jun-2023)</p>
<p>#22-03 Citywide Grant Management</p> <p>#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.</p>	FIN	Not Implemented	<p>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: Jun-2024 (Delayed From: Dec-2022)</p>
<p>#22-03 Citywide Grant Management</p> <p>#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.</p>	FIN	Not Implemented	<p>The Finance Department reports that it plans to develop a systematic process for regularly submitting the City's Indirect Cost Allocation Plan (CAP) to the City's cognizant federal and state agencies to comply with federal and state guidelines for reimbursable indirect costs. Additionally, the Department is in the process of recruiting an external CAP consultant to provide assistance with this project. Target Date: Jun-2024 (Delayed From: Jun-2023)</p>

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<p>#22-04 Take-Home Vehicles</p> <p>#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:</p> <p>a) Better define roles and responsibilities of department liaisons, Public Works, and the City Manager's Office,</p> <p>b) Provide acceptable mechanisms to calculate call-backs, such as required documentation of reported numbers, and</p> <p>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.</p>	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 April 2024. Target Date: Apr-2024 (Delayed From: Nov-2022)
<p>#22-04 Take-Home Vehicles</p> <p>#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:</p> <p>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</p> <p>b) Submit exemption requests for employees that do not meet all the policy requirements.</p>	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: Apr-2024 (Delayed From: Jan-2023)
<p>#22-04 Take-Home Vehicles</p> <p>#03 To monitor for potential personal use:</p> <p>a) Public Works should ensure take-home vehicles are equipped with telematics, as appropriate, and relevant department staff have access to telematics.</p> <p>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.</p>	PW	Partly Implemented	Public Works reports that staff are conducting the final rollout of telematics migration. Public Works is also in the process of updating the City Policy Manual (CPM 1.8.1). Target Date: Apr-2024 (Delayed From: Apr-2023)
<p>#22-04 Take-Home Vehicles</p> <p>#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.</p>	PW / FIN	Partly Implemented	Public Works and Finance report drafting an update to CPM 1.8.1 and expect to complete it by April 2024. Target Date: Jun-2024 (Delayed From: Nov-2022)

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<p>#22-04 Take-Home Vehicles</p> <p>#05 To ensure accuracy of IRS reporting of taxable fringe benefits, the Finance Department should:</p> <p>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</p> <p>b) Revise the calculation of taxable fringe benefits to remove call-back events from the commute mileage.</p>	FIN / PW	Partly Implemented	<p>The Finance Department revised the calculation of taxable fringe benefits (removed the call back events from commute mileage) 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' Technology Services team is working to upload vehicle data into its fleet management software. Target Date: Jun-2024 (Delayed From: Dec-2022)</p>
<p>#22-05 Bill of Rights for Children and Youth</p> <p>#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:</p> <p>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.</p> <p>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.</p> <p>c) Implement a process for children and youth to access the spectrum of City programs and services, regardless of their entry point.</p>	CMO	Partly Implemented	<p>a) In collaboration with the Library and Parks, Recreation and Neighborhood Services (PRNS), the Administration created a centralized portfolio to record and track programs and services that was cross-referenced with the Bill of Rights for Children and Youth. It 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 Office of Education, community-based organizations, etc.).</p> <p>b) The Library and PRNS report they are continuing to enhance equity in service delivery. The Equity, Diversity and Inclusion Quality Standards were piloted with four Library adult programs, resulting in first assessments in September 2023. The Library also integrated Equity, Diversity and Inclusion workshops in its annual professional development conference for all Library staff, which included presentations on equity and cultural competency. PRNS developed internal procedures and practices to conduct targeted outreach to underserved and under-resourced communities to provide them priority registration for youth recreation, enrichment, aquatics, and other programs. PRNS used American Rescue Plan funds to increase its scholarship budget to provide greater access to families who would not be able to afford program registration costs. The City's Youth Commission promotes resources and opportunities to ensure equitable access to marginalized youth. In Fall 2023, the Youth Commission presented its FY 2023-24 work plan using newly revised Muni Code Function, Powers, and Duties to council. This included three objectives: (1) to write a Youth Participatory Budget Program pilot proposal; (2) to inform and cultivate environmental advocacy among youth and to upscale existing environmental solutions; and (3) to explore and understand sexual harassment and assault support services. The Administration reports that while the Children and Youth Services Master Plan will have a citywide focus, they plan to intentionally focus on developing a "safety-net", that includes an infrastructure and process, to increase accessibility of City programs to children and youth of underserved communities.</p> <p>c) As a part of the overall Children and Youth Services Master plan, the Administration reports that it is currently working collaboratively across City departments and external community stakeholders to develop a Citywide integrated and coordinated strategic approach. The Administration reports it is developing a process and strategy to provide a seamless approach for children, youth, and their families to access the spectrum of City programs and services, regardless of entry point. Target Date: Jun-2024</p>

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<p>#22-05 Bill of Rights for Children and Youth</p> <p>#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:</p> <p>A. Define metrics to assess overall progress towards desired outcomes identified in the Bill of Rights for Children and Youth.</p> <p>B. Develop a reporting schedule to the appropriate City Council committee on these metrics.</p> <p>This may require establishing data sharing agreements with partners, potentially including school districts and the Santa Clara County Office of Education.</p>	CMO	Partly Implemented	<p>a) As mentioned in the status update for recommendation #1 from this audit (2205-01), 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 has identified 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 Young Adults. 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. In addition, City staff will work collaboratively with external partners to refine program performance measures in alignment with the Children and Youth Services Master Plan priority areas.</p> <p>b) The Administration presented a draft Children and Youth Services Master Plan to the Neighborhood Services and Education (NSE) Committee in February 2024. The Administration plans to update this plan with feedback from the committee, and will bring this to the full City Council. Upon completion of the Children and Youth Services Master Plan, the Administration plans to develop a reporting schedule to provide ongoing updates to NSE. Target Date: Jun-2024</p>
<p>#22-06 COVID-19 Food Distribution Expenditures</p> <p>#01 For FEMA and ARPA funded expenditures, the Administration should document in its emergency cost recovery files:</p> <ul style="list-style-type: none"> • 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). <p>For expenses where the Administration is unable to document compliance with appropriate requirements, it should reallocate those expenses to alternate funding sources.</p>	FIN	<p>Not Implemented</p> <p>-</p> <p>Priority</p>	<p>The Finance Department has identified three permanent positions and four limit-dated positions, funded through June 30, 2024. According to the Department, the group manages the administration of 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. In addition to the seven positions above, Finance reports hiring an overstrength Analyst, who is responsible for documenting the City’s compliance with sole-source contracts and working with the Purchasing Division on cost-pricing analysis. 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</p> <p>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.</p>

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<p>#22-06 COVID-19 Food Distribution Expenditures</p> <p>#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:</p> <ul style="list-style-type: none"> 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	<p>According to Parks, Recreation and Neighborhood Services (PRNS), the Department conducted several risk-based reviews of supporting documentation from food partners during site visits and when receiving invoices for contracts from June to December 2022. Additionally, staff reported cross-referencing intake forms, delivery documents, invoice totals, and service and expenditure reports. PRNS has worked with food vendors to clarify errors or outliers in invoices or service reports. PRNS and the Finance Recovery Group are retroactively monitoring the remaining food distribution contracts. The Finance Recovery Group identified 14 agreements with a high need for sample documentation. According to PRNS, one Part-Time Recreation Leader has been assigned to request intake forms, participant data, and performance reports from the contracted vendors. Of the 14 identified agreements, PRNS reports receiving full documentation for seven contracts, partial documentation for six agreements, and no documentation for one agreement. PRNS plans to submit the documentation to the Finance Recovery Team for review and address further documentation requests as needed. Target Date: Jun-2024 (Delayed From: Jun-2023)</p> <p>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.</p>
<p>#22-06 COVID-19 Food Distribution Expenditures</p> <p>#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.</p>	CMO	Not Implemented	<p>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, and they plan to present the updates to the City Council for approval in May 2024. 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. Finance intends to work 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: Jun-2024 (Delayed From: Jun-2023)</p>
<p>#22-06 COVID-19 Food Distribution Expenditures</p> <p>#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.</p>	FIN / CMO	Not Implemented	<p>The Finance Department issued a Request for Proposal that closed in November 2023. The requested services include reviewing existing policies and procedures related to procurement and documentation during a disaster. According to Finance, the Department and consultant will develop Citywide processes in accordance with Uniform Guidance, which establishes uniform administrative requirements, cost principles, and audit requirements for Federal awards to non-Federal entities. Finance and the Office of Emergency Management report that these newly developed Citywide processes will be included in the Citywide Grants Management Policies and Procedures and referenced in the Emergency Operations Plan. Target Date: Jun-2024</p>

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<p>#22-08 Tree Removals and Replacements</p> <p>#02 To support planners' decisions regarding technical issues relating to trees, the Department of Planning, Building and Code Enforcement should:</p> <p>a. Create guidance for how decisions regarding the health of a tree and whether the tree is native should be made, or</p> <p>b. Provide planners with further access to certified arborists as needed, either through contractors or City arborist position(s).</p>	PBCE	Implemented	Planning, Building and Code Enforcement (PBCE) has updated its policies and procedures governing the review of tree removal permits and development review applications that include tree removals. These documents include instructions for planners to seek additional support from the City Arborist when making decisions regarding technical issues related to trees, including the health and species of trees identified for removal. As of July 2023, the workflow for live tree removal and development review applications that include tree removals are routed to the Forestry Division in the Department of Transportation for their comments on an as needed basis.
<p>#22-08 Tree Removals and Replacements</p> <p>#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</p>	PBCE	Partly Implemented	In June 2023, Planning, Building and Code Enforcement (PBCE) reported staff in the Planning Division had 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. According to the Department, Planning staff are engaged in additional analysis and discussions to determine if the Fee Schedule should be updated. At this time, PBCE Management reports these efforts remain ongoing. Target Date: Nov-2024 (Delayed From: Dec-2023)
<p>#22-08 Tree Removals and Replacements</p> <p>#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.</p>	PBCE	Partly Implemented	According to the Planning, Building and Code Enforcement (PBCE), 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. In lieu of hiring new staff to facilitate this role, the Department reports they are exploring using existing staff and modifying existing processes to implement this recommendation. In addition, PBCE reports they are working on updates to the permitting system to require the collection of landscape and irrigation installation certifications prior to issuance of a Certificate of Occupancy. Target Date: Jun-2024
<p>#22-08 Tree Removals and Replacements</p> <p>#06 To sufficiently recuperate lost canopy due to tree removals, Planning, Building and Code Enforcement, in coordination with the Department of Transportation, should:</p> <p>a. Review the tree replacement ratio to determine if it is appropriately meeting the goals of the community forest program,</p> <p>b. Revise the tree replacement policy to include considerations for canopy size and optimal species of replacement trees, and</p> <p>c. Provide permit applicants with guidance for appropriate tree selection to meet the replacement policy requirements and to best ensure tree survival.</p>	PBCE / DOT	Partly Implemented	The Administration reports that with the adoption of Citywide Design Standards and Guidelines 2.3.8 Landscaping and Stormwater Management, many of the objectives outlined in this recommendation will be accomplished. According to the Administration, the Standards includes shading requirements, space and soil volumes, and tree spacing, and is expected to be adopted by June 30, 2024. In addition, Planning, Building and Code Enforcement (PBCE) reports Planning Division staff will continue to coordinate with Forestry Division staff in the Department of Transportation to develop resources for permit applicants with more guidance on appropriate tree sizes and selection as replacement to ensure the best survival of these trees. Target Date: Jun-2024

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<p>#22-08 Tree Removals and Replacements</p> <p>#07 To ensure that in-lieu fees are spent in timely and appropriately, the Department of Transportation should:</p> <p>a. Identify locations or uses for unspent in-lieu fee revenues that have accumulated since 2018,</p> <p>b. Develop a set of procedures to ensure that plantings are accurately charged to the in-lieu fee appropriation,</p> <p>c. Develop a set of criteria/policy that dictates how and when in-lieu fees should be used on plantings, and</p> <p>d. Regularly review data from AMANDA to determine new in-lieu fees that were collected.</p>	DOT	Partly Implemented - Priority	In June 2023, the Department of Transportation reported 779 off-site replacement trees had been planted with in-lieu fees, resulting in the expenditure of \$325,350 and obligation of a further \$498,000 for maintenance for total expenditures of \$823,350. As of December 2023, staff report efforts to identify new planting spaces throughout the city is ongoing. According to the Department, efforts to address part b, c, and d of this recommendation are underway and projected to be completed by June 2024. Target Date: Jun-2024 (Delayed From: Dec-2023)
<p>#22-08 Tree Removals and Replacements</p> <p>#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.</p>	DOT	Partly Implemented	The Department of Transportation (DOT) reports the development of new metrics to measure progress towards City planting objectives is still ongoing. According to the Department, the Transportation and Aviation City Service Area will be evaluated in FY 2024-25 with new measures to be adopted by FY 2025-26 per the City Manager's Office. The Department reports Forestry Division staff is waiting to adopt new community forest metrics to align efforts with that work. Additionally, the Department reports between July 1, 2022 and June 30, 2023, 1,983 trees were planted within the public right of way and within parks. As of January, 2024, the Department reports an additional 1,939 trees have been scheduled for planting. Target Date: Jun-2026 (Delayed From: Dec-2023)
<p>#22-08 Tree Removals and Replacements</p> <p>#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.</p>	PBCE	Implemented	According to Planning, Building and Code Enforcement (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 has created a report in the permitting system that will generate these metrics to assist staff in measuring changes to the City's community forest canopy. Additionally, the Department reports they have updated their standard operating procedures to reflect the new required information fields.
<p>#22-08 Tree Removals and Replacements</p> <p>#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.</p>	DOT	Partly Implemented	The Department of Transportation (DOT) reports a partnership with Cal Fire, and the Western Chapter of the International Society of Arboriculture has secured a federal grant for \$150,000 to conduct public outreach about proper tree care. According to the Department, coordination with the Community Forest Advisory Committee to develop an outreach strategy to increase the scale of tree plantings and grow the community forest canopy is ongoing. This includes identifying an outreach strategy to inform residents about the benefits of the community forest, developing metrics to measure the performance/success of the outreach efforts, as well as documenting and reporting on those outreach efforts. Additionally, DOT reports a street tree planting project has been reviewed by the Community Forestry Advisory Committee, with outreach for this planting project anticipated to begin in late Summer 2024. Target Date: Jun-2026 (Delayed From: Dec-2023)

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#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 it forward for Council approval once it has been reviewed by relevant staff. Target Date: Dec-2024 (Delayed From: 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
#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	Partly Implemented	Parks, Recreation and Neighborhood Services (PRNS) reports that BeautifySJ established a performance measure for 80 percent of clean-ups to be completed on-time and met with the San Jose Conservation Corps (SJCC) in August 2023 to discuss the new measure. In October 2023, BeautifySJ reports meeting with SJCC leads to review training and reporting requirements for their staff, and outlined how to properly file reports, request equipment, perform billing, report on tonnage, and sort through collected items. The Department notes that the new performance metric and requirements for training and reporting would be outlined in future contract agreements with SJCC starting in FY 2024-25. Target Date: Jul-2024
#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	Parks, Recreation and Neighborhood Services (PRNS) reports working with the Finance Department and City Attorney's Office to determine the breakdown of indirect costs in the agreement. The Department also reports that they are drafting an amendment to ensure compliance with federal Uniform Guidance. Target Date: Jun-2024 (Delayed From: 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	Partly Implemented	Parks, Recreation and Neighborhood Services (PRNS) reports that BeautifySJ staff met with San Jose Conservation Corps (SJCC) supervisors in June 2023 to discuss required trainings for handling bloodborne pathogens and general first aid. According to PRNS, current SJCC staff have completed CPR and bloodborne pathogen trainings, and they have reportedly incorporated it into their onboarding process prior to staff beginning fieldwork. PRNS reports that SJCC is working on incorporating a biowaste and sharps handling training into their onboarding process as well. PRNS also reports requesting proof of all completed trainings by SJCC, and created a training log to track current and future SJCC employees. BeautifySJ and SJCC developed standard operating procedures for handling and reporting hazards in September 2023. The Department anticipates having SJCC's training records in the spring of 2024 and memorializing the new training requirements into future contract agreements with SJCC starting in FY 2024-25. Target Date: Jul-2024 (Delayed From: Mar-2024)

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<p>#23-01 San Jose Conservation Corps</p> <p>#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.</p>	PRNS	Partly Implemented	Parks, Recreation and Neighborhood Services (PRNS) reports working with the Information Technology Department to develop a new Encampment Management System that will allow for streamlined reporting of hazards, with soft launch beginning in February 2024 and rollout to the public in November 2024. BeautifySJ reports training San Jose Conservation Corps (SJCC) staff in June 2023 on how to record reports and refer to the proper teams when safety hazards arise. PRNS also reports retraining SJCC leadership on survey data entry and reporting procedures in October 2023, and holding internal retrainings for their staff in early 2024. Target Date: Nov-2024 (Delayed From: May-2024)
<p>#23-03 Integrated Waste Management Enforcement Program</p> <p>#01 The Environmental Services Department should clarify the Integrated Waste Management Enforcement team's mission, goals, and role in enforcing section 9.10 of the San José Municipal Code, including reassessing how to prioritize workload and developing success metrics for the team's activities.</p>	ESD	Partly Implemented	The Department is working to clarify the mission, goals, and role of the Integrated Waste Management Enforcement team in enforcing section 9.10 of the San José Municipal Code. IWM has also updated instructions on reporting illegal dumping. The Department has created success metrics for the IWM Enforcement team's activities, such as a goal of conducting four inspections per day. Target Date: Jun-2024
<p>#23-03 Integrated Waste Management Enforcement Program</p> <p>#02 The Environmental Services Department should set formal performance expectations for the Integrated Waste Management Environmental Inspectors' daily activities, such as inspections, outreach, and other required tasks, and monitor performance in relation to those expectations.</p>	ESD	Implemented	The Department implemented an average inspection expectation of four per workday in June 2023. To monitor performance, the Integrated Waste Management Enforcement supervisor holds weekly one-on-one meetings with the inspectors to review casework, assist with efficient enforcement, review special projects assigned, and work towards reaching the goal of four inspections per workday. A new tool assists inspectors with calculating their inspections per workday average. Furthermore, the department added a list of standard outreach handouts to the procedures to ensure educational materials are provided during all inspections.
<p>#23-03 Integrated Waste Management Enforcement Program</p> <p>#03 The Environmental Services Department should clarify procedures for when Integrated Waste Management Environmental Inspectors should notify SJ311 staff of illegal dumping observed in the field, and train staff accordingly.</p>	ESD	Implemented	The Department updated procedures to include reporting illegal dumping to 311.sanjoseca.gov during inspections if the material is in front of the incident address or is blocking nearby sidewalks, driveways, traffic, or bike lanes.
<p>#23-03 Integrated Waste Management Enforcement Program</p> <p>#04 To allow inspectors to focus on higher-risk inspections, the Environmental Services Department should update the Integrated Waste Management Enforcement team procedures to send reminder notices to properties that have suspended garbage service or closed collection accounts and only conduct inspections if the problem is not resolved.</p>	ESD	Implemented	In July 2023, the Integrated Waste Management Enforcement team worked with the City Attorney's Office to approve a standard informational letter to mail to commercial solid waste account holders with interrupted or no solid waste service with the authorized commercial hauler. IWM began mailing these letters in October 2023. If, after ten days, the account holder does not reestablish service, an inspector is expected to conduct an inspection. The supervisor is responsible for mailing the letters after receiving the report from the commercial hauler.

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<p>#23-03 Integrated Waste Management Enforcement Program</p> <p>#05 To identify potentially unreported violations, the Environmental Services Department should update the Integrated Waste Management Enforcement procedures for proactive inspections to focus inspector attention on areas that have fewer complaints based on factors such as multi-family housing and commercial density, and tailor proactive work based on the needs of identified communities.</p>	ESD	Not Implemented	<p>The Environmental Services Department reports it is exploring connecting a GIS map with the Integrated Waste Management Enforcement team's database with the help of Public Works. It intends to visualize areas of the City with low enforcement activity for inspectors to enforce violations found and provide educational outreach, such as reporting concerns to IWM Enforcement or using the City's no-added-cost junk pickup program. Target Date: Jun-2024</p>
<p>#23-03 Integrated Waste Management Enforcement Program</p> <p>#06 The Environmental Services Department should procure a new software solution for the Integrated Waste Management team that allows for streamlined data entry and management to free up time for inspectors to spend more time in the field.</p>	ESD	Not Implemented	<p>The Department reports that procuring a new database for the Integrated Waste Management and Watershed Protection's enforcement teams is underway. Stakeholders in IWM and Watershed met throughout 2021 and 2022 to create a list of needed features and improvements to the current database. Procurement is currently awaiting approval by the Procurement Prioritization Board. At the time of this update, the procurement request was currently the top item on the Procurement Prioritization Board list. Target Date: Jun-2026</p> <p>Potential Monetary Benefit: We estimate that reducing the time required for data entry and administration would free up one hour of inspector time per day. The annual savings of four inspectors having one more hour per day would be \$77,000.</p>
<p>#23-03 Integrated Waste Management Enforcement Program</p> <p>#07 To maximize the time that inspectors spend in the field, the Environmental Services Department should update the Integrated Waste Management Enforcement procedures to clarify the extent of research appropriate to find a responsible party, or when to contact a property owner if contact information for a tenant or other responsible party is not readily accessible.</p>	ESD	Implemented	<p>The Department updated the responsible party research procedures to limit contact information research in commonly used databases to five minutes.</p>
<p>#23-04 Housing Performance Measures</p> <p>#01 In conjunction with the Administration's initiative to revise performance measures in the Operating Budget, and implement the City Focus Areas, the Administration and Housing Department should, using logic models or some other means:</p> <p>a) Revise the Housing Department's performance measures in the City's Operating Budget to reflect better indicators of performance for the Department, and</p> <p>b) Reduce and align the number of performance measures across the City's Operating Budget and other Housing-related performance reports or dashboards (to the extent allowable based on funding sources).</p>	HSG	Partly Implemented	<p>As part of the City Service Area (CSA) performance modernization through the Outcomes, Community Indicators, and Performance Management Initiative, the Housing Department plans to revise its performance measures in the Operating Budget in coordination with the City Manager's Office of Administration, Policy, and Intergovernmental Relations, the Budget Office, and the Office of Racial Equity. In doing so, the Housing Department plans to make its performance measures more reflective of current programs and make them better aligned with other recurring reports that leverage Housing Department performance measures. The Housing Department plans to phase out performance measures that are no longer meaningful for decision-making. The performance modernization is projected to utilize the CSA structure as a type of logic model that aligns measures around inputs (budget resources), activities (core services and budget programs), outputs (activity and workload highlights), processes (performance measures), and outcomes (community indicators). Target Date: May-2024</p>

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<p>#23-04 Housing Performance Measures</p> <p>#02 To ensure consistency and reliability of performance measures, the Housing Department should document methodology for measures in the Operating Budget and other year-over-year reports and dashboards.</p>	HSG	Not Implemented	As part of the City Service Area (CSA) performance modernization through the Outcomes, Community Indicators, and Performance Management Initiative, Housing Department staff plans to collect historical performance data and document the methods used for collecting and visualizing that data. This work is planned to be done in coordination with the City Manager's Office of Administration, Policy, and Intergovernmental Relations. The Department anticipates that documentation will help demonstrate accountability, share progress, and inform stakeholders in a manner that is both repeatable and reliable, which is essential to build trust and confidence in the Department's reporting. Target Date: Jul-2024
<p>#23-04 Housing Performance Measures</p> <p>#03 The Administration and the Housing Department should identify and report meaningful targets to provide context for reported results for key performance measures in its different reporting platforms.</p>	HSG	Not Implemented	Following the revision of its performance measures in the Operating Budget and documenting the process by which Department performance metrics are collected, the Department plans to review those metrics for the entirety of Fiscal Year 2022-23. Based on those results, which the Department anticipates will give a strong understanding of its performance in both producing new affordable housing and addressing the City's homelessness crisis, the Department plans to establish and report on meaningful performance targets for Fiscal Year 2023-24. This is planned to be done in coordination with the City Manager's Budget Office and Office of Racial Equity. The intention is to give the Department a strong foundation for guiding service improvements, providing visibility into its challenges, and soliciting ideas in areas where they can have the greatest impact. Target Date: Aug-2024
<p>#23-05 Retirement Services</p> <p>#01 To ensure that the Office of Retirement Services has efficient operations and strong internal controls around administrative functions, the Office of Retirement Services and the Retirement Boards, in coordination with the City Administration and the City Attorney's Office, should either:</p> <p>a) Adopt the City's policies and procedures related to information systems and technology, and support services such as procurement, invoice processing, and other relevant administrative functions, or</p> <p>b) Develop a set of internal policies and procedures that are in alignment with the City's policies and procedures.</p>	RET	Partly Implemented - Priority	The Retirement Boards have adopted City policies relating to information systems and technology, ethical conduct, and fair employment, among others. The Retirement Boards have adopted the City's procurement policies for some goods and services, but are working with a consultant and their fiduciary counsel to develop separate policies for the remaining services. Meanwhile, the City Attorney's Office, at the direction of the City Council, has developed Municipal Code changes that would explicitly state that the City's procurement process in Part 4.12 of the Municipal Code apply to the Retirement Boards. These changes are being presented to the Retirement Boards in spring 2024, with discussion and possible action by the City Council to be held at a later date. Target Date: Jun-2024

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<p>#23-07 Residential Building Permits</p> <p>#01 To ensure the Planning, Building and Code Enforcement's staffing plan accurately considers Building's ongoing staffing challenges, the Department should develop a longterm staffing strategy that:</p> <p>a. Expands its recruiting efforts by bolstering advertising for specific positions, including outreach and career fairs in which potential candidates can learn more about the department.</p> <p>b. Continues and potentially prioritizes recruitment for entry-level positions, such as Engineer I/II, and works with local universities to create short-term career programs, such as internships.</p> <p>c. Considers how the department uses consultants and other staff, such as inspectors or other positions, for reviewing residential plans as appropriate.</p>	PBCE	Partly Implemented	Planning, Building and Code Enforcement (PBCE) reports completing the Engineer I/II recruitment, with two new engineers joining the plan review team. According to the Department, PBCE is also working with the Human Resources Department to explore adding a new job classification to create more opportunities for people with varied education and experience backgrounds to join the team. PBCE continues to use inspection staff for reviewing plans for smaller projects, as well as supplementing with peak staffing while recruiting for permanent positions. PBCE also reports continuing to evaluate cooperative career programs with universities. Target Date: Jun-2024
<p>#23-07 Residential Building Permits</p> <p>#02 In conjunction with the long-term staffing strategy, to ensure that the Building Division has the resources needed to accommodate ongoing workload, Planning, Building and Code Enforcement should reassess the assumptions in its permit fee model and update and document current staffing assumptions related to the expected time necessary for staff to complete work, vacancy rates, dedicated ADU staffing, use of consultants for residential plan review, estimated workload volume, and use of reserves.</p>	PBCE / CMO	Not Implemented	Planning, Building and Code Enforcement (PBCE) plans to ensure the assumptions utilized in the fee model are correct on an annual and on-going basis to ensure the needed resources are available to complete the work, including incorporating long-term staffing requirements that staff will identify and model. Target Date: Sep-2024
<p>#23-07 Residential Building Permits</p> <p>#03 In order to ensure consistency of plan review fees, Planning, Building and Code Enforcement should:</p> <p>a. Provide ongoing training to Plan Reviewers on charging actual time, even when hours spent exceed the initial estimates. Further, the training should include whether Senior Engineers may charge time to customers for oversight and coordination when plan reviews are completed by consultants.</p> <p>b. Work with the Information Technology Department to adjust plan check fees in AMANDA to the current fiscal year adopted fee rates.</p>	PBCE / ITD	Not Implemented	Planning, Building and Code Enforcement (PBCE) reports holding discussions regarding billable versus non-billable time during plan review staff meetings. The plan review team aims to create a formal training plan to ensure consistent plan review fees. PBCE plans to work with the Information Technology Department to ensure that correct plan review fees are assessed with the mid-August effective date of the newly adopted fee rates. Target Date: Sep-2024

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<p>#23-07 Residential Building Permits</p> <p>#04 To improve the process for assigning projects to Plan Review staff or consultants, Planning, Building and Code Enforcement should:</p> <p>a. Develop a process to assign projects to appropriate staff in a timely manne</p> <p>b. Clarify which types of projects should be reviewed by inspectors and track the timeliness of completing reviews for first comments and resubmittals.</p> <p>c. Standardize the process for assignment of projects among staff for plan review.</p>	PBCE	Partly Implemented	According to Planning, Building and Code Enforcement (PBCE), the Department provided direction to plan review staff to assign incoming projects by the end of the week, with written procedures on assigning projects underway. PBCE publicly reports the number of days to send first plan review comments upon completing intake for single-family additions, alterations, and new construction projects on the Department's Customer Service Charter dashboard. PBCE intends to expand this tracking to resubmittal comments. Target Date: Jun-2024
<p>#23-07 Residential Building Permits</p> <p>#05 In order to provide realistic estimates for the plan review phase of a project, Planning, Building and Code Enforcement should communicate its actual timeframes for providing first comments to customers, and reassess whether its plan review targets are still achievable given staffing resources, and update the estimates if needed.</p>	PBCE	Not Implemented	The Building Division's webpage states there is a delay in the published plan review timelines. Planning, Building and Code Enforcement (PBCE) plans to reassess targets, update timeline estimates, and communicate with customers as part of the Department's improvement initiatives. Target Date: Jun-2024
<p>#23-07 Residential Building Permits</p> <p>#06 To reduce the number of resubmittals, Building should develop a formal policy for when plan reviewers should call or meet with customers to discuss review comments with a goal of reducing delays for customers.</p>	PBCE	Not Implemented	Planning, Building and Code Enforcement (PBCE) reports they intend to create a policy addressing outreach to applicants to avoid extensive resubmittals and delays. PBCE plans to place the policy in its Policy and Procedure Hub, which is accessible to plan review staff, and track the policy's impact through the Department's Customer Service Charter and metrics. Target Date: Jun-2024
<p>#23-07 Residential Building Permits</p> <p>#07 To provide consistent oversight of consultant services and ensure compliance with agreement requirements, Planning, Building and Code Enforcement should develop written procedures to:</p> <p>a. Clarify roles and responsibilities on providing oversight;</p> <p>b. Track plan review hours expended to ensure accuracy of invoiced time;</p> <p>c. Spot check consultant work completed to ensure consistency in quality and accuracy;</p> <p>d. Document compliance with the City's Form 700 requirements;</p> <p>e. Ensure approval of all consultants prior to beginning work; and</p> <p>f. Provide data entry access to consultants.</p>	PBCE	Partly Implemented	Planning, Building and Code Enforcement (PBCE) plans to create a standard operating procedure related to the use of consultant services to ensure that all staff overseeing consultants follow the same onboarding and oversight procedures. SJePlans, a project management software, was implemented for Building's plan review group in October 2023. The software allows reviewers to directly view and comment on plans submitted electronically by customers. Consultants also have access to the software to add and send review comments. Additionally, PBCE reports tracking consultant hours for verification against invoiced times. Target Date: Jun-2024

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<p>#23-07 Residential Building Permits</p> <p>#08 To reduce appointment wait times for customers and increase access to more appointment slots, Planning, Building and Code Enforcement should:</p> <p>a. Expand optional residential intake appointments, while maintaining appointment access to those customers with more complex projects or for those that request or need them.</p> <p>b. Evaluate whether the default appointment times can be reduced by different time options for the different types of projects.</p>	PBCE	Implemented	With the launch of self-start applications and a new project management software in October 2023, Planning, Building and Code Enforcement (PBCE) removed the requirement for intake appointments with a Permit Specialist for projects submitted through the residential service and accessory dwelling unit service. Specialized services, such as the residential express service, continue to require an appointment to conduct plan review for qualified projects at a reserved time slot. Customers can start their applications and upload plans online at any time. PBCE reports that submitted applications are distributed to Permit Specialists for intake review on a first-come, first-serve basis. Customers requiring additional assistance with completing their applications can email the Customer Success Team, submit a help desk ticket, or visit the Permit Center in-person. Though PBCE has not reduced the default appointment times for residential express projects, we recommend closing this recommendation based on the other actions taken. We urge PBCE to continue to review those default appointment times moving forward.
<p>#23-07 Residential Building Permits</p> <p>#09 In order to make current appointments more efficient and reduce the likelihood of customer no-shows, Planning, Building and Code Enforcement should:</p> <p>a. Enforce its appointment cancelation policy for applications submitted without required documents that have been unresponsive to contact by Permit Center staff;</p> <p>b. Formalize a queuing process to make canceled appointments available to future appointment holders who have uploaded application materials early; and</p> <p>c. Educate customers on having a successful permit and plan review experience through outreach, recorded webinars, and training brochures on required steps, forms, fees, and communication methods.</p>	PBCE	Partly Implemented	With the launch of self-start applications and a new project management software in October 2023, Planning, Building and Code Enforcement (PBCE) removed the requirement for most intake appointments with a Permit Specialist. Projects submitted through the residential express service continue to require an appointment to conduct plan review for qualified projects at the time of intake. PBCE reports that submitted applications are distributed to Permit Specialists for intake review on a first-come, first-serve basis. To help ensure a successful permit intake, plan review, and issuance experience for customers, the Department added written instructions and tutorial videos on SJePlans, such as how to upload application materials and respond to plan review comments. Building plans to have its annual open house event in May 2024. Target Date: Jun-2024
<p>#23-07 Residential Building Permits</p> <p>#10 To standardize current permit processes, Planning, Building and Code Enforcement should develop standard operating policies for the Permit Center on assigning projects for permit issuance, follow-up on outstanding fees, and guidance on forwarding projects to the appropriate Development Partners.</p>	PBCE	Not Implemented	Planning, Building and Code Enforcement (PBCE) reports that it is in the process of creating procedural documents for the Permit Center team for assigning projects for issuance, following-up on outstanding fees, and forwarding projects to appropriate Development Partners. The procedures would apply to standard projects that go through SJePlans, as well as select projects that do not use SJePlans. Once developed, PBCE plans to train staff to adhere to these standards and place these documents in its Policy and Procedure Hub to ensure up-to-date access by all team members. Target Date: Sep-2024
<p>#23-07 Residential Building Permits</p> <p>#11 In order to reduce reliance on customers informing staff on final payment of permit fees and to speed up the permit issuance, Planning, Building and Code Enforcement should work with the Information Technology Department (ITD) to create a trigger in AMANDA to notify Permit Specialists once a customer has paid final fees instead of having to check manually.</p>	PBCE / ITD	Not Implemented	Planning, Building and Code Enforcement (PBCE) plans to work with the Information Technology Department to add a feature in AMANDA to create an automated and clear notification visible to staff when a customer has paid final fees. PBCE also aims to include process improvements to streamline plan review routing and permit issuance to reduce delays. Target Date: Sep-2024

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<p>#23-07 Residential Building Permits</p> <p>#12 To assess whether the SJePlans pilot implementation successfully meets Building's goal of providing customers with a coordinated plan review experience across Development Partners, Planning, Building and Code Enforcement, after six months, should assess whether SJePlans addressed, at a minimum, the following:</p> <p>a. Consistent resubmittal instructions and steps between Development Partners;</p> <p>b. All uploaded application files are available to all Development Partners' staff; and</p> <p>c. Routing projects between Building staff and between Development Partners to eliminate sending project files via email.</p>	PBCE	Not Implemented	Planning, Building and Code Enforcement (PBCE) plans to assess the effectiveness of the SJePlans and SJPermits self-start implementations on an ongoing basis. All three components of the recommendation are integral to the programs' success. PBCE plans to track the impact of these programs through its Customer Service Charter and metrics. Target Date: Dec-2024
<p>#23-07 Residential Building Permits</p> <p>#13 To improve communication and outreach to Permit Center customers, Planning, Building and Code Enforcement should update the website to remove redundancies, clearly differentiate service lines by clarifying expectations for each Permit Center line or reducing the number of "lines", and providing clear instructions on the permit process.</p>	PBCE	Partly Implemented	Planning, Building and Code Enforcement (PBCE) updated its website pages on information regarding project intake and service lines due to the implementation of SJePlans and self-start applications. Building's website states that intake appointments are no longer required for applicable projects. PBCE posted instructional videos on SJePlans, such as how customers can respond to plan review comments and resubmit plans through the new platform. The Department also launched its Application Wizard on SJPermits (online permit application system) to assist customers in determining the correct permit type and process for their projects. Additionally, Building restructured its website to show its residential permit services, application process, and qualifying projects on a single webpage. PBCE plans to refine the information online based on feedback from applicants and staff that assist customers. Target Date: Sep-2024
<p>#23-07 Residential Building Permits</p> <p>#14 In compliance with City Administrative Policy 1.2.9, Planning, Building and Code Enforcement should set minimum standards for responding to inquiries/requests, including providing approximate follow-up timeframes.</p>	PBCE	Not Implemented	Planning, Building and Code Enforcement (PBCE) plans to create a standard operating procedure to comply with the City Administrative Policy 1.2.9 regarding response times. PBCE plans to train staff to adhere to the procedure and place the document in the Department's Policy and Procedures Hub for up-to-date access by all team members. Target Date: Jun-2024
<p>#23-07 Residential Building Permits</p> <p>#15 To maximize language accessibility and comply with the City's Language Equity Policy & Guidelines, Planning, Building and Code Enforcement should:</p> <p>a. Include language translation options for the sjpermits.org website and phone lines, and</p> <p>b. Develop a process to identify and prioritize vital documents for translation related to the residential permit process in accordance with the policy.</p>	PBCE	Not Implemented	<p>a) Planning, Building and Code Enforcement (PBCE) plans to work with the Information Technology Department to add translation options to SJPermits.org and its phone lines. While better technology options are emerging, adding translation options to both services may require additional funding.</p> <p>b) The Department developed a draft policy on steps PBCE staff should take when requesting translation and interpretation services for project outreach and communication. PBCE plans to develop a procedure for identifying and prioritizing vital documents for translation. Target Date: Dec-2024</p>