



2016-2017

OPERATING BUDGET

**ATTACHMENT C -
STATUS OF
CITY AUDITOR
RECOMMENDATIONS
WITH
FUNDING IMPACT**

Status of City Auditor Recommendations With Funding Impact 2016-2017 Adopted Operating Budget

There are a number of audit recommendations that are incorporated into actions included in the 2016-2017 Adopted Budget. The table below provides a summary of those audit recommendations. While this report focuses on audit recommendations with budget actions in 2016-2017, there are numerous outstanding audit recommendations with financial implications that are not being implemented as part of the 2016-2017 Adopted Budget. The City Auditor's Office reports on all outstanding audit recommendations on a semi-annual basis. These status reports can be found on the Auditor's Office website at: <http://www.sanjoseca.gov/index.aspx?nid=309>.

Department	Item	Remarks
Police	Audit of Civilianization Opportunities in the San José Police Department – <ul style="list-style-type: none"> • Develop short, medium, and long-term plans to civilianize the positions identified in this audit and/or other positions identified by the Police Department. • Identify partial administrative roles filled by sworn and consider options for civilianization. (Issued 1/14/10, #9 and #10)	The 2016-2017 Adopted Budget adds 1.0 Deputy Director civilian position to the Police Department's Bureau of Technical Services to assist in implementing data analytics tools to advance predictive policing strategies in order to help reduce high-frequency and geographically-focused crimes, such as burglary and drug dealing. To provide more workload capacity for the Assistant Police Chief, the existing Deputy Police Chief position assigned to the Bureau of Technical Services will be relocated to the Office of the Chief to oversee various units such as: special investigations, gaming, medical marijuana control, internal affairs, and research and development.

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Department	Item	Remarks
Information Technology	<p>Audit of Information Technology General Controls – The Information Technology Department (ITD) should collect, maintain, and periodically update a central inventory of computer equipment and software, and should use its inventory management system and records of technology purchases to:</p> <p style="margin-left: 40px;">c) To the extent possible, ITD should pursue opportunities to centrally-install packages, rather than installing packages at individual workstations.</p> <p>(Issued 1/18/2012, #9)</p>	<p>The 2016-2017 Adopted Operating Budget deletes 3.0 vacant Network Technician I/II/III positions and adds 2.0 Information Systems Analyst positions to more effectively support Virtual Desktop Infrastructure (VDI), the new organization-wide desktop management standard. This more efficient approach centralizes desktop software, security, and patch management to the cloud, and enhances software deployments throughout the organization. Instead of a single technician servicing one desktop at a time, VDI enables the Information Technology (IT) Department to standardize and service thousands of desktops from a single location. This action also includes one-time funding of \$500,000 to upgrade operating system software to Windows 10, bringing consistency throughout the organization, and addressing compatibility and security vulnerabilities inherent in obsolete platforms.</p> <p>The 2016-2017 Adopted Operating Budget also adds one-time funding of \$500,000 to perform network upgrades at the City's remote facilities, including community centers. For those remote sites that provide wired and wireless access for public and private use, upgrading their network equipment to a single standardized platform significantly reduces the likelihood of security breaches and equipment failure, and reduces IT support demands.</p>

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Department	Item	Remarks
Planning, Building and Code Enforcement	Code Enforcement: Improvements are possible, but resources are significantly constrained – Technology improvements are needed. (Issued 11/14/13, #3)	The 2016-2017 Adopted Operating Budget adds one-time funding of \$57,600 to purchase tablet computers for Code Enforcement Inspectors for field use with the ability to remotely run desktop software and perform research and updates to case files as well as communicate with other departments quickly and efficiently. Tablets are a tool that play an important role in the service delivery of Code Enforcement programs, allowing inspectors to take notes and conduct research on properties while in the field, which improves processing standards. Ongoing data services will be covered under the existing plans.
Planning, Building and Code Enforcement	Development Services: Improving the Experience for Homeowners – To maximize its infrastructure already in place at the Permit Center, Planning, Building and Code Enforcement should: a) Station more staff at Building Counters available to provide assistance from walk-in customers as need; and b) Expand referrals to and use of self-help computer terminals in the lobby (Issued 9/18/14, #10)	<p>The 2016-2017 Adopted Budget adds 1.0 Senior Engineer position (\$128,291), 2.0 Senior Permit Specialist positions (\$146,492), and 2.0 Building Inspector Combination Certified I positions (\$202,574) and associated non-personal/equipment funding (\$15,120) for the permit center to expand the Over the Counter (OTC) Plan Review program, improve customer service, and improve quality control of permit review.</p> <p>The 2016-2017 Adopted Budget also extends 2.0 Planner II positions through June 30, 2017 (\$196,082) and adds 1.0 Planner IV position through June 30, 2017 (\$128,114) and associated non-personal/equipment expenses (\$4,000) to meet the continued high demand on development review services in 2016-2017, including a number of large signature projects anticipated to be submitted within the next six to eight months.</p>

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Department	Item	Remarks
Planning, Building and Code Enforcement	<p>Development Services: Improving the Experience for Homeowners – To improve communication and outreach to Permit Center customers, Planning, Building and Code Enforcement should:</p> <ul style="list-style-type: none"> a) Review and correct outdated information on its website; b) Remove jargon and provide simply-worded instructions about when, why, and how to obtain permits and approvals; and c) Upgrade the online permit interface to make it more user-friendly. <p>(Issued 9/18/14, #14)</p>	<p>The 2016-2017 Adopted Budget adds one-time funding (\$52,000) for a temporary full time position to provide bilingual translation, graphics, and outreach, support for the Planning, Building and Code Enforcement Department, including fact sheets for community meetings and presentations on ordinance changes that meet the needs of San José residents and customers. Additionally, as materials are developed, the position will assist with prioritizing the translation of key handouts and online services for the Building Development Fee Program and Code Enforcement, including Multiple Housing and Small Business Ally programs, which takes place using the contracted translation services that are currently funded. If additional funding is needed for translation services, a budget adjustment will be evaluated during the year to ensure funding is available to translate the key priority materials. The record-breaking level of building and code enforcement activity over the last few years has made the case that clear, effective permit and code information is critical to the success of departmental operations.</p>

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Public Works	<p>Facilities Maintenance: Process Improvements are Possible, but a Large Deferred Maintenance Backlog Remains – To enable better asset lifecycle management, Public Works should:</p> <ul style="list-style-type: none"> a) Identify funding, in coordination with the Manager’s Budget Office, and create a plan to conduct comprehensive condition assessments, including lifecycle cost analysis of City facilities; b) Resume regular, ongoing condition assessments of City facilities; and c) Provide this information to City Council together with an analysis of the consequences of continuing funding at current versus enhanced levels. <p>(Issued 11/13/14, #1)</p>	<p>The 2016-2017 Adopted Capital Budget allocates \$700,000 (representing two years of funding for a three-year program) to conduct building inspection and evaluation assessments of City-owned facilities. This project is needed to conduct building assessments of the City's most crucial building components and systems, which will help the City's facilities management staff determine and prioritize the replacement and repair needs of the City-owned building infrastructure and equipment.</p>

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Department	Item	Remarks
Planning, Building and Code Enforcement	<p>Technology Deployments: Additional resources needed to shorten deployment timelines – For major technology projects, require appointment of a qualified (preferably certified) project manager dedicated to and responsible for the entire project (including planning and deployment), with clear authority, roles, and responsibilities, and accountable to the steering committee for project progress and challenges. (Issued 3/10/16, #4)</p>	<p>The 2016-2017 Adopted Budget adds one-time contractual funding for a consultant project manager (\$500,000) to ensure success of the Integrated Permit System Implementation project. From the start of the project in fall 2016, implementation is anticipated to take 28 months to complete. Other actions to ensure success of this high profile project include: 1.0 Supervising Applications Analyst position to lead the team in the technical aspects of the new Permitting system and work with managers and front-line staff to ensure a seamless transition and ongoing service; 1.0 Senior Analyst position to be responsible for the implementation of a new Development Fee structure being put forth by the implementation team and incorporate the new fee information into the new permitting system; and 1.0 Planner IV position, 1.0 Senior Engineer position, and funding for temporary staff will provide resources to backfill existing staff that will work on the project.</p>