



Office of the City Auditor

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

**SAN JOSE CONSERVATION
CORPS: THE CORPS
PROVIDES ESSENTIAL
SERVICES TO RESIDENTS,
HOWEVER THE CITY CAN
BETTER MONITOR
PERFORMANCE AND
PROMOTE WORKPLACE
SAFETY**

**Report 23-01
April 2023**

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April 6, 2023

Honorable Mayor and Members
Of the City Council
200 East Santa Clara Street
San José, CA 95113

San Jose Conservation Corps: The Corps Provides Essential Services to Residents, However The City Can Better Monitor Performance and Promote Workplace Safety

The San Jose Conservation Corps (Conservation Corps) is a 501(c)3 non-profit organization that connects young adults from under-resourced communities with job training and educational opportunities. The City has contracted with the Conservation Corps since its inception in 1987 for projects related to park maintenance, cleanup programs, and others. In response to the COVID-19 pandemic, the City expanded its reliance on the Conservation Corps to address impacts of the pandemic on the community. Currently, the Conservation Corps works with the City in three primary program areas:

- *The Resilience Corps Environmental Pathways program* – A jobs program for unemployed and underemployed young adults, primarily from low-resource census tracts, focusing on environmental impact projects in City parks and trails.
- *BeautifySJ* – A program focused on cleaning up litter and blight in San José. Corps members' work is focused on trash clean-up and sanitation services at encampments for residents experiencing homelessness.
- *Food Distribution* – A program to help fill and distribute boxes of food through the Second Harvest Food Bank.

In 2022, the City spent \$12.6 million on its agreements with the Conservation Corps. The Department of Parks, Recreation and Neighborhood Services (PRNS) is the primary City department that works with the Conservation Corps. The objective of this audit was to review the service delivery and expenditures of funds under City contracts. This audit was requested by a Councilmember.

Finding I: The City Can Refine Performance Tracking and Improve Contract Monitoring.

The Conservation Corps contracts contain program and participant performance goals. Overall, the Conservation Corps generally met these goals by providing hundreds of young adults with employment and training opportunities.

- In FY 2021-22, the City funded more than 400 Corps members who worked over 250,000 hours across the different programs.
- Eighty-nine percent of the 106 participants in the Resilience Corps Environmental Pathways program were recruited from low-resource census tracts.

- The City can better measure and track performance goals by developing timeliness or effectiveness goals for the BeautifySJ work, and develop a process to document post-program outcomes for the Resilience Corps.
- PRNS can improve its contract monitoring by more consistently reviewing invoices and tying payments to completed work. Currently, there is an open audit recommendation to improve contract management within the Department.
- As some Conservation Corps funding has come from federal sources, the City is currently working to ensure compliance with federal Uniform Guidance around these agreements.

Recommendations: To better assess Conservation Corps program activities, the Administration should:

- Develop metrics related to timeliness or effectiveness for the BeautifySJ work
- Establish a process to verify Resilience Corps' post-program participant outcomes
- Review Conservation Corps indirect cost breakdowns for compliance with federal Uniform Guidance

Finding 2: The City Can Help Promote a Safer Work Environment for Corps Members. As part of the BeautifySJ encampment cleanup program, Conservation Corps members work in the field and encounter safety hazards on a regular basis. In 2022, crews from the Conservation Corps encountered biowaste or needles in roughly half of the 370 cleanups.

- At the time of the audit, Corps members were not expected to dispose of needles or other hazards, and as such there were not established procedures to address these situations. For the most recent BeautifySJ Program, the Conservation Corps was in the process of drafting new safety operating procedures around biohazards in the field.
- Not all Corps members were trained in necessary Occupational Safety and Health Administration (OSHA) or bloodborne pathogens standards.
- Upon completion of a site clean-up, crews complete an online survey which identifies whether hazards are present; however, PRNS can improve the process to ensure follow up service occurs at these sites.

Recommendations: To promote safety the Administration should:

- Work with the San Jose Conservation Corps to finalize operating procedures for safely handling biowaste and other hazards
- Develop training requirements and guidance based on OSHA standards
- Establish a process for notifying other groups in the City for follow up services related to needles or other hazards

This report has five recommendations. We plan to present this report at the April 13, 2023, Neighborhood Services and Education Committee. We would like to thank the San Jose Conservation Corps; the Department of Parks, Recreation and Neighborhood Services; the City Manager's Office; the Office of Economic Development and Cultural Affairs; the Finance Department; and the City Attorney's Office for their time, information, insight, and cooperation during the audit process. The Administration has reviewed the information in this report, and their response is shown on the yellow pages.

Respectfully submitted,



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Background

The San Jose Conservation Corps (Conservation Corps) is a 501(c)3 non-profit organization incorporated in 1987. Conservation Corps programs aim to help connect young adults from under-resourced communities with job training and educational opportunities. In 2002, the Conservation Corps established a Charter High School to provide students with an opportunity for a high school education. While not all Corps members attend the school, there is an education component in each of the Conservation Corps programs.

The Conservation Corps is one of 14 Local Conservation Corps certified through the statewide California Conservation Corps. As a part of the corps network, the Conservation Corps has helped and participated in local and state efforts towards environmental stewardship and responding to natural disasters.

City Contracts With The Conservation Corps Have Increased in Recent Years

The City has contracted with the Conservation Corps since its incorporation. Work has included park maintenance projects, cleanup programs, and trail safety patrols. In addition, the City provides a below market lease for the land that house part of the Conservation Corps' operations.¹

In the last few years, the City expanded its reliance on the Conservation Corps by adding various efforts related to the COVID-19 pandemic response and recovery. Programs such as Food Distribution were developed to respond to the need to provide food for communities of need in Santa Clara County. BeautifySJ enhanced its programing to address increased litter and blight surrounding homeless encampments. Additionally, the Resilience Corps was developed to serve as a job training program for young adults in high-poverty and high unemployment neighborhoods to bolster the community's resilience in response to the pandemic and the climate crisis.

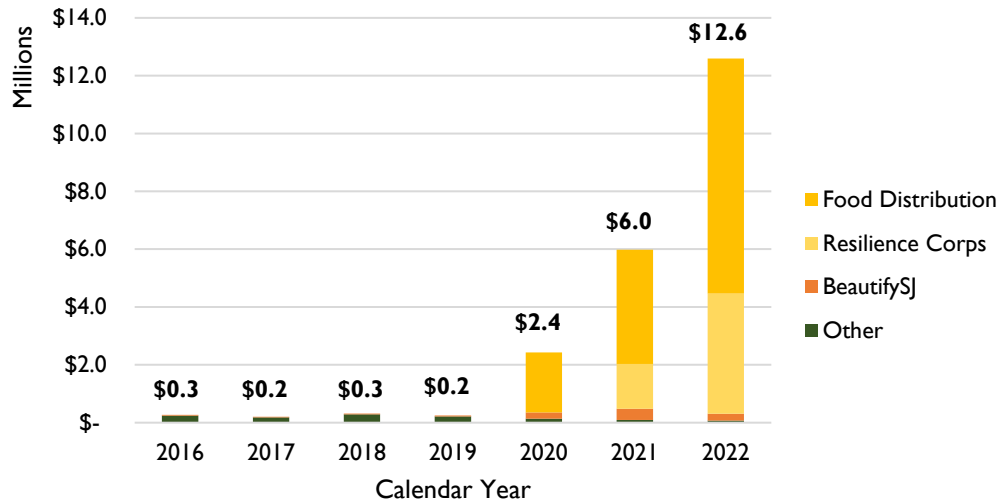
The City entered into \$38.3 million in agreements entered into between July 2016 and December 2022 (as shown in Appendix C).² Most of which, \$36.4 million, had federal funding as its designated funding source. Some of these funds are still to be spent.

As a result of the increase in funding, program expenditures increased to \$12.6 million in 2022, substantially more than the \$200,000 in 2019.

¹ This thirty-year lease began in 2000. It requires the Conservation Corps to pay \$1 each month in rent.

² During this time, the Conservation Corps separately received \$39.8 million in non-City funding.

Exhibit I: City Expenditures for Conservation Corps Programs Have Grown to \$12.6 Million in 2022



Source: Analysis of transaction detail for the Conservation Corps from the City’s Financial Management System. Note: BeautifySJ represents multiple programs, including the homeless encampment cleanups, graffiti and litter eradication, and other emergency operation center work.

In FY 2021-22, the Conservation Corps worked in three primary program areas, both in support of COVID-19 related projects and other City priorities.

- Resilience Corps Environmental Pathways:** In FY 2021-22, the City launched the Resilience Corps Environmental and Coyote Creek & Guadalupe River Park Pathway (Resilience Corps) with the Conservation Corps as the lead operational partner.³ This program was designed to provide living-wage employment and work experience opportunities for young adults living in low-resource census tracts or identified as low income.⁴
- BeautifySJ:** The BeautifySJ program is an initiative in the Parks, Recreation and Neighborhood Services Department (PRNS) focusing on ridding the city of blight. Different programs within BeautifySJ include anti-litter and anti-graffiti, illegal dumping, and other programs. The Conservation Corps is contracted to help with trash clean-up and sanitation services at encampment sites.

³ The Resilience Corps Environmental Pathways is a part of a larger Resilience Corps program adopted by City Council during the FY 2021-22 budget process. The three pathways that were included in the launch are the Environment and Guadalupe River & Coyote Creek Pathway, Learning Loss Mitigation Pathway, and the Small Business Marketing Support Pathway. Additionally, two other on-going efforts, Food Boxing and Vaccine Champion, were included within the Resilience Corps brand and budget.

⁴ Census tract resource levels are designated through the Opportunity Mapping process conducted by the Department of Housing and Community Development and California Tax Credit Allocation Committee. Census tracts are measured based on characteristics linked to critical life outcomes such as educational, income, and economic mobility. The maps, methodology, and summary table can be found at: <https://belonging.berkeley.edu/2021-tcac-opportunity-map>.

- **Food Distribution:** Beginning in June 2020, the City contracted with the Conservation Corps to provide workforce support for Second Harvest Food Bank’s operations. Corps members boxed food at distribution warehouses.

Parks, Recreation and Neighborhood Services Is the Primary City Department Working With the Conservation Corps

The Food Distribution and some BeautifySJ programs began as a part of the Emergency Operation Center (EOC) through the City’s pandemic response. As the City began to transition the EOC to recovery, these programs were moved primarily into PRNS. Currently, PRNS is the main City department that oversees the work of the Conservation Corps. Different staff within PRNS manage the work depending on the program area (e.g., Resilience Corps, BeautifySJ, or Food Distribution).

Resilience Corps Environmental Pathways

For the Resilience Corps, Parks staff use project approval forms to create and assign work. These forms identify the requested work, location, corps project supervisor, number of Corps members needed, estimated number of hours expected, and other relevant information. These are signed by both PRNS staff and an operations manager from the Conservation Corps. There is also a post-project evaluation section where park staff notes whether the project was completed on time and on budget, and whether the work was completed satisfactorily. In addition, there is a place to note if there are corrective actions necessary.

Exhibit 2: Resilience Corps Fire Fuel Reduction Work at La Colina Park

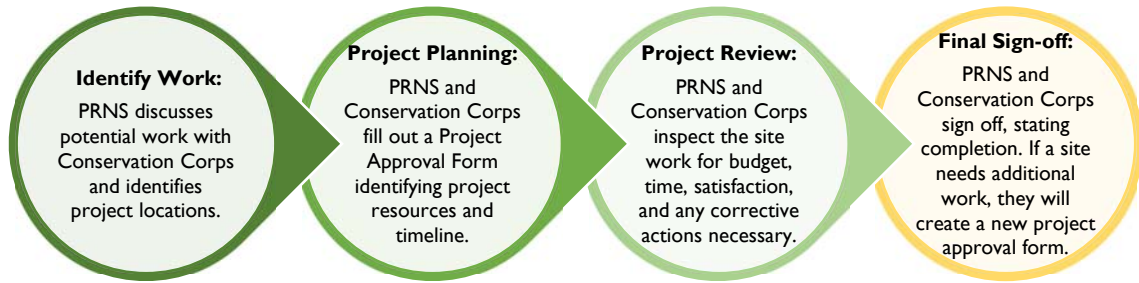


Source: Auditor Observation on November 16, 2022

Exhibit 3 illustrates the workflow for projects assigned through the Resilience Corps. Going forward, PRNS plans to incorporate the Healthy Places Index (HPI),

an open dataset that uses 23 social indicators of health that is visualized through a mapping tool, to inform their decisions on where to focus Resilience Corps work.

Exhibit 3: Workflow of a Resilience Corps Project Assignment



Source: Auditor Analysis of project approval forms, contracts, and interviews with PRNS staff for FY 2021-22.

The Office of Economic Development and Cultural Affairs provides technical assistance and guidance to the Resilience Corps Environmental Pathways program. Additionally, they assist with recruitment for program participants.

BeautifySJ

Exhibit 4: BeautifySJ Crew Conducting Cleanups at an Encampment Site



Source: Auditor Observation on November 9, 2022

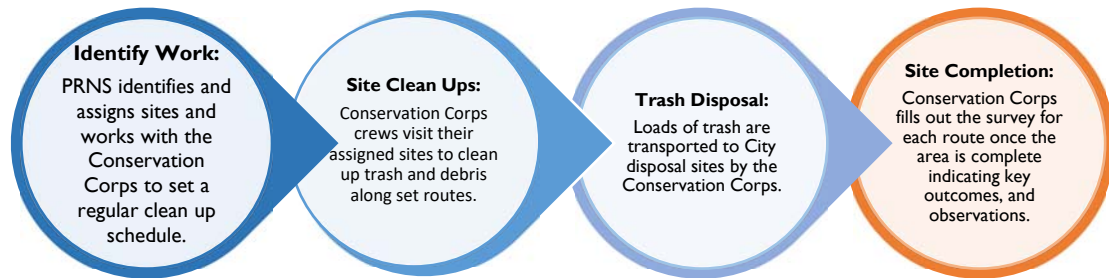
For BeautifySJ, Corps members follow defined routes and encampment areas for trash cleanup. Encampment sites and routes were identified through an evaluation of ten different datasets from the Departments of Housing, Environmental Services, and Transportation; the Emergency Operations Center (EOC); and the Mayor and City Council.⁵ These sites are categorized into three tiers, one being the lightest amount of trash and three representing the heaviest impact.

The Conservation Corps is primarily assigned to tier one and two sites. Tier

⁵ The ten datasets include illegal dumping requests, illegal dumping hot spots, high trash load creek areas, encampment trash collection locations through the EOC, complaints of trash and blight, complaints regarding encampments, vehicle abatement reports for occupied vehicles, housing encampment abatements, unhoused concerns complaints, and unhoused concerns outreach.

two sites are defined as medium touch, having a moderate level of debris and sometimes in harder to reach areas, such as trails. PRNS works with the Conservation Corps to set a schedule for these sites, visiting about four sites per day.⁶

Exhibit 5: Workflow of BeautifySJ Encampment Clean-Ups



Source: Auditor analysis of contracts, interviews, and site observations.

Food Distribution

For Food Distribution, crews are assigned to work at Second Harvest Food Bank. Their primary role is to provide workforce support in boxing food for those in need. This program began out of the need to ensure there was sufficient staffing at the food bank in response to the COVID-19 pandemic. Corps members filled the gap that was left once the National Guard was no longer deployed to help with the food distribution services.

Exhibit 6: Corps Members at a Food Boxing Site



Source: San Jose Conservation Corps' Website, <https://www.sjcccs.org/>

⁶ Frequency and number of visits per day vary depending on how much debris is found at a site. In some cases, crews must take multiple trips to and from the dump to dispose of trash bags. BeautifySJ site cleanups are tracked and publicly displayed on the following map: <https://gis.sanjoseca.gov/maps/encampmentservices/>.

The Conservation Corps sub-contracted with other corps around California to ensure that there were sufficient staff to do the work.⁷ City staff from the Food and Necessities Branch of the EOC initially managed this work. Later more of the contract management was done by PRNS staff. At the time of our audit, other City staff still had a role in reviewing invoices.

Prior Audits

Our Office has conducted past audit reports on or related to the Conservation Corps.

- **2009 Audit of the San José Conservation Corps:** The audit report reviewed contract compliance and oversight of the agreements with the Conservation Corps. The audit identified the need for the City to revise and simplify its agreement with the Conservation Corps, include performance standards, and for the Conservation Corps to account for City activities separately from non-City work, among other recommendations. Each of the ten recommendations have since been implemented.⁸
- **2022 Audit of COVID-19 Food Distribution Expenditures:** The audit report reviewed the transparency and accountability of food distribution expenditures during the pandemic. Among its observations, it noted that PRNS could improve its invoice review process, contract monitoring, and the City can better document compliance with federal Uniform Guidance, such as documenting the justification for sole source procurements. This report made five recommendations all of which are still pending.⁹

⁷ Other Corps members were from Long Beach, Los Angeles, Oakland, San Francisco, Tehachapi, and the State. The San Jose Conservation Corps reported these Corps members worked for 42,600 hours in 2020 and 2021.

⁸ To read this report, visit <http://www.sanjoseca.gov/Home/ShowDocument?id=33684>.

⁹ To read this report, visit <https://www.sanjoseca.gov/home/showpublisheddocument/90319>.

Finding I The City Can Refine Performance Tracking and Improve Contract Monitoring

Summary

The Conservation Corps agreements contain different program goals and service expectations. For the Resilience Corps, the agreements also contain participant goals, including Corps member recruitment from low-resource census tracts and the number of participants obtaining employment or pursuing post-secondary education after the program. The Conservation Corps generally met its performance goals and provided hundreds of young adults with employment and training opportunities. However, the City can better measure and track performance goals, by developing timeliness or effectiveness goals for the BeautifySJ work, and refining a process to track and document post-program outcomes for the Resilience Corps. Also, PRNS can enhance its contract monitoring processes; the Department currently has an open audit recommendation in this area from a prior report. Lastly, to the extent that federal funding has been used for Conservation Corps work, the Administration should review its agreements to ensure compliance with federal Uniform Guidance.

Positive Program Outcomes Can Be Reinforced With Refined Performance Tracking

The Conservation Corps agreements contain program and participant performance goals. Overall, the Conservation Corps generally met these goals by providing hundreds of young adults with employment and training opportunities. In a couple of instances, the City and the Conservation Corps should review its agreements to establish performance goals and create a process to better track participant outcomes.

The Conservation Corps Generally Met Performance Expectations

Performance expectations in the City's agreements with the Conservation Corps include program-related requirements, or goals to achieve positive outcomes for program participants. For example, the Resilience Corps agreements include requirements to track the volume of trash picked up, volume of vegetation removed during fire fuel reduction activities, the percentage of projects completed, and others. The agreements also include participant goals, such as prioritizing recruitment of participants from low-resource census tracts and participants obtaining employment or continuing education programs, among others.

Over the past three years, there were 760 Corps members who worked 473,400 hours.¹⁰ In FY 2021-22 specifically, there were more than 400 Corps members who worked 250,400 hours across the three programs.

Exhibit 7: Conservation Corps Expenditures and Results Across Three Areas in FY 2021-22

| FY 2021-22 Expenditures | | Overview of Reported Program Results |
|--|-------------|--|
| Resilience Corps Environmental Pathways | \$4,305,662 | <ul style="list-style-type: none"> Recruited 106 Corps members, 89 percent from low-resource census tracts (see Appendix B for recruitment map). Corps members worked 72,000 hours across 29 locations in the city and received 13,200 hours of training and professional development. Retained 80 percent of Corps members and achieved a positive outcome rate of 74 percent. |
| Food Distribution | \$8,053,195 | <ul style="list-style-type: none"> 218 Corps members worked at Second Harvest Food Bank, providing 170,400 hours of food boxing and support. |
| BeautifySJ Homeless Encampment Cleanups | \$270,073 | <ul style="list-style-type: none"> Completed 370 clean-ups at encampments, trails, and other sites. Filled and collected 3,900 trash bags and distributed 1,600 empty bags to residents experiencing homelessness. 96 Corps members worked 4,700 hours in BeautifySJ programs. |

Source: Auditor analysis of City contracts with the Conservation Corps, the City’s Financial Management System (FMS), performance reports, and invoices.

Note: See appendix C for the list of contracts entered with the Conservation Corps from July 2016 - December 2022.

Over time, the City has sought to improve its measurement of program outcomes. For instance, the City revised performance measures under the most recent Resilience Corps agreement to better measure positive outcomes. The initial agreement outlined a retention target of 70 percent. The purpose was to ensure participants are staying involved and receiving skills development through on-the-job training. However, if an individual left the program midway through for a job, part of the intended outcome of the program, these individuals would be counted against the performance on the measure. Under the most recent version of Resilience Corps, the City has since updated its measure to capture additional positive outcomes, such as mid-program job placements.

The BeautifySJ Agreement for Homeless Encampment Cleanups Documents Expected Service Delivery But Does Not Contain Performance Targets

The Conservation Corps’ primary contribution to the BeautifySJ program consists of trash and debris clean-up at homeless encampments and along trails across the city. Crew members fill trash bags onsite, collect full bags, distribute

¹⁰ In some instances, Corps members worked across multiple programs.

empty ones, and collect large items when vehicle size and capacity allow. After completion of a service route, crew supervisors fill out an online survey noting the clean-up location, trash collection metrics, approximately how many individuals they interacted with, and what items were left for the next collection.¹¹

The BeautifySJ agreement for homeless encampment cleanups with Conservation Corps highlights an expected weekly service frequency. PRNS maintains a BeautifySJ encampment service dashboard in which they track site clean-up completion by geographical zone, service tier, and timeliness for the program at-large. However, it does not differentiate between vendors for the department to monitor individual vendor performance.

Aside from service frequency, there are not any metrics in the agreement associated with this work to evaluate performance. PRNS' operating budget includes a performance target for the broader BeautifySJ program that could provide a model for target-setting (*percent of encampments receiving on-time trash pickup*). Similar targets would help program staff assess the timeliness and effectiveness of the Conservation Corps' contributions to work done in this area.

The Resilience Corps Post-Program Follow-up Process May Require Review

The Conservation Corps is expected to continue communicating with Resilience Corps participants for three months after their work experience ends to track whether they obtain employment or pursue other educational pathways. Some of the data that the agreement requires the Conservation Corps to collect include:

- The number of participants that obtained employment with their work experience.
- The number of participants that entered or resumed postsecondary education.
- The number of participants that were referred to work2future for additional assistance in obtaining employment.

During the three-month post program period, the agreement also dictates that the Conservation Corps will communicate with participants. Additionally, Conservation Corps and City staff meet on a weekly basis to discuss participant progress and outcomes. Through this process, the Conservation Corps can track placements by participants in many cases. However, they have expressed

¹¹ The survey logic does not allow for key metrics to be collected under all conditions. For instance, for the question "Types of Dwellings Present", when the answer of "None [of the above]" is selected, the survey removes several survey questions. This leads to incompleteness in Conservation Corps' data because their crews most commonly mark this answer when working at non-encampment sites, such as trails.

difficulties in contacting former members after program completion. It does not appear they are actively seeking documentation to verify post-work outcomes.¹²

Recommendations:

#1: 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.

#2: To improve participant outcome tracking, the City Administration should work with the Conservation Corps to establish a process to verify participant outcomes during the three-months post program period and validate outcomes with supporting documentation.

PRNS Can Enhance Its Contract Processes With the Conservation Corps

As noted, the City has multiple agreements with the Conservation Corps for different programs and different PRNS staff are involved in managing them. There is variability in how the contracts are managed, and more standardized processes can better ensure invoices are reviewed consistently and tied closely to program performance.

In some instances, the hours recorded in rosters provided with an invoice did not match the overall amount paid in the invoice. Overall, the errors were insignificant in the context of the total amounts paid to the Corps, however the errors were in multiple invoices which showed the inconsistent nature of the review.¹³

Completed Project Forms and Surveys Can Help Validate Work Performed

Whereas some City staff was able to validate performance while reviewing invoices (e.g., the Food Distribution work), in other cases supporting documentation was not provided to tie the invoice back to satisfactorily completed work.

For example, completed Project Approval Forms were not provided to the Department to tie Resilience Corps members billed work back to actual projects. In addition, it does not appear that staff regularly maintains copies of completed Project Approval Forms. The Conservation Corps does appear to maintain

¹² Upon request from audit staff, documentation was not readily available from the Conservation Corps to support reported outcomes. However, they were able to reach out to participants to gather that documentation.

¹³ In a sample review of one program's invoices, it appears the City may have underpaid the Conservation Corps \$1,447. We notified PRNS and staff is reviewing the information.

completed copies, including with the post-project evaluation section filled out. However, these were not provided with the invoices to show that the billed work was completed.

Additionally, BeautifySJ invoice packets only included rosters of Corps members that worked. The invoices do not include the location, route, or project on which the members had worked. Corps members provide information through a survey such as locations serviced and trash cleaned up upon completion of service routes. However, this is not included in the invoice review process.

There Is an Open Audit Recommendation to Improve Contract Management Within PRNS

Currently there is an open audit recommendation for PRNS to update its contract development and management procedures to incorporate clear expectations on validating costs and verifying information through documentation and invoice reviews, site visits, and other areas of contract management. Completion of this work will help in managing future Conservation Corps agreements.

Federal Funding Sources Require the City and the Conservation Corps to Follow Uniform Guidance

In the past four years, the City awarded \$36.4 million in funding to the Conservation Corps using federal funds.¹⁴ These agreements cover work beginning in July 2020 and may run through June 2024. \$17.8 million of these funds were awarded using funding from the U.S. Department of Treasury's State and Local Fiscal Recovery Funds through the American Rescue Plan Act (ARPA). Agreements using ARPA funds must follow the federal Uniform Guidance.

Agreements in two of the three program areas related to the emergency, Food Distribution and Resilience Corps, were selected using sole source procurements. Although federal Uniform Guidance allowed for sole source procurement under the emergency, the City must still document the justification for such decisions. There is an open audit recommendation to document these and other sole source emergency-related procurements from our Office's 2022 audit of the City's COVID-19 related food distribution expenditures. The Finance Department is currently working to document these justifications.

Uniform Guidance specifies a certain amount of indirect costs as allowable for subrecipients of federal funding. It notes that grants may have a 10 percent indirect cost rate if an entity does not have a federally approved rate or a pre-negotiated rate. Conservation Corps agreements were set at 15 percent. The Conservation Corps does not have an existing federally approved rate, and the

¹⁴ Other non-federal sources of funding accounted for the remaining \$1.8 million, including the General Fund and the Integrated Waste Management Fund for example.

last pre-negotiated rate with the City was for more than 15 percent. While this 15 percent indirect cost rate is more than the 10 percent rate, City staff note some of the costs that went into the calculation may reflect other funding categories. The Finance Department and PRNS are working to review the cost breakdown to ensure compliance with Uniform Guidance.

Recommendation:

- #3: 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.**

Finding 2 The City Can Help Promote a Safer Work Environment for Corps Members

Summary

The Conservation Corps sends crews to clean and pick up trash surrounding homeless encampments and other routes. In 2022, the Conservation Corps serviced sites 370 times. Frequently, crews encounter biowaste, hazards such as needles, and other material that requires special disposal. To ensure that all crews are safe when working at these sites, the City should develop guidelines and training requirements, so all Corps members are protected and informed about how to handle such materials. Additionally, to streamline the biowaste and hazards disposal process, the City should develop a process, such as work order system, to track these instances and ensure these items are processed.

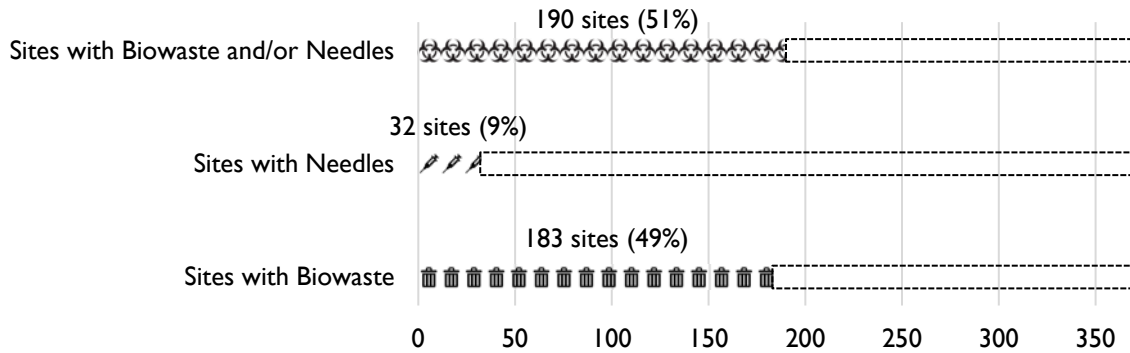
Limited Safety Protocols Can Put Crews At Risk When Dealing With Hazards in the Field

As a part of the BeautifySJ program, the San Jose Conservation Corps sends crews out to locations throughout San José to help clean homeless encampments. This includes collecting and distributing litter bags, picking up loose trash and other debris, and coordinating the removal of biowaste and other hazards for disposal.

At the time of the audit, the Conservation Corps crews did not have appropriate bins to dispose of contaminated needles and other sharps encountered in the field. Crews noted that it was the practice to move the items out of the way and leave the needles and other hazards, such as biowaste, at the sites for other BeautifySJ teams to dispose of with specialized equipment and procedures.

In 2022, Conservation Corps crews serviced homeless encampment sites and routes 370 times. In roughly half of the instances, 190 in total, Corps members specified that they encountered hazards such as needles, biowaste, or some combination in the field.

Exhibit 8: Hazards Were Present at Roughly Half of The Sites and Routes



Source: Auditor Analysis of BeautifySJ survey data.

Note, in some cases biowaste and needles were also present at each site. These figures are not mutually exclusive of each other and there are instances where sites have both biowaste and needles.

Not All Corps Members Were Trained In Occupational Safety and Health Administration Standards

The California Occupational Safety and Health Administration (CalOSHA) outlines standards to promote safety and training for potential dangers. Including all three City programs, not all Corps members were trained in the relevant standards. Of the 93 newly hired Corps members in 2022 who were assigned work within Food Boxing, Resilience Corps, or BeautifySJ, 17 Corps members did not receive relevant OSHA training.¹⁵

In 2022, 17 of 93 newly hired Corps members did not receive OSHA specific training and 17 of 29 Corps members doing BeautifySJ work did not receive bloodborne pathogen training.

Anyone that may be at risk of exposure must also be trained in OSHA's bloodborne pathogen standard. In the BeautifySJ program, 17 of 29 Corps members hired in 2022 did not receive training on OSHA's bloodborne pathogen standard. The Conservation Corps manual requires that anyone who is trained in first aid also receive bloodborne pathogen training to ensure compliance with CalOSHA. Among 2022 hires trained in first aid, this was not always the case.

Requiring this ensures that individuals who either administer first aid or could be in contact with hazards are prepared and educated on how best to interact with contaminated objects or situations where blood could be present.

¹⁵ While not everyone received training on OSHA, the Conservation Corps provided various other safety trainings. Examples include training on their safety handbook, program specific safety training, and their safety data processes among others.

The City Provides Guidance to Other Contractors on Safety Procedures and Training Requirements

The City's agreement with its encampment abatement and cleanup contractor specifies that employees shall annually train their employees with OSHA's bloodborne pathogen standard among other areas of safety education. Additionally, the City stipulates that:

Employees must have work procedures to be able to safely manage urine, feces, soiled personal hygiene items, syringes, and other materials which could pose a health threat. Wearing Personal Protective Equipment (PPE) and following other protocols established for this situation must be followed. Contractor will coordinate disposal of these wastes and syringes with the City.

Similarly, safety manuals from other BeautifySJ contractors limit employees from handling needles or other sharps if they are not authorized or trained to do so.

The Current Process to Identify Hazards for Removal Can be Improved

For work under its BeautifySJ homeless encampment cleanup agreement, as Corps members complete work at sites, they fill out a survey noting the condition of the site, the number of trash bags filled and collected, and whether hazards were present. However, there is not a process in place to ensure that hazards that are identified are properly disposed of by specialized crews. This survey information was treated primarily as informational.

In certain conditions, the survey tool will generate an automatic email that goes to a shared inbox for the BeautifySJ program which not all BeautifySJ Encampment Trash Program staff have access to. While automatic emails are generated in some cases, such as when needles are present, they are not generated for other instances, like when biowaste or other hazards are identified. Also, these emails have not been regularly used as tool to inform next actions where other teams could be dispatched to a site to properly clean and dispose of hazardous trash.

Exhibit 9: An Autogenerated Email from the Survey Tool for BeautifySJ

Needles have been reported at an encampment.

Report Date: {Date time from survey}
Reported By: {Account name that submitted survey}
Team: {Team selection from survey}
Issue: Needles Found
Description: {Hazards selected from survey}
Comments: {Comments entered in survey}
Encampment: {Name and description of encampment if survey is associated with known encampment location}
Map Link: {Link to map of location}

Source: Department staff via Survey123 tool.

Safety Operating Procedures Are Newly Being Developed

The Conservation Corps is in the process of developing a Safety Operating Procedure to help inform how to appropriately dispose of hazards such as needles. PRNS reports that it has distributed red sharps containers for the Conservation Corps to pick up some needles in the field and report larger quantities directly to their Department contact.

For the most recent program under BeautifySJ, work involves trash cleanup surrounding waterways, creeks, and the distribution and collection of trash bags at encampments surrounding these areas.¹⁶ Crew supervisors will be expected to collect and dispose of the needles or sharps if under 20 are present. If more needles are present, crews are expected to photograph, identify precise location, and provide an estimate of sharps in an email to BeautifySJ Encampment Trash Program staff. There is an intended goal of picking up those sharps within 24-48 business hours of receipt. The process does not leverage the existing automated emails from the system shown in exhibit 9. It also requires crews to manually email PRNS staff instead.

The City should ensure that Corps members conducting work within its agreements, should have fulfilled necessary training requirements. Additionally, PRNS should streamline its hazard notification process, and integrate this into a work order system or other process ensure hazards are addressed.

¹⁶ The Conservation Corps and the City entered into this agreement in November 2022. Prior to this work, the Conservation Corps was not expected to dispose of needles or other sharps.

Recommendations:

- #4: 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.**
- #5: 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.**

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Conclusion

The San Jose Conservation Corps is a non-profit that has conducted work with the City since its incorporation in 1987. Over the last few years, the City has leveraged its partnership to help with pandemic response, expanding its BeautifySJ partnership, and creating two new programs, Food Distribution and Resilience Corps Environmental Pathways. The agreements with the Conservation Corps contain service expectations, program goals, and in some cases participant goals. The Conservation Corps generally met its performance goals and provided hundreds of young adults with employment and training opportunities. However, some performance metrics for the Resilience Corps can better measure and track positive outcomes and the City should develop performance or outcome measures for the BeautifySJ work. PRNS can also enhance its contract monitoring processes. Further, the City can improve its communication of safety protocols and training requirements and develop a process for coordinating safe disposal of hazardous waste.

RECOMMENDATIONS

Finding 1: The City Can Refine Performance Tracking and Improve Contract Monitoring

Recommendation #1: 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.

Recommendation #2: To improve participant outcome tracking, the City Administration should work with the Conservation Corps to establish a process to verify participant outcomes during the three-months post program period and validate outcomes with supporting documentation.

Recommendation #3: 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.

Finding 2: The City Can Help Promote a Safer Work Environment for Corps Members

Recommendation #4: 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.

Recommendation #5: 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.

APPENDIX A

Audit Objective, Scope, and Methodology

The mission of the City Auditor's Office is to independently assess and report on City operations and services. The audit function is an essential element of San José's public accountability, and our audits provide the City Council, City management, and the general public with independent and objective information regarding the economy, efficiency, effectiveness, and equity of City operations and services.

In accordance with the City Auditor's Fiscal Year (FY) 2022-23 Work Plan, we have completed an audit of the San Jose Conservation Corps. The audit was conducted in response to a request from a councilmember.

We conducted this performance audit in accordance with generally accepted government auditing standards. Those standards require that we plan and perform the audit to obtain sufficient, appropriate evidence to provide a reasonable basis for our findings and conclusions based on our audit objectives. We believe that the evidence obtained provides a reasonable basis for our findings and conclusions based on our audit objectives.

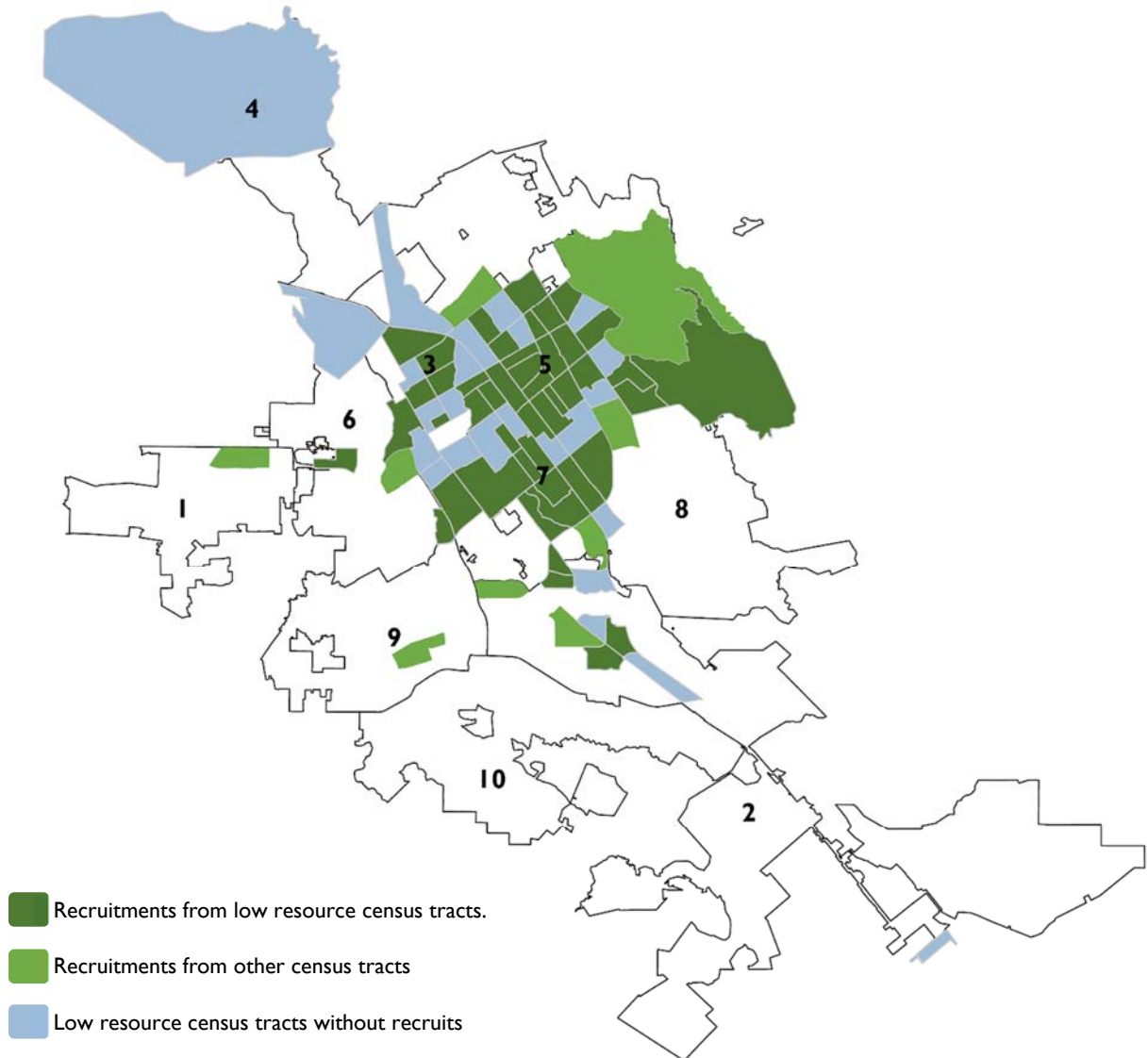
The objective of our audit was to review the service delivery and expenditures of funds under City contracts. We sought to understand the relevant management controls over the San Jose Conservation Corps agreements, and have performed the following to achieve the audit objective:

- Inventoried Conservation Corps contracts (including base agreements, options and amendments) to understand contracted budgets, service term lengths, scopes of work, performance metrics, and target populations.
- Interviewed staff from the following departments and organizations: Parks, Recreation and Neighborhood Services; Office of Economic Development and Cultural Affairs; San Jose Conservation Corps; Finance Department; City Attorney's Office; and the Food Distribution Team from the Office of Emergency Management.
- Toured worksites with Conservation Corps members and conducted site observations of the Resilience Corps fire fuel reduction work and two BeautifySJ crews.
- To verify accuracy of invoices, we:
 - Aggregated Conservation Corps invoices and supporting documentation to understand and assess the quantity and location of work done, and overall costs.
 - Reviewed internal policies and procedures and walked through the invoice review process conducted by staff from PRNS.
 - Selected a total of 17 invoices between three work areas to review against roster sheets and supporting documentation for validation.
 - Reviewed the transaction detail from Conservation Corps' internal accounting systems by totaling amounts provided.
- Compared the Conservation Corps reported cost program and management costs with Conservation Corps in other jurisdictions.

- Analyzed data from the City’s Financial Management System (FMS) for FY 2015-16 through FY 2022-23 as of February 2023.
- To assess safety and training of crew members, we:
 - Researched relevant OSHA and CalOSHA standards as it relates to the Conservation Corps work.
 - Reviewed training materials and procedures for waste disposal to ensure alignment with contract requirements and other safety standards.
 - Reviewed agreements and a safety manual of other BeautifySJ contractors.
- To assess whether Resilience Corps recruitment fulfilled the requirements in the contract, we:
 - Reviewed the distribution of Resilience Corps members by census tract resource level.
 - Verified a random sample of residence addresses for Corps members from low-resource census tracts.
 - Verified the eligibility of Corps members from other census tracts using supporting documentation.
 - Interviewed staff from the Conservation Corps regarding the system and process for recruitment.
- To document the fulfillment of career and skill development process requirements in the Resilience Corps contract, and review the tracking of participant outcomes, we:
 - Examined program outcome and retention data, highlighting statistics surrounding completion, exit, reasons for exit, and different types of outcomes.
 - Interviewed staff from the Conservation Corps regarding the post-work follow-up process for outcome tracking, and how they obtain this information.
- To evaluate the service done by Conservation Corps crews to ensure fulfillment of service requirements of the contract for BeautifySJ work, we:
 - Used form data to tabulate counts of encampment trash collection, such as number of bags collected/filled/distributed, types of dwellings, number of people spoken to, number/type of items left behind, service tier, etc.
 - Reviewed the online survey tool used for BeautifySJ data collection and health/safety notifications after each individual site visit.

APPENDIX B

Eighty-nine Percent of Resilience Corps Recruits Were From Low Resource Census Tracts in the FY 2021-22 Resilience Corps Program



Source: Auditor analysis of recruitment data provided by the City department, and census tracts.

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APPENDIX C

Agreements the City of San José Entered With the Conservation Corps (July 2016 - December 2022)

| Program Area | Contract Number | Ext. | Not to Exceed (Full Term) | Term Start | Term End | Months |
|--|-----------------|------|---------------------------|------------|------------|--------|
| BeautifySJ: Direct Discharge Trash Removal | OC-003124 | 0 | \$600,000 | 11/15/2022 | 8/31/2023 | 9 |
| Resilience Corps | OC-003309 | 0 | \$9,500,000 | 7/1/2022 | 6/30/2024 | 24 |
| BeautifySJ: Encampment Trash Removal | 667307 | 0 | \$575,000 | 7/1/2021 | 6/30/2022 | 12 |
| BeautifySJ: Graffiti and Litter Removal | 667261 | 0 | \$70,000 | 11/1/2021 | 10/31/2022 | 12 |
| Food Distribution | 667198 | 4 | \$11,450,000 | 1/1/2022 | 6/30/2022 | 6 |
| Resilience Corps | 667190 | 1 | \$5,165,000 | 7/1/2021 | 6/30/2023 | 24 |
| BeautifySJ: Encampment Trash Removal | 666798 | 0 | \$292,662 | 1/1/2021 | 6/30/2021 | 6 |
| Food Distribution | 666541 | 4 | \$4,000,000 | 12/31/2020 | 6/30/2021 | 6 |
| BeautifySJ: Graffiti and Litter Removal | 666389 | 0 | \$70,000 | 11/6/2020 | 9/30/2021 | 10 |
| BeautifySJ: Encampment Trash Removal | 666218 | 0 | \$249,000 | 7/20/2020 | 12/30/2020 | 6 |
| Food Distribution | 665923 | 1 | \$4,577,783 | 8/11/2020 | 12/30/2020 | 5 |
| Climate Smart San Jose | 664038 | 2 | \$70,000 | 11/20/2018 | 12/31/2019 | 13 |
| BeautifySJ: Graffiti and Litter Removal | 662535 | 0 | \$34,847 | 7/1/2017 | 6/30/2018 | 12 |
| Recycling and Creek Clean-up | 661462 | 2 | \$267,000 | 7/1/2016 | 6/30/2018 | 24 |
| Park Maintenance | 661487 | 5 | \$1,331,450 | 7/1/2016 | 6/30/2023 | 84 |

Note: This chart does not include agreements that do not include a monetary value, such as broadband connectivity agreements or right-to-entry for trails.

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Memorandum

TO: Joe Rois
City Auditor

FROM: Jon Cicirelli

SUBJECT: SEE BELOW

DATE: April 4, 2023

Approved

Date

4/4/23

SUBJECT: RESPONSE TO THE AUDIT OF THE SAN JOSE CONSERVATION CORPS: THE CORPS PROVIDES ESSENTIAL SERVICES TO RESIDENTS, HOWEVER THE CITY CAN BETTER MONITOR PERFORMANCE AND PROMOTE WORKPLACE SAFETY

BACKGROUND

The Administration has reviewed the Audit of the San Jose Conservation Corps and agrees with all the recommendations identified in the report. The Administration's responses to each of the City Auditor's recommendations are provided in this report.

Consistent with other priority-setting processes, the City Council adopted a new framework for the Administration's response to Audit recommendations in May 2015. As with other priority processes, the green, yellow, and red, light system is utilized to convey the Administration's operational readiness to undertake workload demands. Green administration responses represent items that are either in existing work plans or are part of work already underway. Yellow administration responses represent items that would take more than 40 hours including research and policy/ordinance development. Red administration responses indicate that the item is not feasible. The Administration's response to each of the Audit's recommendations is presented below employing the green, yellow, and red, light system consistent with City Council direction in May 2015.

The San Jose Conservation Corps (Conservation Corps) is a 501c3 non-profit organization that connects young adults from under-resourced communities with job training and educational opportunities. The City has contracted with the Conservation Corps since its inception in 1987 for projects related to park maintenance, cleanup programs, and others. In response to the COVID-19 pandemic, the City expanded its reliance on the Conservation Corps to address impacts of the pandemic on the City and help the City address concurrent challenges of food insecurity, unemployment or underemployment, encampment management, and climate change. Currently, the Conservation Corps works with the City in three primary program areas:

- The Resilience Corps Environmental Pathways program – A jobs program for unemployed and underemployed young adults, primarily from low-resource census tracts, focusing on environmental impact projects in City parks and trails.

- BeautifySJ – A program focused on cleaning up litter and blight in San José. Corps members’ work is focused on trash clean-up and sanitation services at encampments for residents experiencing homelessness.
- Food Distribution – A program to help fill and distribute boxes of food through the Second Harvest Food Bank.

In 2022, the City spent \$12.6 million on its agreements with the Conservation Corps. The Department of Parks, Recreation and Neighborhood Services (PRNS) is the primary City department that works with the Conservation Corps. The objective of this audit was to review the service delivery and expenditures of funds under City contracts. This audit was requested by a Councilmember.

RECOMMENDATIONS AND ADMINISTRATION’S RESPONSE

Finding I: The City Can Refine Performance Tracking and Improve Contract Monitoring

Recommendation #1: 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 Conservations Corps for the BeautifySJ program.

Administration’s Response: The Administration agrees with this recommendation.

Yellow: Future agreements with Conservation Corps will include performance metrics related to timeliness of assigned work being completed as part of the BeautifySJ Program agreements. The BeautifySJ Program is developing and refining current performance and outcome measures for the Encampment Management Strategy. These newly developed performance metrics will be included in future agreements with the Conservation Corps. This will ensure that services are being implemented in a fashion that align with overall program service goals and performance metrics.

Target Date for Completion: December 2023

Recommendation #2: To improve participant outcome tracking, the City Administration should work with the Conservation Corps to establish a process to verify participant outcomes during the three-month post-program period and validate outcomes with supporting documentation.

Administration's Response: The Administration agrees with this recommendation.

Green: On a weekly basis, staff meets with the Conservation Corps to discuss program participation changes and activities, including recruitment, enrollment, and drops, as well as outcomes. The Conservation Corps currently tracks these changes. PRNS staff is working with the Conservation Corps to establish a process to verify participant outcomes during the post-program period that includes obtaining and recording supporting documentation for validation. PRNS staff expects to have the process finalized in the next month.

Target Date for Completion: June 2023

Recommendation #3: 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.

Administration's Response: The Administration agrees with this recommendation.

Green: Staff in PRNS, the Finance Department and the City Attorney's Office will work to determine the breakdown of indirect costs in the agreements with the Conservation Corps and then take necessary steps to ensure compliance with federal Uniform Guidance.

Target Date for Completion: December 2023

Finding II: The City Can Help Promote a Safer Work Environment for Corps Members

Recommendation #4: 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.**

Administration's Response: The Administration agrees with this recommendation.

Yellow: PRNS staff will work with the Conservation Corps to develop operating procedures for handling biowaste and other hazards at encampment locations with guidance based on OSHA standards. There will be a process for reporting these hazards to City staff and how to address them in the field including providing the necessary training and tools required for appropriate collection and disposal. Newly established processes and procedures and training requirements will be included in future agreements once they have been developed and approved by both the City and Conservation Corps.

Target Date for Completion: March 2024

Recommendation #5: 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.

Administration's Response: The Administration agrees with this recommendation.

Green: PRNS staff is currently working with the Information Technology Department to develop a new Encampment Management System that will allow for streamlined reporting of hazards. The human-centered design portion of the project was completed in March 2023 with subsequent design phases beginning in April 2023.

In the interim the BeautifySJ Staff will refine the current process related to Conservation Corps reporting hazards to BeautifySJ Program staff to ensure proper removal and disposal.

Target Date for Completion: August 2023 to refine the current process and May 2024 for the Encampment Management System.

JOE ROIS, CITY AUDITOR

Subject: Response to the Audit of the San Jose Conservation Corps

April 4, 2023

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CONCLUSION

The Department would like to extend its gratitude to the City Auditor's Office which dedicated their time to the completion of this audit. It has been a positive experience that yielded opportunities to improve the service the Department provides to the residents of San José.



JON CICIRELLI
Director of Parks, Recreation
and Neighborhood Services

For questions, please contact Avi Yotam, Deputy Director, Parks Division, at avi.yotam@sanjoseca.gov or Andrea Flores Shelton, Deputy Director, Community Services Division, at andrea.floresshelton@sanjoseca.gov.