

Audit Recommendation Follow-Up Report

SEPTEMBER 2024

Status Update as of June 30, 2024

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CITY OF SAN DIEGO



OFFICE of the CITY AUDITOR



September 11, 2024

Honorable Members of the Audit Committee
City of San Diego, California

Recommendation Follow-Up Report – Status Update as of June 30, 2024

Attached is the Office of the City Auditor’s Recommendation Follow-Up Report, which provides the status of open recommendations as of June 30, 2024. We will continue reporting on open recommendations semiannually for periods ending around June 30th and December 31st.

We have provided a short summary of data and attached the status updates for all recommendations. We look forward to presenting this report at the September 18, 2024 Audit Committee meeting.

The intent of this report is to keep the Audit Committee and other stakeholders informed about the implementation status of recommendations made by the Office of the City Auditor. We welcome any suggestions or recommendations for improving this report to enhance your ability to monitor the effective implementation of City Auditor recommendations.

We would like to thank all the staff from the various departments that provided us with information for this report. All of their valuable time and efforts are greatly appreciated.

Respectfully submitted,

Andy Hanau
City Auditor

cc: Honorable Mayor Todd Gloria
Honorable City Councilmembers
Honorable City Attorney Mara Elliott
Eric Dargan, Chief Operating Officer
Matthew Vespi, Chief Financial Officer
Rolando Charvel, Department of Finance Director and City Comptroller
Christiana Gauger, Chief Compliance Officer
Deputy Chief Operating Officers
Department Directors

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Summary

The mission of the Office of the City Auditor is to advance open and accountable government through accurate, independent, and objective audits and investigations that seek to improve the efficiency, effectiveness, and equity of City government.

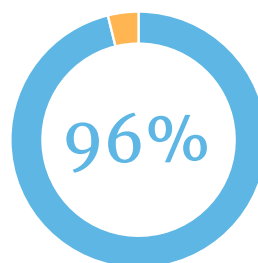
We greatly appreciate the Administration’s efforts to implement audit and investigative recommendations to improve City operations and mitigate the risks identified during our audits and investigations.

As of our last recommendation follow-up report for the period ending December 31, 2023, there were 157 open recommendations. Since then, we have issued five performance audit reports and one agreed-upon procedures review, which added 26 new recommendations with 96 percent agreement, for a total of 183 outstanding recommendations for the period ending June 30, 2024, as shown below.

26 new recommendations to improve efficiency, effectiveness, and equity of City operations issued January 1, 2024 through June 30, 2024

City Management agreed with **96%** of new recommendations

Recommendation Agreement



30 Recommendations Resolved for Period Ending June 30, 2024

183 Outstanding Recommendations

- 30** Implemented
- 112** In Process – Past Due
- 31** In Process – Not Due
 - 1** In Process (Proposed Alternative)
 - 5** Not Implemented – N/A
 - 4** Disagree (Audit Committee Requested Action)

To augment this and future recommendation follow-up reports, we have created and published an interactive dashboard on our website as shown in **Exhibit 1**. For the interactive dashboard and copies of past reports, visit our website:

[Recommendation Follow-Up Dashboard](#)

[All Implemented Recommendations Over Time](#)

[Current Report Period Ending June 30, 2024](#)

As shown in **Exhibit 1** and **Exhibit 2**, the dashboard allows users to view and sort open recommendations by report year of issuance, department, recommendation priority, recommendation status, implementation time (since report issuance), and report.

Exhibit 1

Screenshot of the Dashboard for the Current Report Period Ending June 30, 2024



San Diego Office of the City Auditor
Recommendation Follow-Up Dashboard

6/30/2024
Reporting Period Ending

45
Total Reports Issued

183
Total Active Recommendations

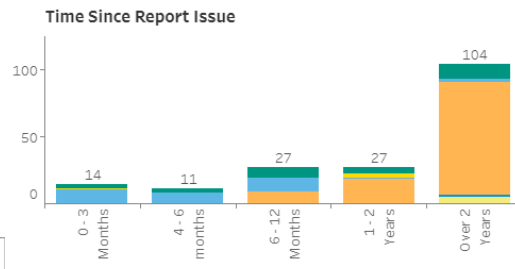
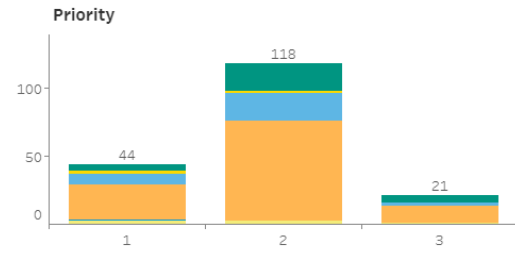
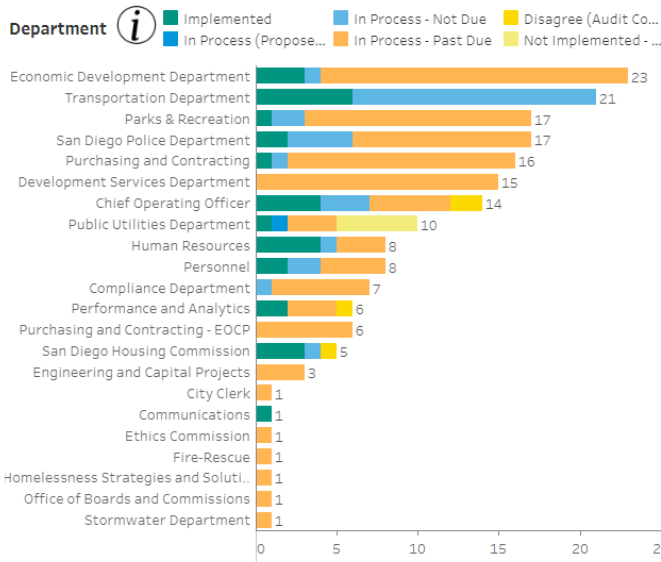


[Click to read the corresponding Recommendation Follow-Up Report](#)

Year of Report Issuance (Calendar Year) [All] Department [All] Recommendation Priority [All] Recommendation Status [All] Time Since Report Issue [All] Audit Report Title [All]

45 Reports in Selected Filters

183 Active Recommendations in Selected Filters

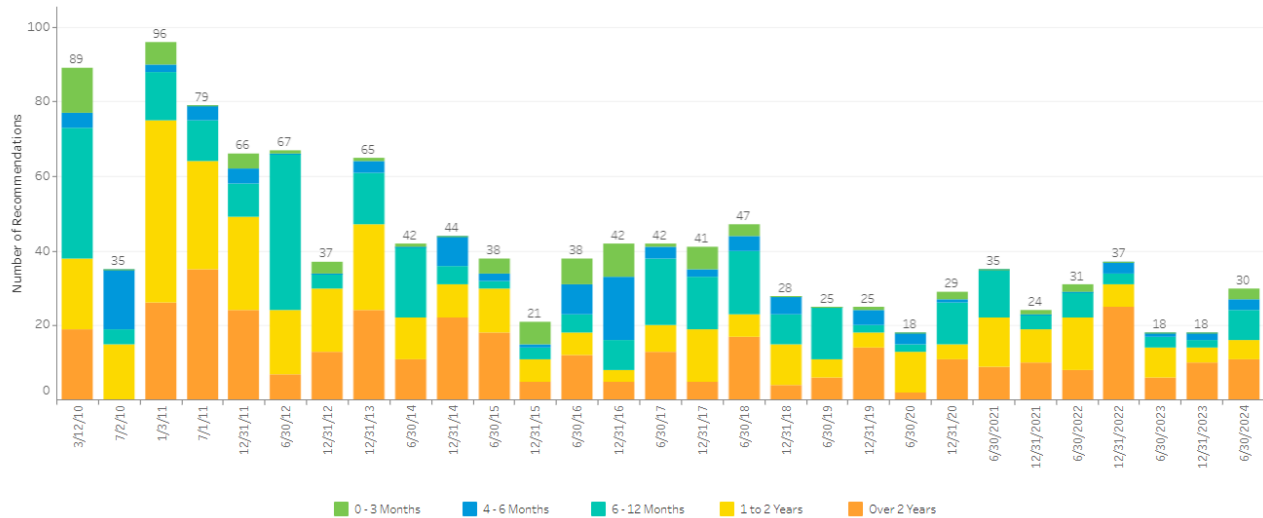


Select a Report to View Details Below
Click a report icon, then scroll down to view information about individual report

Exhibit 2

Length of Time to Implement Recommendations Since Report Issuance

Time to Implementation



Number of Recommendations Implemented since 3/12/2010:
1,207

Current Reporting Period Ending:
6/30/2024

Number of Active Recommendations during Current Report Period:
183

Implementation Status of Recommendations

This report reflects the status of all Office of the City Auditor open audit recommendations as of June 30, 2024. We contacted departments directly to gather recommendation status information, reviewed all outstanding recommendations, and placed the recommendations into the following status categories:

Previously Implemented: Management provided sufficient and appropriate evidence to support implementation of all elements of the recommendation, or identified and implemented an alternative approach that addresses the risk and we deemed the recommendation to be implemented during a prior reporting period;

Newly Implemented: Management provided sufficient and appropriate evidence to support implementation of all elements of the recommendation, or identified and implemented an alternative approach that addresses the risk;

In Process – Past Due: Management provided some evidence but not all elements of the recommendation have been addressed, or the department has agreed to implement the recommendation but has not yet completed the implementation, and the original target implementation date has passed;

In Process – Not Due: Management provided some evidence but not all elements of the recommendation have been addressed, or the department has agreed to implement the recommendation but has not yet completed the implementation, and the original target implementation date has not yet passed;

Not Implemented – N/A: Circumstances changed to make the recommendation not applicable;

In Process (Proposed Alternative): Management disagreed with the original recommendation as written, but it reported it has an action plan (alternative) to mitigate the identified risk that was reported in the audit; and

Disagree (Audit Committee Requested Action): Management disagreed with the original recommendation as written, but the Audit Committee requested action to mitigate the risk.

The following icons are used throughout this report to indicate the **34** recommendations for which the department reported that it requires additional resources and the **16** recommendations for which the department did not provide a current update on the implementation status.



= Requires Resources



= No Update Provided

Exhibit 3 below summarizes the status of the 183 recommendations by audit report in chronological order.

Exhibit 3
Audit Reports and Recommendation Status

Report #	Report Title	Newly Implemented	In Process Past Due	In Process Not Due	Other	Page #
13-009	Performance Audit of the Real Estate Assets Department		1			18
15-012	The City Needs to Address the Lack of Contract Administration and Monitoring on Citywide Goods and Services Contracts		1			20
15-016	Performance Audit of Citywide Contract Oversight		5			22
16-016	Citywide Contract Oversight II - Contract Review		2			28
17-013	Performance Audit of the San Diego Convention Center		1			31
18-023	Performance Audit of the Storm Water Division		1			33
19-002	Performance Audit of the Real Estate Assets Department's Portfolio Management Practices		2			35
19-003	Performance Audit of the Public Utilities Department's Water Billing Operations		1			38
19-019	Performance Audit of the Public Utilities Department Customer Support Division Customer Service Office (Call Center)	1				40
20-002	Performance Audit of Public Utilities Department's Advanced Metering Infrastructure Implementation				6	10
20-003	Hotline Report of Abuse Related to the Unfair Award of a Multi-Million-Dollar Contract		4			42
20-008	Performance Audit of Development Services Department Administration of Deposit Accounts for Development Projects		5			46
20-009	Performance Audit of the City's Efforts to Address Homelessness		1			51
20-010	Hotline Investigation of Gifts Received by a City Employee		1			54
20-011	Performance Audit of the City's Strategic Human Capital Management		1			57
20-013	IT Performance Audit of Citywide Data Classification and Sensitive Data Encryption	1	1			60

Report #	Report Title	Newly Implemented	In Process Past Due	In Process Not Due	Other	Page #
21-001	Follow-Up Performance Audit of the Public Utilities Department's Industrial Wastewater Control Program		2			62
21-002	Agreed-Upon Procedures Related to the Central Stores Physical Inventory - Fiscal Year 2020		2			65
21-004	Performance Audit of San Diego Police Department's Data Analysis	1	1			67
21-005	Performance Audit of the Purchasing and Contracting Department's Small Local Business Enterprise Program		6			70
21-006	Performance Audit of Strategic Human Capital Management II: Employee Performance Management	4	2			75
21-009	Performance Audit of the City's Climate Action Plan		1			81
21-011	Hotline Investigation of Board-Up Services	1				83
22-001	Performance Audit of the City's Use of CARES Act Funding	1				84
22-002	Performance Audit of the City's Major Building Acquisition Process		8	1		85
22-005	Performance Audit of Equity in Recreation Programming	1	12	1		95
22-007	Performance Audit of the City's Lease Management and Renewal Process	1	8			111
22-008	Performance Audit of Workplace Safety and Workers' Compensation		6			119
22-009	Performance Audit of the Development Services Department's Code Enforcement Division		10			126
23-001	Performance Audit of SDPD's Use and Management of Body Cameras		6			138
23-002	Performance Audit of Mission Bay and San Diego Regional Parks Improvement Funds, Fiscal Year 2021	2	1	1		143
23-004	Performance Audit of the City's Get It Done Application and Service Requests Management	1	3		1	146
23-005	Performance Audit of the City's Towing Program		4			153

Report #	Report Title	Newly Implemented	In Process Past Due	In Process Not Due	Other	Page #
23-07	Performance Audit of the San Diego Housing Commission's Homelessness Services Contract Management	1				158
23-08	Hotline Report of Unsafe Driving by City Employees	1	1		2	160
23-09	Performance Audit of the City's Capital Improvement Project Approval Process		3			164
24-01	Performance Audit of the City's Brush Management on City-Owned Land		4	3		167
24-02	Performance Audit of the City's Classified Employee Hiring Process	3	4	3		176
24-03	Fraud Hotline Report of Purchase Order Approvals		1			185
24-04	Re-Review of the 2016 Audit of the City's Programs Responsible for Improving Pedestrian Safety	5		3		186
24-05	Agreed-Upon Procedures Related to the Central Stores Physical Inventory - Fiscal Year 2023			1		191
24-07	Performance Audit of the City's Street Maintenance Program	3		4		192
24-08	Performance Audit of SDPD Overtime			4		200
24-09	Performance Audit of the San Diego Housing Commission's Property Acquisition Process	2		1	1	205
24-11	2024 High Risk Re-Review of the 2013 Performance Audit of the City's Pothole Repair Operations	1		9		208
Grand Total		30 (16%)	112 (61%)	31 (17%)	10 (5%)	

Report Sections

This report provides detailed information about the recommendations in the following sections:

Section A: Recommendations Highlighted for the Audit Committee's Attention

Generally, this section includes recommendations for which: (a) the Administration disagreed with implementing the recommendation; (b) the status update significantly varied from previous updates provided by the Administration; (c) some type of further action by the Audit Committee is needed; and/or (d) it is determined to be Not Applicable (N/A) any longer and should be dropped.

Section B: Recommendation Implementation Status by Report

This section includes all newly implemented and in process recommendations as of June 30, 2024, organized by audit or investigative report. This section includes brief summaries of every report, as well as a table summarizing the status of all recommendations from that report.

Format for Recommendation Status Updates

As a result of ongoing process improvement discussions between OCA and the Compliance Department, in January 2024, we issued a [joint memorandum](#) with the Chief Operating Officer to City Department Directors regarding the requested format for providing status updates for our recommendations.

The format, which is reflected in many of the recommendation implementation updates in this report, includes the following basic elements:

1. A summary of the key steps or tasks required to implement an agreed-upon recommendation;
2. The status of each step or task, including whether the step or task has been completed, or any information on the progress in completing the step or task; and
3. Target timeframes for completing the remaining steps or tasks.

Future Recommendation Follow-Ups

The Office of the City Auditor will conduct semi-annual follow-ups, with reporting periods ending June 30th and December 31st. For the next report, we will continue to request that departments establish target implementation dates for new audit recommendations, and we will provide information on the recommendations that have become past due or for which the target implementation date has changed. We will also highlight recommendations where there is disagreement and seek resolutions.

As we move forward, we will be adding past recommendations to the dashboard. This will allow users to view and sort open and past recommendations by report year of issuance, department, recommendation priority, recommendation status, implementation time (since report issuance), and report.

The intent of this report is to keep the Audit Committee informed about the implementation status of recommendations made by the Office of the City Auditor. We welcome any suggestions or recommendations for improving this report to enhance your ability to monitor the effective implementation of City Auditor recommendations.

Section A

Recommendations for the Audit Committee's Attention

This section includes recommendations highlighted for the Audit Committee's attention. Generally, this section includes recommendations for which: (a) the Administration **disagreed** with implementing the recommendation; (b) the **status update significantly varied from previous updates** provided by the Administration; (c) some type of **further action** by the Audit Committee is needed; and/or (d) it is determined to be **Not Applicable (N/A)** any longer and should be dropped.

Performance Audit of Public Utilities Department’s Advanced Metering Infrastructure Implementation

20-002

(JP)

In our [Performance Audit of Public Utilities Department’s Advanced Metering Infrastructure Implementation](#), we found that insufficient project planning and management caused major delays and may lead to cost overruns. Specifically, we found:

Finding 1: The Public Utilities Department did not adequately plan, budget for, or manage the Citywide AMI implementation, leading to major delays and potential cost overruns.

Finding 2: The Public Utilities Department needs to address several staffing issues to improve the performance of the Citywide AMI implementation.

Finding 3: The Public Utilities Department should accurately track meter replacement labor costs to improve project oversight.

Finding 4: EAM Work Manager data controls do not effectively prevent data entry errors, leading to inefficiencies and billing delays.

No.	Department	Recommendation Status	Resources Required	No Update Provided
1	Public Utilities	Previously Implemented (December 2019)		
2	Public Utilities	Previously Implemented (December 2019)		
3	Public Utilities	In Process (Proposed Alternative)		
4	Public Utilities	Not Implemented – N/A (June 2023)		
5	Public Utilities	Previously Implemented (December 2019)		
6	Public Utilities	Not Implemented – N/A		
7	Public Utilities	Previously Implemented (December 2021)		
8	Public Utilities	Not Implemented – N/A		
9	Public Utilities	Not Implemented – N/A (June 2023)		
10	Public Utilities	Not Implemented – N/A (June 2023)		
11	Public Utilities	Not Implemented – N/A		

No.	Department	Recommendation Status	Resources Required	No Update Provided
12	Public Utilities	Not Implemented – N/A		
13	Public Utilities	Not Implemented – N/A		

PUD has previously implemented Recommendations 1, 2, 5, and 7. In the Recommendation Follow-Up Report for period ending June 30, 2023, PUD Requested that Recommendations 3, 4, 6, 8, 9, 10, 11, 12, and 13 be closed as Not Implemented – N/A due to a change in its approach to deploying AMI (currently referred to as “smart meters”). Specifically, PUD indicated that it planned to use a vendor instead of City crews for the smart meter deployment. OCA agreed with this status for Recommendations 4, 9, and 10, which dealt with risks associated with a City-managed deployment and were deemed not applicable due to PUD’s revised approach. However, OCA requested that the Audit Committee pass a motion to keep recommendations 3, 6, 8, 11, 12, and 13 open as In Process because they addressed underlying risks to the project that would remain associated with both a City-managed and vendor-managed deployment. At the September 20, 2023 Audit Committee meeting, PUD reported to the Audit Committee that it agreed with the recommendations in spirit, but maintained that the recommendations no longer applied, as the vendor-managed deployment would differ significantly from the approach reviewed for the audit. Nevertheless, the Audit Committee opted to request that PUD address the underlying risks identified in the audit recommendations, and passed a motion to keep Recommendations 3, 6, 8, 11, 12, and 13 In Process. OCA agreed to continue to work with the department to identify actions necessary to consider the recommendations implemented under the new approach. In the Recommendation Follow-Up Report for period ending January 31, 2024, PUD provided updates indicating that Recommendations 3, 6, 8, 11, 12, and 13 were In Process. PUD is now reporting that, as a result of using a proposed performance-based RFP to select a vendor to design and implement a smart metering system, Recommendations 6, 8, 11, 12, and 13 are Not Implemented – N/A.

Requested Action:

Management indicates that it is preparing a new RFP to deploy a new smart metering system that will replace all meters and the smart metering infrastructure Citywide. Given the additional information OCA has been provided about PUD’s planned performance-based RFP and contract, OCA agrees that Recommendations 6, 8, 11, 12, and 13 can be closed as Not Implemented – N/A, provided that Recommendation 3 remains In Process so we can verify that PUD follows through with its plan, and sufficiently mitigates the risks OCA identified in the audit.

As a result, we propose that Recommendations 6, 8, 11, 12, and 13 be closed as Not Implemented – N/A. OCA will continue to follow up on Recommendation 3 in order to verify that PUD enters into a performance-based contract that includes adequate provisions to hold the vendor responsible for smart meter implementation. This will address the underlying risks in Recommendations 6, 8, 11, 12, and 13.

Recommendation 3*Public Utilities*

The Executive Steering Committee, in conjunction with the project manager, should develop a deployment plan for the Citywide AMI implementation project, which includes specific and detailed tasks, responsibilities, budgets, and a timeline for completion. Budgets and timelines for completion should be supported by detailed analysis based on realistic assumptions. (Priority 1)

In Process (Proposed Alternative)

PUD reported that this recommendation is in process, but that it has an alternative implementation plan to address the underlying risks.

According to the Public Utilities Department, it is currently drafting a performance-based Request for Proposal (RFP) to design and implement a smart metering system that addresses the City's functional needs, including:

- Ability for consumption data to be pulled into customer portal and other City applications for in-depth consumption and billing information.
- Billing, system health, and meter maintenance alerts & remote analysis/reporting tools.
- GIS interface to support meter locating and system troubleshooting.
- Ease of application/software use, but with strong access controls and permissions.
- Ease of Network O&M.
- Ability to manage coverage issues.

By using this performance-based RFP method, the City will receive bids for different types of smart metering technology, and will be able to select the best technology to provide for its functional needs. Public Utilities is working with an experienced consultant to assist with in-depth, comprehensive planning, management, and support throughout the project. Oversight of the contractors will be ensured with a designated Smart Metering program manager and detailed performance tracking.

A draft RFP with input from multiple departments throughout the City has been drafted and the department is engaging with the recognized employee organizations. With the release of the RFP later this year, it is estimated that a vendor could be selected by August 2025 and pre-deployment would begin in 2026. Due to the size of the system, over 286,000 total meters, it is estimated the full deployment will take between 3 and 4 years to complete with 6,000–8,000 smart meter installations per month. The pre-deployment period will address and approve of the plan for IT system integration and/or other IT adjustments dependent on the RFP/Contractor selected.

OCA will follow up on PUD's smart meter deployment to ensure that its new approach addresses the underlying risks of this recommendation, as well as those of Recommendations 6, 8, 11, 12, and 13.

Issue Date: July 11, 2019

Original Target Date: January 2020

Current Target Date: ~~January 2020~~ ~~July 2021~~ ~~January 2022~~ ~~June 2022~~
~~July 2022~~ ~~September 2023~~ ~~June 2024~~ TBD

Recommendation 6

Public Utilities

The Public Utilities Department (PUD) should develop a staffing management plan for meter replacements to enable the department to complete the Citywide AMI implementation on a schedule, as determined by PUD. As part of this plan, PUD should consider:

- A dedicated work group with experienced and stable staff to complete meter replacements; and
- Augmenting City forces with a third-party meter installation provider. (Priority 1)

Department Reported: Not Implemented – N/A

OCA Request: Not Implemented – N/A

PUD is no longer deploying the AMI system under the same design audited in 2019. PUD is preparing an RFP to replace all meters Citywide with new smart meters, as well as new systems and infrastructure for collecting the meter readings. This draft RFP requires the contractor to provide all installation services, including meter replacement staffing. As a result, the risk addressed in this recommendation will be transferred to the contractor.

OCA will continue to follow up on the smart meter deployment with updates to Recommendation 3. If PUD changes its deployment plan—such as not using a performance-based contract to deploy the smart meter system—OCA will ask the Audit Committee to consider reopening this recommendation to ensure that the underlying risks are addressed.

Issue Date: July 11, 2019

Original Target Date: January 2020

Recommendation 8

Public Utilities

The Public Utilities Department (PUD) should develop a staffing management plan for endpoint installation and programming to enable the department to complete the Citywide AMI implementation on a schedule, as determined by PUD. As part of this plan, PUD should consider:

- A dedicated work group with experienced and stable staff to complete endpoint installation and programming; and
- Augmenting City forces with a third-party endpoint installation and programming provider. (Priority 1)

Department Reported: Not Implemented – N/A

OCA Request: Not Implemented – N/A

PUD is no longer deploying the AMI system under the same design audited in 2019. PUD is preparing an RFP to replace all meters Citywide with new smart meters, as well as new systems and infrastructure for collecting the meter readings. This draft RFP requires the contractor to provide all installation services, including transmitter installation staffing. As a result, the risk addressed in this recommendation will be transferred to the contractor.

OCA will continue to follow up on the smart meter deployment with updates to Recommendation 3. If PUD changes its deployment plan—such as not using a performance-based contract to deploy the smart meter system—OCA will ask the Audit Committee to consider reopening this recommendation to ensure that the underlying risks are addressed.

Issue Date: July 11, 2019

Original Target Date: July 2020

Recommendation 11

Public Utilities

The Public Utilities Department (PUD) and the Department of Information Technology (DoIT) should work together to evaluate the EAM Work Manager control environment and ensure the new Work Manager development meets PUD’s needs for complete, accurate, and timely data entry for meter replacements. Specifically, these should include controls at the device level that prevent incomplete and inaccurate data from entering the meter replacement workflow.

Additionally, this evaluation should include maintaining an awareness of business processes and associated activities, and comprehensive testing of EAM Work Manager for the meter replacement process. (Priority 2)

Department Reported: Not Implemented – N/A

OCA Request: Not Implemented – N/A

PUD is no longer deploying the AMI system under the same design audited in 2019. PUD is preparing an RFP to replace all meters Citywide with new smart meters, as well as new systems and infrastructure for collecting the meter readings. This draft RFP also requires the winning contractor to provide integration between the smart metering system and City systems, including a meter exchange interface.

While this proposed RFP will transfer the risk of accurate meter exchange data to the contractor for the AMI deployment project, it does not address the ongoing risk of City crews entering incorrect data due to a lack of controls in the City’s own systems. However, the size of this risk is relatively smaller than if those systems were to be used in replacing all meters Citywide in the deployment project.

OCA will continue to follow up on the smart meter deployment with updates to Recommendation 3. If PUD changes its deployment plan—such as not using a performance-based contract to deploy the smart meter system—OCA will ask the Audit Committee to consider reopening this recommendation to ensure that the underlying risks are addressed.

Issue Date: July 11, 2019

Original Target Date: February 2020

Recommendation 12

Public Utilities

The Public Utilities Department (PUD) and Department of Information Technology (DoIT) should work together to evaluate the control environment of any application to be used for endpoint installations—such as EAM—and ensure that it meets PUD’s needs for complete, accurate, and timely data entry for endpoint installations. Specifically, these should include controls at the device level that prevent incomplete and inaccurate data from entering the meter replacement workflow. Additionally, this evaluation should include maintaining an awareness of business processes and associated activities, and comprehensive testing of any application to be used for endpoint installation—such as EAM—for the endpoint installation process. (Priority 2)

Department Reported: Not Implemented – N/A

OCA Request: Not Implemented – N/A

PUD is no longer deploying the AMI system under the same design audited in 2019. PUD is preparing an RFP to replace all meters Citywide with new smart meters, as well as new systems and infrastructure for collecting the meter readings. This draft RFP also requires the winning contractor to provide integration between the smart metering system and City systems. As a result, the risk of incorrect data entry for smart meter infrastructure is transferred to the contractor in this proposed RFP.

OCA will continue to follow up on the smart meter deployment with updates to Recommendation 3. If PUD changes its deployment plan—such as not using a performance-based contract to deploy the smart meter system—OCA will ask the Audit Committee to consider reopening this recommendation to ensure that the underlying risks are addressed.

Issue Date: July 11, 2019

Original Target Date: June 2020

Recommendation 13
Public Utilities

The Public Utilities Department should track the causes, resolution, and duration of all exceptions cases resulting from AMI meter replacements, including but not limited to EMMA and the SAP Workflow Inbox, and review the data to perform trending and root cause analyses. (Priority 3)

Department Reported: Not Implemented – N/A
OCA Request: Not Implemented – N/A

PUD is no longer deploying the AMI system under the same design audited in 2019. PUD is preparing an RFP to replace all meters Citywide with new smart meters, as well as new systems and infrastructure for collecting the meter readings. This draft RFP requires the contractor to provide all installation services. As a result, the risk addressed in this recommendation will be transferred to the contractor, as it relates to the proposed future replacement of meters Citywide.

While this proposed RFP will transfer the risk of accurate meter exchange data to the contractor for the AMI deployment project, it does not address the ongoing risk of billing impacts due to incorrect data in the City’s own systems, potentially resulting in missed billings if the exceptions are not addressed in a timely fashion.

OCA will continue to follow up on the smart meter deployment with updates to Recommendation 3. If PUD changes its deployment plan—such as not using a performance-based contract to deploy the smart meter system—OCA will ask the Audit Committee to consider reopening this recommendation to ensure that the underlying risks are addressed.

Issue Date: July 11, 2019

Original Target Date: July 2020

Current Target Date: ~~July 2020~~ ~~July 2022~~ ~~December 2022~~ ~~December 2023~~
June 2024

Section B

Recommendation Implementation Status by Report

This section includes all newly implemented and in process recommendations as of December 31, 2023, organized by audit or investigative report.

Previously Implemented recommendations were deemed as implemented as of a prior reporting period (as indicated by the month and year of the reporting period).

Newly Implemented recommendations have been deemed as implemented as of this reporting period based on auditor review of sufficient and appropriate evidence provided by the departments.

In Process – Past Due recommendations are recommendations with past due original target dates as of this reporting period that are in process of implementation based on the status information provided by the departments or based on auditor review of evidence provided by the departments.

In Process – Not Due recommendations are recommendations with original target dates that are not due as of this reporting period that are in process of implementation based on the status information provided by the departments or based on auditor review of evidence provided by the departments.

Will Not Implement recommendations were closed because the department disagreed with the recommendation, did not intend to implement, or determined it would not implement the recommendation as of a prior reporting period (as indicated by the month and year of the reporting period).

Not Implemented – N/A recommendations were closed because circumstances changed to make the recommendation not applicable as of a prior reporting period (as indicated by the month and year of the reporting period).

Disagree (Audit Committee Requested Action) recommendations are recommendations for which Management disagreed with the original recommendation as written, but the Audit Committee requested action to mitigate the risk.

Performance Audit of Real Estate Assets Department

13-009

(MJ)

We conducted a [Performance Audit of the Real Estate Assets Department](#) and found that the department should update its Portfolio Management Plan and improve its performance measures to meet the City’s needs. Specifically, we found:

Finding 1: The City should strengthen and clarify the Real Estate Assets Department’s role in addressing the City’s space needs.

Finding 2: The City incurs administrative and other costs in providing free leases to nonprofit groups.

No.	Department	Recommendation Status	Resources Required	No Update Provided
1	Economic Development	Previously Implemented (June 2016)		
2	Economic Development	Previously Implemented (June 2015)		
3	Economic Development	Previously Implemented (June 2016)		
4	Economic Development	In Process – Past Due		

Note: The former Real Estate Assets Department is now part of the Economic Development Department. Thus, all recommendations originally assigned to the Real Estate Assets Department are now assigned to the Economic Development Department.

Recommendation 4 *Economic Development*

The Real Estate Assets Department (READ) should work with the City Administration and the City Council to draft a policy on rent subsidies to nonprofit organizations that establishes eligibility criteria for recipients, recovers the City’s facilities maintenance and upkeep costs for the subsidized space, and fee to recover the costs of preparing, processing, and monitoring leases. (Priority 3)

In Process – Past Due

This recommendation is in process. The department reported that as part of its comprehensive updates to Council Policies, it has drafted revisions to Council Policy 700-12, which includes language addressing the recommendation. Council Policy 700-12 was brought forward for consideration by the Land Use & Housing Committee in October 2023 and was approved to move forward for Council consideration. In November 2023, the Real Estate and Airport Management functions were consolidated into the Economic Development Department. As a result, the leadership

is still working to take a holistic approach in order to bring forward implemented recommendations. It is anticipated that this item will be brought forward by the end of 2024 with the two additional Council Policies (700-32 and 700-10) for approval and final implementation. The department's next steps are to complete final internal reviews and docket Council Policy 700-12 for consideration. The month and date will be dependent upon final review by the City Attorney and docketing availability and timelines.

Issue Date: December 20, 2012

Original Target Date: June 2013

Current Target Date: June-2013 March-2017 April-2017 June-2018 December-2018 June-2019 December-2019 March-2020 September-2020 July-2021 July-2022 December-2023 April-2024 December 2024

Memorandum: The City Needs to Address the Lack of Contract Administration and Monitoring on Citywide Goods and Services Contracts

15-012
(AR) (KE)

In our Performance Audit of Citywide Contract Oversight, we found significant deficiencies in the manner in which the City oversees and monitors Citywide goods and services contracts. Specifically, we found that contract administrators have not been assigned to monitor all Citywide goods and services contracts and an ineffective critical control designed to prevent City staff from exceeding contract thresholds. In compliance with Government Auditing Standards Section 6.78, Early Communication of Deficiencies, we issued a [memorandum](#) prior to completing our performance audit due to the significant inherent risks these conditions posed to the City.

No.	Department	Recommendation Status	Resources Required	No Update Provided
1	Purchasing & Contracting	Previously Implemented (December 2022)		
2	Purchasing & Contracting	In Process – Past Due		

Recommendation 2

Purchasing & Contracting

The Purchasing & Contracting Director should take immediate action to ensure the Target Value control is enforced on contractual purchases. Specifically, the Director should implement the following detective controls:

- Ensure that the report in development will clearly identify orders made without references to the appropriate contract and his staff is trained to utilize the report.
- Create a policy defining the intervals of review and actions taken to correct the control weakness.

Additionally, the Director should review the potential for preventative controls to minimize the circumvention of the Target Value control. (Priority 2)

In Process – Past Due

This recommendation is in process. The department has not provided an update since February 2024. OCA will continue to follow up during the next reporting period.

As of the prior reporting period, the Purchasing and Contracting Department (P&C) met with auditors to discuss the current status of the report in development, as well as other controls related to the identified risk. According to the department, the following tasks are necessary to achieve full implementation:

Task 1: Develop Business Objects report identifying possible POs not tied to contract.
Status: Complete.

Task 2: Develop Contract Administration Guide for contracting departments.
Status: In progress, expected May 2024.

Task 3: Develop internal procedures for Purchase Requisition review and regular review of possible PO errors.
Status: In progress, expected June 2024.

Task 4: Train department staff on Contract Administration Guide.
Status: In progress, expected September 2024.

Issue Date: January 16, 2015

Original Target Date: N/A

Current Target Date: January 2017 June 2017 June 2022 April 2019
December 2020 December 2021 March 2022 May 2022 August 2022
March 2023 August 2023 September 2024

Performance Audit of Citywide Contract Oversight

15-016

(AR) (KE)

In our [Performance Audit of Citywide Contract Oversight](#), we found that the City should strengthen and standardize the contract administration process to ensure contractual commitments are properly monitored and all payments meet contractual obligations. Specifically, we found:

Finding 1: The City does not have sufficient controls in place to ensure the quality and completeness of contract deliverables, or determine the City’s total contractual commitments.

Finding 2: The City’s contract modification and closeout processes require improvement.

Finding 3: The City has not implemented the vendor debarment process to mitigate potential future issues with known problem vendors.

No.	Department	Recommendation Status	Resources Required	No Update Provided
1	Purchasing & Contracting	In Process – Past Due		
2	Purchasing & Contracting	In Process – Past Due		
3	Purchasing & Contracting	In Process – Past Due		
4	Purchasing & Contracting	Previously Implemented (June 2019)		
5	Public Works	Previously Implemented (June 2018)		
6	Public Works	Previously Implemented (June 2018)		
7	Purchasing & Contracting	In Process – Past Due		
8	Purchasing & Contracting	In Process – Past Due		
9	Chief Operating Officer	Previously Implemented (June 2019)		

Recommendation 1

Purchasing & Contracting

To ensure accurate contractual information and supporting documentation are available to Citywide contract administrators and users, the Chief Operating Officer should establish policies and procedures to require:

- a. All City contracts utilize an SAP Outline Agreement to centralize contract information and utilize centralized controls, access and reporting in the Citywide financial system;
- b. The City should track total contract awards in SAP in accordance with the full value of the awarded contract to facilitate accurate controls and reporting;
- c. The configuration of contract terms is standardized in SAP, in accordance to contractual terms, to facilitate better control and reporting across all contract, including the Target Value, Total Award
- d. Value, and Contract Validity Dates; and
- e. Supporting contracting documentation is centralized and stored electronically in SAP, i.e., attaching all contracts and related documentation to an SAP Outline Agreement.

Additionally, the Chief Operating Officer should establish responsibility for training contracting staff in Purchasing & Contracting and Public Works Contracting Group to ensure that information is tracked uniformly in SAP according to the developed policies and procedures. (Priority 2)

In Process – Past Due

This recommendation is in process. The department has not provided an update since February 2024. OCA will continue to follow up during the next reporting period.

As of the prior reporting period, the Purchasing and Contracting Department (P&C) met with auditors to discuss the language of the recommendation and how to address the intent of the recommendation as it relates to the risk identified in the audit. According to the department, the following tasks are necessary to achieve full implementation:

Task 1: Develop Contract Administration Guide for contracting departments.
Status: In progress, expected May 2024.

Task 2: Develop internal procedures for initial contract creation within Ariba.
Status: In progress, expected June 2024.

Task 3: Train department staff on Contract Administration Guide.
Status: In progress, expected September 2024.

Issue Date: April 25, 2015

Original Target Date: ~~FBD~~ January 2017

Current Target Date: ~~January-2017~~ ~~June-2017~~ ~~June-2022~~ ~~December-2020~~
~~Unknown~~ ~~December-2021~~ ~~February-2022~~ ~~August-2022~~ ~~March-2023~~
~~September-2023~~ September 2024

Recommendation 2
Purchasing & Contracting

The Chief Operating Officer should establish procedures detailing requirements for contract administrators, defining the responsibilities they have to complete prior to approving invoices for payment and submitting them to Comptrollers for processing. Specifically, the procedures should include:

- a. Develop analytical procedures to ensure that payments are made in compliance with contractual costs and fees.
- b. Attach the pertinent documentation supporting the payment approval in the SAP Invoice as defined in the contract's Quality Assurance Surveillance Plan to ensure the payment can be verified as appropriate.
- c. Establish responsibility for training contract administrators on procedures that must be accomplished prior to recommending or approving invoices for payment.
- d. Establish responsibility for monitoring the contract administrators' responsibilities prior to recommending or approving invoices for payment.
- e. An annual review of the City's contract administration invoice approval process to ensure it is working as intended and effective; additionally, the policies and procedures should be updated as necessary resulting from this review. (Priority 2)

In Process – Past Due

This recommendation is in process. The department has not provided an update since February 2024. OCA will continue to follow up during the next reporting period.

As of the prior reporting period, the Purchasing and Contracting Department (P&C) met with auditors to discuss responsibility of recommendation and necessary steps for implementation. According to the department, the following tasks are necessary to achieve full implementation:

Task 1: Develop training on invoice processing related to goods & services contracts
 Status: In progress, expected June 2024.

Task 2: Train department staff on invoice processing related to goods & services contracts.
 Status: In progress, expected July 2024.

Issue Date: April 25, 2015

Original Target Date: November 2015

Current Target Date: November 2015 November 2016 June 2017 December-2020 February 2022 August 2022 March 2023 September 2023 July 2024

Recommendation 3

Purchasing & Contracting

The Chief Operating Officer should design policies and procedures detailing a standardized citywide contract administration process to mitigate the City’s contractual risks and ensure compliance with contractual terms and receipt of contracted construction, reconstruction, repairs, goods, and services. At a minimum the contract administration requirements should include:

- a. Preparation of a Quality Assurance Surveillance Plan for each contract awarded to be attached and maintained with supporting documentation to the SAP Outline Agreement;
- b. Mandatory training for contract administrators in contract monitoring and ethics; and
- c. An annual review of the City’s contract administration oversight process to ensure it is working as intended and effective; additionally, the policies and procedures should be updated as necessary resulting from this review. (Priority 2)

In Process – Past Due

This recommendation is in process. The department has not provided an update since February 2024. OCA will continue to follow up during the next reporting period.

As of the prior reporting period, according to the department, the following tasks are necessary to achieve full implementation:

Task 1: Develop Contract Administration Guide for contract managing departments.
Status: In progress, expected May 2024.

Task 2: Train department staff on Contract Administration Guide.
Status: In progress, expected September 2024.

Issue Date: April 25, 2015

Original Target Date: November 2015

Current Target Date: ~~November 2016~~ ~~June 2017~~ ~~December 2020~~ ~~Unknown~~
~~December 2021~~ ~~February 2022~~ ~~August 2022~~ ~~March 2023~~ ~~September 2023~~
September 2024

Recommendation 7

Purchasing & Contracting

The Chief Operating Officer (COO) should require the completion of a standardized performance evaluation upon contract completion for both CIP and non-CIP contracts. Specifically, the COO should develop policies and procedures for vendor performance evaluations that:

- a. Are defined at a high enough level for both the Purchasing and Public Works departments to use and add more detailed information as appropriate;
- b. Define specified periods in a contract lifespan;
- c. Ensure that all evaluations are centrally attached to vendor record, such as the SAP Vendor Master files Attachment;
- d. Ensure that past Vendor Performance is taken into account prior to issuing or renewing contracts with that vendor;

- e. Design a formalized vendor dispute and arbitration process to ensure evaluations are performed equitably; and
- f. Ensure that the process is robust enough to pursue vendor debarment when appropriate.

Additionally, the COO should establish responsibility for training contracting staff in Purchasing & Contracting and Public Works Contracting Group to ensure that information is tracked in SAP in a uniform manner according to the developed policies and procedures. (Priority 2)

In Process – Past Due

This recommendation is in process. The department has not provided an update since February 2024. OCA will continue to follow up during the next reporting period.

As of the prior reporting period, the Purchasing and Contracting Department (P&C) met with auditors to discuss the language of the recommendation and how to address the intent of the recommendation as it relates to the risk identified in the audit. According to the department, the following tasks are necessary to achieve full implementation:

Task 1: Develop standardized contract evaluation for goods and services contracts and determine necessary interval for evaluation.

Status: In progress, expected to be implemented in FY25 contracts.

Task 2: Complete draft of vendor debarment code section changes.

Status: In progress, expected September 2024.

Task 3: Update vendor debarment code section.

Status: Contingent on approval of previous step, expected December 2024.

Task 4: Perform evaluations and implement dispute and arbitration process.

Status: In progress, expected July 2025.

Issue Date: April 25, 2015

Original Target Date: N/A November 2016

Current Target Date: November-2016 June-2017 January-2019
 December-2020 Unknown December-2021 February-2022 August-2022
 March-2023 September-2023 July 2025

Recommendation 8

Purchasing & Contracting

The Chief Operating Officer should design policies and procedures detailing a vendor debarment process to mitigate the City’s contractual risks. At a minimum the vendor debarment process should include:

- a. Defined submission steps and requirement.
- b. Assignment of accountability for the process.
- c. Establishment of a monitoring process.
- d. Designation of a location for and maintenance of the debarred vendor list.
- e. An annual review of the City’s debarment process to ensure it is working as intended and effective; additionally, the policies and procedures should be updated as necessary resulting from this review.

Additionally, the Chief Operating Officer should establish responsibility for and provide debarment training for contract administrators and managers. At a minimum the training should identify how, when and to whom they should submit a vendor for consideration of debarment or suspension. (Priority 2)

 **In Process – Past Due**

This recommendation is in process. The department has not provided an update since February 2024. OCA will continue to follow up during the next reporting period.

As of the prior reporting period, the Purchasing and Contracting Department (P&C) met with auditors to discuss the language of the recommendation and how to address the intent of the recommendation as it relates to the risk identified in the audit. According to the department, the following tasks are necessary to achieve full implementation:

Task 1: Complete draft of vendor debarment code section changes.
Status: In progress, expected September 2024.

Task 2: Update vendor debarment code section.
Status: Contingent on approval of previous step, expected December 2024.

Issue Date: April 25, 2015

Original Target Date: N/A January 2017

Current Target Date: ~~January-2017~~ ~~June-2017~~ ~~April-2018~~ ~~May-2018~~ ~~April-2019~~
~~January-2020~~ ~~February-2020~~ ~~November-2020~~ ~~December-2021~~ ~~February-2022~~
~~September-2022~~ ~~March-2023~~ ~~September-2023~~ ~~December-2024~~

Citywide Contract Oversight II – Contract Review

16-016

(AR) (KE)

The Audit Committee asked us to review a selection of City contracts to identify potential impacts of contract oversight deficiencies or loss to the City due to the weaknesses identified in our 2015 audit of Citywide contract oversight. As a result, we conducted a [Performance Audit of Selected Contracts](#) and found:

Finding 1: Review of selected contracts demonstrates continued inconsistencies with contract administration, adherence to contract provisions, and City procurement requirements, which underscores the need for a strengthened internal control environment.

No.	Department	Recommendation Status	Resources Required	No Update Provided
1	Purchasing & Contracting	In Process – Past Due		
2	Purchasing & Contracting	In Process – Past Due		
3	City Comptroller	Previously Implemented (June 2016)		
4	Parks & Recreation	Previously Implemented (June 2017)		
5	Parks & Recreation	Previously Implemented (December 2016)		
6	Parks & Recreation	Previously Implemented (December 2016)		
7	Parks & Recreation	Will Not Implement (June 2017)		
8	City Comptroller	Previously Implemented (December 2016)		
9	Parks & Recreation	Previously Implemented (June 2017)		
10	Chief Operating Officer	Previously Implemented (June 2016)		

Recommendation 1
Purchasing & Contracting

Purchasing & Contracting (P&C) should ensure that its new purchase requisition procedures and the forthcoming digital procurement manual include a requirement for review by senior procurement specialist to try to reduce errors in purchase requisitions and purchase orders. An emphasis on ensuring that existing contracts are identified when appropriate should be included in the procedures.

Additionally, P&C should develop a monitoring program that periodically reviews, or spot checks, new purchase orders that have been created and were not tied to contracts. This monitoring process should review all purchasing information and vendor assignment to ensure that there was not a contract available for the goods or services. If errors are identified during the monitoring, staff at the client department and P&C should be further trained to help eliminate such errors. (Priority 3)

 **In Process – Past Due**

This recommendation is in process. The department has not provided an update since February 2024. OCA will continue to follow up during the next reporting period.

As of the prior reporting period, the Purchasing and Contracting Department (P&C) met with auditors to discuss the current status of the report in development, as well as other controls related to the identified risk. According to the department, the following tasks are necessary to achieve full implementation:

Task 1: Develop Business Objects report identifying possible POs not tied to contract.
Status: Complete.

Task 2: Develop Contract Administration Guide for contracting departments.
Status: In progress, expected May 2024.

Task 3: Develop internal procedures for Purchase Requisition review and regular review of possible PO errors.
Status: In progress, expected June 2024.

Task 4: Train department staff on Contract Administration Guide.
Status: In progress, expected September 2024.

Issue Date: April 21, 2016

Original Target Date: November 2016

Current Target Date: November 2016 January 2017 June 2017 September 2020
December 2021 March 2022 September 2022 March 2023 September 2023
September 2024

Recommendation 2
Purchasing & Contracting

Purchasing & Contracting (P&C) should continue its efforts to obtain and expedite implementation of the catalog software to, among other things, address lapses in contract pricing review of when invoices are processed. P&C should develop a clearly defined and documented plan for training P&C and client department staff as part of the implementation process. (Priority 3)

 **In Process – Past Due**

This recommendation is in process. The department has not provided an update since February 2024. OCA will continue to follow up during the next reporting period.

As of the prior reporting period, the Purchasing and Contracting Department (P&C) met with auditors to discuss responsibility of recommendation and necessary steps for implementation. According to the department, the following tasks are necessary to achieve full implementation:

Task 1: Develop training on invoice processing related to goods & services contracts.
Status: In progress, expected June 2024.

Task 2: Train department staff on invoice processing related to goods & services contracts.
Status: In progress, expected July 2024.

Task 3: Implement line-item pricing for goods and services contracts.
Status: In progress, expected January 2025.

Issue Date: April 21, 2016

Original Target Date: November 2016

Current Target Date: November-2016 January-2017 June-2017 June-2022
 December-2020 Unknown December-2021 February-2022 November-2022
 March-2023 September-2023 January 2025

Performance Audit of the San Diego Convention Center

17-013
(JP)

In our [Performance Audit of the San Diego Convention Center](#), we found that improvement in performance measures and collaboration between stakeholders is needed to help ensure the continued success of the San Diego Convention Center as a premier tourist destination. Specifically, we found:

Finding 1: The San Diego Convention Center Corporation should improve oversight of its marketing services contract with the San Diego Tourism Authority by strengthening performance measures and corrective action protocols.

Finding 2: The San Diego Convention Center Corporation, City, and Unified Port of San Diego efforts are not sufficient to address future Convention Center capital improvement needs.

Finding 3: While capital projects were allowable, the San Diego Convention Center Corporation should update its internal payment authorization procedures and consult with the City regarding the use of available funding.

No.	Department	Recommendation Status	Resources Required	No Update Provided
1	San Diego Convention Center Corporation	Previously Implemented (June 2018)		
2	San Diego Convention Center Corporation	Previously Implemented (June 2018)		
3	San Diego Convention Center Corporation	Previously Implemented (June 2017)		
4	Chief Operating Officer	In Process – Past Due		
5	San Diego Convention Center Corporation	Previously Implemented (June 2017)		
6	San Diego Convention Center Corporation	Previously Implemented (December 2017)		

Recommendation 4*Chief Operating Officer*

The City of San Diego Chief Operating Officer or designee should continue discussions with the Unified Port of San Diego to develop a financing plan that addresses the capital projects funding gap and recognizes the shared responsibility and benefit to the region. (Priority 2)

In Process – Past Due

This recommendation is in process. According to the department, the following tasks are necessary to achieve full implementation:

Task 1: Resolve litigation related to Measure C, which would raise the City’s hotel tax to provide funding to the Convention Center, among other uses.

Status: Trial is set for August 2024, however the trial outcome is uncertain and may be subject to appeal and further litigation. As such, a target date cannot be provided.

Task 2: Develop a financing plan.

Status: The Port District and City officials determined that it was best to hold off any final decisions on the funding until such a time it was determined if the ballot measure was successful. Target date will be contingent on the results of litigation.

Issue Date: January 18, 2017

Original Target Date: December 2017

Current Target Date: ~~December 2017~~ June 2018 ~~December 2018~~ Unknown

Performance Audit of the Storm Water Division

18-023

(MJ)

We conducted a [performance audit of the Storm Water Division](#) focusing on opportunities to improve storm water asset management, to increase storm water revenues, and to enhance the efficiency of storm water code enforcement case management, monitoring, and reporting. We found that the Storm Water Division can further improve the efficiency of its infrastructure maintenance and code enforcement efforts, but the City ultimately needs to address significant storm water funding shortages. Specifically, we found:

Finding 1: To more quickly and efficiently replace corrugated metal pipes, Storm Water Division should complete a detailed analysis to further support its plans to optimize the size of its in-house pipe repair crew.

Finding 2: Storm water funding is insufficient to fund current and future storm water needs and the City has not taken action to develop and pursue a long-term funding strategy.

Finding 3: A new tracking system and re-inspection fees will improve the efficiency and effectiveness of storm water enforcement efforts.

No.	Department	Recommendation Status	Resources Required	No Update Provided
1	Stormwater	Previously Implemented (June 2021)		
2	Stormwater	Previously Implemented (June 2019)		
3	Stormwater	Previously Implemented (June 2019)		
4	Communications & Stormwater	Previously Implemented (June 2019)		
5	Stormwater	Previously Implemented (December 2020)		
6	Stormwater	Previously Implemented (June 2022)		
7	Stormwater	Previously Implemented (December 2018)		
8	Stormwater	Previously Implemented (December 2019)		
9	Stormwater	In Process – Past Due		

Recommendation 9

Stormwater

The Transportation and Storm Water Department Storm Water Division should establish a re-inspection fee, and develop, document, and implement policies and procedures for when reinspection fees should be issued, consistent with the City of San Diego’s Municipal Code. (Priority 2)



In Process – Past Due

This recommendation is in process. According to the Stormwater Department (Stormwater), the following tasks are necessary to achieve full implementation:

Task 1: Project Scoping. In 2019, the Stormwater engaged a consultant to evaluate and develop a re-inspection fee for the Industrial and Commercial Inspections programs. This included extensive research into similar fees within the City and other jurisdictions, evaluation of legal avenues for imposing a fee, and development of a stakeholder outreach strategy. They also developed a Fee Implementation Schedule, documentation for the City approval process, and standard operating procedures related to the re-inspection fee.

Status: Completed 2019–2021.

Task 2: Project Implementation. As a part of the scoping of the workflow and processes that would be needed to implement a cost-recovery program for stormwater re-inspections, Stormwater’s Planning Division identified the need for additional resources to administer the program. A budget request was submitted by Stormwater as part of the FY2025 budget request. However, the request was prioritized against other budgetary needs and was not selected for funding. The additional resources have been included in the Fiscal Year 2026–2030 Five-Year Financial Outlook and will be included in the FY26 budget request.

Status: Implementation of the stormwater re-inspection fee is on hold pending budget request approval.

Issue Date: June 14, 2018

Original Target Date: January 2020

Current Target Date: ~~January 2020~~ ~~July 2021~~ ~~July 2022~~ ~~July 2023~~ ~~July 2024~~
July 2025

Performance Audit of the Real Estate Asset Department’s Portfolio Management Practices

19-002 (MJ)

In our performance audit of the [Real Estate Asset Department’s Portfolio Management Practices](#), we found that opportunities exist to improve the City’s real estate data tracking and communication of the property portfolio. Specifically, we found:

Finding 1: READ’s centralized property portfolio’s current use classification does not always match the use of City property as recommended by best practices.

Finding 2: Opportunities exist for the City to improve management oversight of City inventory by establishing processes or procedures to require land-managing departments to periodically review inventory.

Finding 3: READ is not presenting the Portfolio Management Plan to City Council at a public hearing as recommended by best practices, resulting in the City Council not having an opportunity to provide public input regarding the City’s comprehensive portfolio management strategy.

No.	Department	Recommendation Status	Resources Required	No Update Provided
1	Economic Development	Previously Implemented (June 2019)		
2	Economic Development	In Process – Past Due		
3	Economic Development	Previously Implemented (December 2018)		
4	Economic Development	In Process – Past Due		

Note: The former Real Estate Assets Department is now part of the Economic Development Department. Thus, all recommendations originally assigned to the Real Estate Assets Department are now assigned to the Economic Development Department.

Recommendation 2
Economic Development

READ should consult with the Mayor and City Council to determine whether to work with land-managing departments to conduct an analysis of City property that ensures a good match between the property and its function. This analysis should focus on key information such as whether the property is:

- A good match between the property and function, unlikely to change;
- To be considered for relocation of the function to anchor another property with a better match, good fit with upcoming events, or held for future use; and
- Surplus, or property unused by City functions.

These designations should then be included with property information in REPortfolio. To ensure a review of the most valuable properties, and not the entire real estate portfolio, READ should determine how to prioritize properties for analysis (e.g., minimum acreage threshold, high profile, etc.). (Priority 2)

In Process – Past Due

This recommendation is in process. The department reported that it has procured and selected a consultant for a new real estate administration software that is anticipated to launch by the end of 2024. Upon implementation for this new software, the department will be able to track, monitor, and report data in a more efficient manner.

Issue Date: July 23, 2018

Original Target Date: June 2019

Current Target Date: ~~June 2019~~ ~~December 2019~~ ~~March 2020~~ ~~September 2020~~
~~December 2021~~ ~~December 2022~~ ~~December 2023~~ December 2024

Recommendation 4
Economic Development

Throughout the process of updating Council Policy 700-10, READ, in consultation with the City Attorney’s Office and City Council, should determine the most appropriate channel of presenting the Portfolio Management Plan, and clarify expectations and language, to ensure consistent expectations and guidelines. (Priority 2)

In Process – Past Due

This recommendation is in process. According to the department, this Portfolio Management Plan (Real Property Management Plan) is addressed in the proposed draft Revised Council Policy 700-10. The Revised Draft Council Policy 700-10 requires that the department review, update and present to Council the Real Property Management Plan (formerly Portfolio Management Plan) every two years. The draft Council Policy was presented to the Land Use and Housing Committee in October 2023. With the consolidation of the Real Estate and Airport Management functions into the Economic Development Department, leadership has been working hard to take a holistic approach to the Council Policy revisions and to bring forward recommendations in accordance with the audits. Additionally, the Committee recommended revisions to Council Policy 700-10 and requested staff review and bring back edits for Committee consideration. The department’s next steps are to complete internal review and docket Council Policy 700-10 for consideration by the Land Use & Housing Committee and City Council before the end of 2024. The month and date will be dependent upon final review by the City Attorney and docketing availability and timelines.

Issue Date: July 23, 2018

Original Target Date: January 2019

Current Target Date: January 2019 June 2019 November 2019 March 2020
 September 2020 December 2021 July 2022 March 2023 December 2023
 June 2024 December 2024

Performance Audit of the Public Utilities Department’s Water Billing Operations

19-003
(JP)

In late 2017, City of San Diego Public Utilities Department (PUD) customers started reporting higher than average water bills. In January 2018, news reports began covering stories of PUD water customers complaining of high water bills. Some PUD customer charges exceeded \$1,000 and other charges more than doubled average costs. Complaints spanned various neighborhoods including La Jolla, Scripps Ranch, Normal Heights, Pacific Beach, and Talmadge. Due to heightened complaints, in February 2018, City Council President Pro Tem Barbara Bry and the Mayor requested the Office of the City Auditor to investigate the reported increase in residents’ water bills. Based on these requests, we conducted a [Performance Audit of the Public Utilities Department’s Water Billing Operations](#) to answer the following questions:

Question 1: In calendar year 2017, what contributed to higher water bills?

Question 2: How often are meter reads inaccurate?

Question 3: What factors potentially cause inaccurate meter readings?

Question 4: Did customers pay more due to the extended billing cycle?

Question 5: Did PUD’s methods of communication exacerbate public discontent with the increase in water bills?

No.	Department	Recommendation Status	Resources Required	No Update Provided
1	Public Utilities	Previously Implemented (December 2018)		
2	Public Utilities	In Process – Past Due		
3	Public Utilities	Previously Implemented (December 2021)		
4	Public Utilities	Previously Implemented (June 2019)		
5	Public Utilities	Previously Implemented (December 2018)		
6	Public Utilities	Previously Implemented (June 2020)		
7	Public Utilities	Previously Implemented (June 2022)		
8	Public Utilities	Previously Implemented (December 2020)		
9	Public Utilities	Previously Implemented (December 2018)		
10	Public Utilities	Previously Implemented (December 2023)		

Recommendation 2*Public Utilities*

The Public Utilities Department (PUD) should periodically assess the strength and effectiveness of their billing control environment. Specifically, to determine the effectiveness of current controls at a macro level, PUD should at least twice a year evaluate the number of implausible readings created and changed, in addition to the number of customers rebilled and the number of customer complaints. PUD could then assess if these numbers are high, identify causes, and adjust controls to address root causes, such as poor meter reader performance. Additionally, PUD should:

- a. Post these metrics and the results of its assessment on its public website as soon as they become available, along with any actions taken to improve the control environment;
- b. Add key performance indicators relating to billing accuracy to its annual budget; and
- c. Report the results of this assessment and billing accuracy performance in its annual budget and to relevant committees and oversight bodies. (Priority 2)

In Process – Past Due

This recommendation is in process. According to PUD, the following tasks are necessary to achieve full implementation:

Task 1: Post these metrics and the results of its assessment on its public website as soon as they become available, along with any actions taken to improve the control environment.

Status: No longer applicable. PUD is monitoring implausible readings on a weekly, monthly and quarterly basis. PUD has determined that posting the implausible report on the website without context will cause confusion. At this time, we believe that the published KPIs, that align with industry standards, are providing insight to customers on our performance. Task 3 provides additional oversight over our implausible readings process specifically.

Task 2: Add key performance indicators relating to billing accuracy to its annual budget.

Status: Completed. The FY2025 budget includes the KPI “Percentage of customer billing statements issued accurately and on time,” which covers the outcome of the implausible process as well as the rest of the meter reading and billing process.

Task 3: Report the results of this assessment and billing accuracy performance in its annual budget and to relevant committees and oversight bodies.

Status: In process. The report was originally scheduled for July 15 Independent Rates Oversight Committee (IROC), but due to a lack of quorum, the meeting was canceled and staff was unable to complete Task 3. Will re-schedule for next scheduled IROC meeting.

Issue Date: July 26, 2018

Original Target Date: April 2019

Current Target Date: April-2019 June-2019 April-2020 July-2020 January-2023
June-2023 January-2024 April-2024 September 2024

Performance Audit of the Public Utilities Department Customer Support Division Customer Service Office (Call Center)

19-019
(MJ)

In our [Performance Audit of the Public Utilities Department Customer Support Division Customer Service Office \(Call Center\)](#), we found that the Call Center can enhance customer experience and internal operations by using call center technology, clearly defining performance metrics, increasing representative autonomy and training, and improving internal communications. Specifically, we found:

Finding 1: The Public Utilities Department is not leveraging features of its call center software that would enhance customer experience and improve internal operations.

Finding 2: The Customer Support Division does not comprehensively evaluate staff and Call Center performance in alignment with industry best practice.

Finding 3: The Customer Support Division cannot meet the City’s goal to provide high quality public service without empowered customer service representatives, increased training, and improved internal communication.

No.	Department	Recommendation Status	Resources Required	No Update Provided
1	Public Utilities	Previously Implemented (December 2023)		
2	Public Utilities	Previously Implemented (December 2023)		
3	Public Utilities	Newly Implemented		
4	Public Utilities	Previously Implemented (December 2020)		
5	Public Utilities	Previously Implemented (December 2022)		
6	Public Utilities	Previously Implemented (June 2022)		

Recommendation 3*Public Utilities*

To improve internal operations and provide best-in-class customer service, the Public Utilities Department's (PUD) Customer Support Division (CSD) should develop key performance indicators to establish baseline performance and compare them with industry best practice. To that end, if metrics include the use of customer satisfaction surveys, the surveys should be automated and offered in appropriate languages. Additionally, CSD should continually reassess these key performance indicators based on the Customer Service Office (Call Center) capacity (e.g., staffing, etc.) and desired goals. Lastly, CSD should establish and communicate individual and overall Call Center expectations to staff. (Priority 2)

Newly Implemented

This recommendation is implemented. To measure its customer service performance, the Public Utilities Department (PUD) has created two key performance indicators that align with industry best practices: one-call resolution and the percentage of customers who were satisfied or very satisfied with the service they received. Management is able to review these performance metrics in real time with the use of Amazon Connect's dashboard which also interfaces with PUD's workforce management tool to inform staffing and resource allocations. With the establishment of Amazon Connect, staff have been trained on how to use the new call center software and informed of performance expectations. Lastly, the department stated that the customer satisfaction survey is automated and available in English and Spanish.

Issue Date: June 4, 2019

Original Target Date: December 2019

Hotline Report of Abuse Related to the Unfair Award of a Multi-Million-Dollar Contract

20-003
(AH)

The Office of the City Auditor [investigated a Fraud Hotline report that the City unfairly awarded a multi-million-dollar contract](#) to a vendor using a cooperative procurement process. During the course of our investigation, we conveyed our preliminary investigation results to City Management and the contract with the vendor was not renewed. Our investigation found sufficient and appropriate evidence to form the following opinions:

- City staff did not perform adequate due diligence in advance of the contract award.
- Department of Information Technology staff reviewed the vendor’s services but no other vendors.
- Some contracting process steps and best practices were not followed.
- City staff mischaracterized the nature of the vendor’s services to obtain approval from the Human Resources department.
- City staff made significant changes to the source contract’s terms, conditions, and pricing.
- Using the source organization’s consultant contract may have required City Council approval, but Council approval was not obtained.
- The vendor appears to have defined the scope of work for the contract they were awarded.
- Potential City Charter violations related to Sections 94, 97, 100, and 101.

No.	Department	Recommendation Status	Resources Required	No Update Provided
1	Purchasing & Contracting	In Process – Past Due		
2	Chief Operating Officer	Previously Implemented (June 2021)		
3	Chief Operating Officer	Previously Implemented (December 2020)		
4	Chief Operating Officer	Previously Implemented (December 2019)		
5	Personnel	In Process – Past Due		
6	Purchasing & Contracting	In Process – Past Due		
7	Purchasing & Contracting	In Process – Past Due		
8	Chief Operating Officer	Not Implemented – N/A (December 2019)		
9	Audit Committee & City Council	Not Implemented – N/A (December 2019)		

Recommendation 1

Purchasing & Contracting

We recommend that the Chief Operating Officer ensure that Administrative Regulation 35.11 regarding the Citywide Department Use of Cooperative Procurement Contracts be revised to require documentation of a business case analysis listing other vendors that provide the goods or services, an analysis of the costs and benefits of a competitive procurement process, an evaluation of other cooperative procurement contracts available from other vendors, a certification that the City’s process was fair to other vendors, and a signature by the City employee submitting the Certification declaring that the facts and information presented are true and correct. (Priority 2)

? In Process – Past Due

This recommendation is in process. The department has not provided an update since a January 2024 memo addressed to the Audit Committee in response to questions during the November 2023 Audit Committee meeting. In the memo, the Chief Compliance Officer reported that the Purchasing & Contracting Department made revisions to the administrative regulation in mid-January 2024 and intended to have this completed by May 2024. OCA will continue to follow up during the next reporting period.

Issue Date: September 11, 2019

Original Target Date: February 2020

Current Target Date: ~~February 2020~~ ~~Unknown~~ ~~December 2021~~ ~~Unknown~~
~~October 2022~~ ~~March 2023~~ ~~September 2023~~ ~~May 2024~~ ~~Unknown~~

Recommendation 5

Personnel

We recommend that the Chief Operating Officer, in consultation with the City Attorney’s Office, update SDMC §§ 22.3205 and 23.1801, requiring a review of all service contracts by the Civil Service Commission, to reflect the current practice. (Priority 3)

In Process – Past Due

This recommendation is in process. According to the department, the following tasks are necessary to achieve full implementation:

Task 1: Human Resources gets final authorization from City Administration on next steps.

Task 2: Personnel gets authorization from Civil Service Commission in closed session for HR to meet and confer with REOs.

Status: Planned for Civil Service Commission meeting after completion of Task 1.

Task 3: Set up meet and confer with REOs.

Task 4: Present proposed SDMC revisions to City Council.
 Status: Planned for January 2025.

Issue Date: September 11, 2019

Original Target Date: May 2020

Current Target Date: ~~May 2020~~ ~~March 2022~~ ~~August 2022~~ ~~June 2023~~

~~October 2023~~ January 2025

Recommendation 6

Purchasing & Contracting

We recommend that the Chief Operating Officer, in consultation with the City Attorney’s Office, revise Administrative Regulation 35.11 and relevant SDMC sections to clarify whether or not a cooperative procurement process may be used for consultant contracts. (Priority 3)

? In Process – Past Due

This recommendation is in process. The department has not provided an update since a January 2024 memo addressed to the Audit Committee in response to questions during the November 2023 Audit Committee meeting. In the memo, the Chief Compliance Officer reported that the Purchasing & Contracting Department made revisions to the administrative regulation in mid-January 2024 and intended to have this completed by May 2024. OCA will continue to follow up during the next reporting period.

Issue Date: September 11, 2019

Original Target Date: February 2020

Current Target Date: ~~February 2020~~ ~~November 2020~~ ~~Unknown~~

~~December 2021~~ ~~Unknown~~ ~~October 2022~~ ~~March 2023~~ ~~September 2023~~

~~May 2024~~ ~~Unknown~~

Recommendation 7

Purchasing & Contracting

We recommend that the Chief Operating Officer ensure that Administrative Regulation 35.11 regarding the Citywide Department Use of Cooperative Procurement Contracts, and other relevant policies, be revised to prohibit the City from receiving free consultation, goods, or services from vendors if doing so may reasonably be perceived to lead to favorable treatment for a particular vendor, or potentially violate State law. (Priority 2)

? In Process – Past Due

This recommendation is in process. The department has not provided an update since a January 2024 memo addressed to the Audit Committee in response to questions during the November 2023 Audit Committee meeting. In the memo, the Chief Compliance Officer reported that the Purchasing & Contracting Department made revisions to the administrative regulation in mid-January 2024 and intended to have this completed by May 2024. OCA will continue to follow up during the next reporting period.

Issue Date: September 11, 2019

Original Target Date: February 2020

Current Target Date: February-2020 November-2020 Unknown
December-2021 Unknown October-2022 March-2023 September-2023
May-2024 Unknown

Performance Audit of Development Services Department Administration of Deposit Accounts for Development Projects

20-008 (MJ)

In our [Performance Audit of Development Services Department Administration of Deposit Accounts for Development Projects](#), we found that the Development Services Department is extending City credit to some customers and is at risk of losing a significant amount of money due to the ineffective administration of deposit accounts. Specifically, we found:

Finding 1: Deposit accounts’ minimum required balances are insufficient to cover ongoing project expenses leading to deficit amounts that may not be paid to the City.

Finding 2: Deposit accounts with deficit balances are not reviewed, researched, and invoiced in a timely manner.

No.	Department	Recommendation Status	Resources Required	No Update Provided
1	Development Services	In Process – Past Due		
2	Development Services	In Process – Past Due		
3	Development Services	Previously Implemented (June 2022)		
4	Development Services	Previously Implemented (December 2020)		
5	Development Services	In Process – Past Due		
6	Development Services	Previously Implemented (June 2021)		
7	Development Services	In Process – Past Due		
8	Development Services	Previously Implemented (December 2020)		
9	Development Services	Previously Implemented (June 2021)		
10	Development Services	In Process – Past Due		
11	Development Services	Previously Implemented (June 2023)		

Recommendation 1

Development Services

We recommend Development Services Department establish formal written policies establishing the authority and approvals for setting and changing the minimum required balance in project tracking system or Accela. This policy should describe the project managers roles, responsibilities, level of authority, required documentation and supervisory review and approval. (Priority 2)

In Process – Past Due

This recommendation is in process. According to the Development Services Department (DSD), this recommendation may become no longer applicable. According to the department, DSD has decided to move away from deposit accounts to a pay-as-you-go model. Feedback from staff and customers indicated that deposit accounts were a burden to maintain and administer. DSD will begin with new accounts under the new model and gradually convert established accounts to the new model. DSD hired a consultant to conduct a fee study to support the pay-as-you-go model; the results of the study provide an hourly rate that was approved by Council in May 2024. The pilot program that will eliminate deposit accounts has not begun.

Status: DSD contracted with a consultant to assist with the User Fee study which was completed and approved by Council in May 2024 where the consultant established a new hourly rate. The new fee increases are effective as of July 1st, 2024. DSD will be launching a pilot program within the next 6 months that will eliminate deposit accounts and move towards a pay-as-you-go approach where actual hours are calculated against the new hourly rate and then invoiced. Eliminating deposit accounts would remove the waiting period for payroll postings and fiscal month-end close reports, which can take 2+ months and will likely nullify the recommendations for this audit.

Issue Date: February 7, 2020

Original Target Date: May 2020

Current Target Date: ~~May 2020~~ ~~June 2021~~ ~~April 2022~~ ~~March 2024~~
December 2024

Recommendation 2

Development Services

We recommend Development Services Department (DSD) automate minimum required balance (MRB) calculation in project tracking system or Accela. Specifically, the approval types should be tied to specific MRB amounts as set forth in DSD's information bulletins, 502 and 503. (Priority 2)

In Process – Past Due

This recommendation is in process. According to the Development Services Department (DSD), this recommendation may become no longer applicable. According to the department, DSD has decided to move away from deposit accounts to a pay-as-you-go model. Feedback from staff and customers indicated that deposit accounts were a burden to maintain and administer. DSD will begin with new accounts under the new model and gradually convert established accounts to the new model. DSD

hired a consultant to conduct a fee study to support the pay-as-you-go model; the results of the study provide an hourly rate that was approved by Council in May 2024. The pilot program that will eliminate deposit accounts has not begun.

Status: DSD contracted with a consultant to assist with the User Fee study which was completed and approved by Council in May 2024 where the consultant established a new hourly rate. The new fee increases are effective as of July 1st, 2024. DSD will be launching a pilot program within the next 6 months that will eliminate deposit accounts and move towards a pay-as-you-go approach where actual hours are calculated against the new hourly rate and then invoiced. Eliminating deposit accounts would remove the waiting period for payroll postings and fiscal month-end close reports, which can take 2+ months and will likely nullify the recommendations for this audit.

Issue Date: February 7, 2020

Original Target Date: November 2020

Current Target Date: ~~November 2020~~ ~~June 2021~~ ~~December 2021~~ ~~April 2022~~
~~December 2023~~ December 2024

Recommendation 5

Development Services

We recommend Development Services Department work with the Public Works Department to develop procedures that clearly define roles and responsibilities for setting the MRB in applicable ministerial deposit accounts and stopping work on projects with deficit deposit account balances. (Priority 2)

In Process – Past Due

This recommendation is in process. According to the Development Services Department (DSD), this recommendation may become no longer applicable. According to the department, DSD has decided to move away from deposit accounts to a pay-as-you-go model. Feedback from staff and customers indicated that deposit accounts were a burden to maintain and administer. DSD will begin with new accounts under the new model and gradually convert established accounts to the new model. DSD hired a consultant to conduct a fee study to support the pay-as-you-go model; the results of the study provide an hourly rate that was approved by Council in May 2024. The pilot program that will eliminate deposit accounts has not begun.

Status: DSD contracted with a consultant to assist with the User Fee study which was completed and approved by Council in May 2024 where the consultant established a new hourly rate. The new fee increases are effective as of July 1st, 2024. DSD will be launching a pilot program within the next 6 months that will eliminate deposit accounts and move towards a pay-as-you-go approach where actual hours are calculated against the new hourly rate and then invoiced. Eliminating deposit accounts would remove the waiting period for payroll postings and fiscal month-end close reports, which can take 2+ months and will likely nullify the recommendations for this audit.

Issue Date: February 7, 2020

Original Target Date: October 2020

Current Target Date: ~~October 2020~~ ~~March 2021~~ ~~December 2021~~ ~~April 2022~~
~~December 2023~~ December 2024

Recommendation 7

Development Services

We recommend Development Services Department automate the following information technology controls in project tracking system (PTS) and/or Accela to:

- a. Fix the glitch in the PTS that causes the minimum required balance (MRB) to revert to \$0;
- b. Calculate the MRB automatically—e.g., tie approvals to the appropriate dollar amounts; and
- c. Notify staff to stop working on projects with deficit deposit account balances. (Priority 2)

In Process – Past Due

This recommendation is in process. According to the Development Services Department (DSD), this recommendation may become no longer applicable. According to the department, DSD has decided to move away from deposit accounts to a pay-as-you-go model. Feedback from staff and customers indicated that deposit accounts were a burden to maintain and administer. DSD will begin with new accounts under the new model and gradually convert established accounts to the new model. DSD hired a consultant to conduct a fee study to support the pay-as-you-go model; the results of the study provide an hourly rate that was approved by Council in May 2024. The pilot program that will eliminate deposit accounts has not begun.

Status: DSD contracted with a consultant to assist with the User Fee study which was completed and approved by Council in May 2024 where the consultant established a new hourly rate. The new fee increases are effective as of July 1st, 2024. DSD will be launching a pilot program within the next 6 months that will eliminate deposit accounts and move towards a pay-as-you-go approach where actual hours are calculated against the new hourly rate and then invoiced. Eliminating deposit accounts would remove the waiting period for payroll postings and fiscal month-end close reports, which can take 2+ months and will likely nullify the recommendations for this audit.

Issue Date: February 7, 2020

Original Target Date: November 2020

Current Target Date: ~~November 2020~~ ~~June 2021~~ ~~Unknown~~ ~~December 2023~~
 December 2024

Recommendation 10
Development Services

We recommend Development Service Department work with the Office of the City Treasurer, Department of Finance, and Department of Information Technology to implement direct invoicing of all deposit accounts through SAP to establish receivables for customers with outstanding balances. (Priority 2)

In Process – Past Due

This recommendation is in process. According to the Development Services Department (DSD), this recommendation may become no longer applicable. According to the department, DSD has decided to move away from deposit accounts to a pay-as-you-go model. Feedback from staff and customers indicated that deposit accounts were a burden to maintain and administer. DSD will begin with new accounts under the new model and gradually convert established accounts to the new model. DSD hired a consultant to conduct a fee study to support the pay-as-you-go model; the results of the study provide an hourly rate that was approved by Council in May 2024. The pilot program that will eliminate deposit accounts has not begun.

Status: DSD contracted with a consultant to assist with the User Fee study which was completed and approved by Council in May 2024 where the consultant established a new hourly rate. The new fee increases are effective as of July 1st, 2024. DSD will be launching a pilot program within the next 6 months that will eliminate deposit accounts and move towards a pay-as-you-go approach where actual hours are calculated against the new hourly rate and then invoiced. Eliminating deposit accounts would remove the waiting period for payroll postings and fiscal month-end close reports, which can take 2+ months and will likely nullify the recommendations for this audit.

Issue Date: February 7, 2020

Original Target Date: September 2020

Current Target Date: ~~September 2020~~ June 2021 Unknown December 2023
December 2024

Performance Audit of the City’s Efforts to Address Homelessness

20-009 (DN)

In our [Performance Audit of the City’s Efforts to Address Homelessness](#), we found that the City has made strategic improvements but needs additional planning, coordination, oversight, and improved outreach—including at encampments—to better address homelessness. Specifically, we found:

Finding 1: The City has significantly increased its efforts to address homelessness and recently adopted a Strategic Plan on Homelessness, but several additional steps are needed to successfully implement the plan.

Finding 2: Homeless outreach efforts can be improved using a comprehensive strategy that includes additional outreach workers, improved coordination, and data utilization.

Finding 3: The City is not maximizing the effectiveness of its outreach practices to connect individuals with shelter and services during homeless encampment abatements.

No.	Department	Recommendation Status	Resources Required	No Update Provided
1	Homelessness Strategies & Solutions	Previously Implemented (June 2022)		
2	Homelessness Strategies & Solutions	In Process – Past Due		
3	Homelessness Strategies & Solutions	Previously Implemented (June 2020)		
4	Homelessness Strategies & Solutions	Previously Implemented (June 2021)		
5	Homelessness Strategies & Solutions	Previously Implemented (December 2020)		
6	Homelessness Strategies & Solutions	Previously Implemented (December 2020)		
7	Homelessness Strategies & Solutions	Previously Implemented (June 2021)		
8	Homelessness Strategies & Solutions	Previously Implemented (December 2020)		
9	Homelessness Strategies & Solutions	Previously Implemented (December 2022)		
10	Homelessness Strategies & Solutions	Previously Implemented (June 2021)		
11	Homelessness Strategies & Solutions	Previously Implemented (December 2020)		
12	Homelessness Strategies & Solutions	Will Not Implement (December 2022)		

Recommendation 2*Homelessness Strategies & Solutions*

To ensure that the City has the funding necessary to implement the new City of San Diego Community Action Plan on Homelessness (Strategic Plan on Homelessness), the Homelessness Strategies Division (HSD) should develop long-term funding options, such as: continued or increased reliance on the General Fund, State or Federal funding, bonds, tax measures, and any other options that may significantly contribute to closing a funding gap.

Once outcomes of the 2020 ballot measures have been determined, HSD should immediately initiate the development of a long-term funding strategy to meet its present and future homelessness needs identified in the Strategic Plan on Homelessness. The funding strategy should identify permanent and sustainable funding sources and should be finalized, publicly documented, and presented to the City Council upon completion.

When developing its funding strategy, HSD should solicit public input. Specific strategies HSD should consider include, but are not limited to:

- Focus groups;
- Interviews;
- Comment (or point-of-service) cards;
- Public meetings, such as hearings, “town hall” meetings, and community vision sessions;
- Interactive priority setting tools;
- Creating public or neighborhood advisory groups, committees, or task forces; or
- Hire a consultant to conduct surveys.

The funding strategy should include a plan to pursue the desired funding mechanism(s) based on consideration of information obtained from stakeholders, expert knowledge, and objective data. (Priority 1)

In Process – Past Due

This recommendation is in process. The Homelessness Strategies and Solutions Department (HSSD) reported that the results of the 2020 ballot Measure C as a funding source have not been finalized. HSSD has no further updates at this time.

As of the prior reporting period, according to HSSD, through the FY2025 budget process, it had developed a funding proposal that continued to utilize federal and State of California grant funding to ensure continuity of services provided for the expansion of shelter bed capacity in alignment with the Community Action Plan on Homelessness. Updates to the City’s Community Action on Plan Homelessness (CAPH) were presented to City Council in November 2023. This update reflects HSSD’s work with the other stakeholders of the CAPH implementation team to reset the CAPH’s focus and update targets for needed shelter beds and housing to address homelessness. Planned implementation of this audit recommendation factors in those updates.

In brief, HSSD activities since the last audit update included:

- Continued work with the Office of the Independent Budget Analyst to jointly understand fiscal constraints;
- Successfully awarded additional new competitive grants from the County and State to offset costs to City funds;
- Provided recurring updates to the DOF and the CFO on 5-year planning for both operating needs and capital needs (e.g., shelter expansion). HSSD's ongoing General Fund (GF) resources were \$8M in FY2022, increased to \$11.2M in FY2023, and \$40M ongoing GF in FY2024. FY2025 budget proposal will factor in sustainability of programs in light of early rounds of HHAP funding expiring. Additionally, the FY2024 Adopted Budget included allocation of Opioid Settlement Fund revenue for programs that meet the substance use disorder treatment criteria of the settlement;
- Round 5 of the Homeless Housing, Assistance, and Prevention allocations were announced with the City anticipating to receive \$29M, the largest HHAP allocation the City has ever been awarded. In the summer of 2024, HSSD will provide an update on permanent funding strategies to the Land Use & Housing Committee.

Issue Date: February 12, 2020

Original Target Date: December 2021

Current Target Date: ~~December 2021~~ Unknown

Hotline Investigation of Gifts Received by a City Employee

20-010
(AH)

We conducted a [Hotline Investigation of Gifts Received by a City Employee](#) and determined that a City employee:

- Received over \$3,000 in gifts from vendors;
- Managed employees who supervised the vendors;
- Covertly advised the vendors to increase revenues on City contracts;
- Awarded option contracts worth millions to the vendors;
- Acknowledged receiving the gifts only after questioning by law enforcement; and
- Failed to disclose the gifts and under-reported the amounts on disclosure forms by over \$1,600.

No.	Department	Recommendation Status	Resources Required	No Update Provided
1	Ethics Commission	In Process – Past Due		
2	Chief Operating Officer	Previously Implemented (June 2020)		
3	Chief Operating Officer	Previously Implemented (June 2020)		
4	Chief Operating Officer	Previously Implemented (June 2021)		

Recommendation 1

Ethics Commission

We recommend that the Chief Operating Officer present a revision of SDMC §26.0413(a)(4) to the City Council to include Classified employees who file SEIs be under the jurisdiction of the Ethics Commission for both education and enforcement purposes. (Priority 2)



In Process – Past Due

This recommendation is in process. The recommendation has been redirected to the Ethics Commission as it is best positioned to bring SDMC revisions forward. According to the Ethics Commission, it has informed City Management that it could add Classified employees who file Forms 700 to its jurisdiction for education and enforcement, but only if the Commission receives adequate funding to expand its staff and contracts budget to assume the additional work. The Commission has a staff of six employees, who operate five programs. This change was previously estimated to add more than 700 employees to the Commission’s jurisdiction. Staff’s current estimate from Success Factors is that the Commission’s jurisdiction could swell from

approximately 1,500 employees to more than 2,500 employees. Without additional resources, existing programs will be impacted.

The resources required by the Ethics Commission to fulfill this audit recommendation were not approved in the FY2025 Adopted Budget. Before resources are allocated, staff will need to take the steps detailed below. This includes asking the Council to adopt amendments to City laws and proceeding with a meet and confer process (the latter to be handled by City Management, not the Commission). The Commission also would potentially need to amend existing processes to apply to classified employees (such as enforcement).

This timeline also is affected by the upcoming change in the Commission's department leadership. A new Executive Director (ED) will be onboarded in January 2025 for a three-month training period with the current ED, before taking over the role in April 2025. It is imperative that the next ED direct the implementation of this recommendation.

According to the Ethics Commission, the following tasks are necessary to achieve full implementation:

Task 1: Commission staff drafts proposed amendments to the Municipal Code, a Council Policy, and other City laws to expand the Commission's jurisdiction to add classified employees who file Forms 700.

Target date: December 20, 2024.

Task 2: Commission staff conducts benchmarking with other jurisdictions to see how they handle enforcement of union-represented employees, to determine whether union representation requires any differences in the Commission's enforcement procedures.

Target date: December 20, 2024.

Task 3: The Commission board considers the proposed amendments at a monthly board meeting, requests any additional work, then considers whether to direct staff to provide the drafts to the City Attorney's Office to prepare documents for Council action. (See Municipal Code section 26.0414(f), which states the Commission "shall" have the responsibility to propose updates of the City's governmental ethics laws to the City Council for its approval.)

Target date: To be completed and sent to City Attorney by March 1, 2025.

Task 4: Commission staff works with the City Attorney's Office to bring the amendment package to Council. The package would be heard by the Rules Committee, then the full Council. Once language and processes are approved, the Council would be asked to authorize a meet and confer process with affected labor unions.

Target date: TBD, depending upon Council action.

Task 5: City Management would oversee a meet and confer process.
Target date: TBD, depending upon Council action. Handled by City Management.

Task 6: Once the meet and confer process is complete, and any necessary amendments are made, the Council would be asked to approve the legislative package. City Management would then work with the Commission on the appropriate timeline for funding and phasing in the new employees. This will require additional funds for staff and the contracts budget, which funds administrative hearings for enforcement.
Target date: TBD

Task 7: The Commission board and staff would approve a timeline for hiring and onboarding staff, changing internal policies as needed, and beginning training and education for all newly added to the Commission's jurisdiction. The Commission would begin enforcement of cases involving classified employees.
Target date: TBD

Issue Date: April 13, 2020

Original Target Date: December 2020

Current Target Date: ~~December 2020~~ ~~January 2023~~ Unknown

Performance Audit of the City’s Strategic Human Capital Management

20-011
(NO) (GT)

Taking a data-driven, strategic approach to human capital management is critical given the City’s limited resources and the wide range of services that employees provide to City residents. In our [Performance Audit of the City’s Strategic Human Capital Management](#), we found that the City should substantially strengthen its human capital management by adopting a more data-driven approach to monitoring and communicating core metrics of its workforce and responding strategically to workforce needs. Specifically, we found:

Finding 1: Despite years of steady revenue and expenditure growth, San Diego lags far behind other cities in compensation competitiveness and should develop a strategy to mitigate growing risks to its workforce and the various public services it provides.

Finding 2: The City can strengthen its efforts to monitor and communicate core metrics of its workforce, in order to achieve its broad strategic objectives and provide wide-ranging public services.

Finding 3: The special salary adjustment process is a control for addressing compensation competitiveness, recruitment, and retention issues; however, its methodology leads to undercounting of turnover, and the process for identifying positions at risk is inefficient and strategically erratic.

No.	Department	Recommendation Status	Resources Required	No Update Provided
1	Human Resources	Previously Implemented (December 2021)		
2	Finance	Previously Implemented (December 2022)		
3	Human Resources & Personnel	Previously Implemented (December 2020)		
4	Human Resources	Previously Implemented (June 2022)		
5	Human Resources	Previously Implemented (December 2022)		
6	Human Resources	Previously Implemented (December 2021)		
7	Human Resources	In Process – Past Due		
8	Human Resources	Previously Implemented (December 2022)		
9	Human Resources & Personnel	Previously Implemented (December 2023)		

No.	Department	Recommendation Status	Resources Required	No Update Provided
10	Human Resources	Previously Implemented (June 2022)		
11	Personnel	Previously Implemented (June 2022)		
12	Personnel	Previously Implemented (June 2021)		
13	Personnel	Previously Implemented (June 2021)		
14	Personnel	Previously Implemented (December 2023)		

Recommendation 7

Human Resources

HR and Personnel should jointly present an annual, publicly available Workforce Report to the City Council and Mayoral administration, updating City leadership by identifying key City positions facing challenges related to recruitment, retention, employee satisfaction and other metrics.

- a. The Workforce Report should include fundamental Human Capital Management (HCM) metrics on turnover rates, quits rates, vacancy rates, employee satisfaction, and others and should include benchmarking/comparative information, such as data from the U.S. Bureau of Labor Statistics, other large cities, the Society for Human Resource Management, etc.
- b. Among other content, the Workforce Report should identify:
 - i. A reasonable number—e.g., 10—of the job types for full-time employees, regardless of classification status, with:
 - The highest rates of turnover and/or voluntary separations;
 - The highest rates of vacancies; and
 - A metric assessing employee recruitment—for example, the number of “qualified” vs. “highly qualified” applicants.
 - If they are not included among the job types above, the Workforce Report should also include the results for Police Officers and Firefighters as well.
 - ii. An assessment of the differences, if any, between employees with Defined Contribution retirement plans and the rest of the City workforce, with respect to recruitment and retention patterns and/or other metrics (e.g., satisfaction or engagement).
- c. The Workforce Report should identify key elements of concern within the workforce, such as recruitment, development, satisfaction/engagement, and retention problems, an action plan to address these issues, and a timeline for completion.
- d. The Workforce Report should be required by a strong mechanism, such as a Council Policy or Municipal Code amendment. (Priority 1)

In Process – Past Due

The recommendation is in process. The City has conducted two Annual Workforce reports since this recommendation, and HR and Personnel should be commended for their efforts in standing up and developing those reports. While these are positive developments, the recommendation remains in process while some key elements are further developed for future reports that HR and Personnel are already planning. For example, a formal mechanism to ensure the strategic analysis recurs in future years given the size, expense, and perennial nature of the workforce issues. OCA also met with HR and discussed several methodological issues that may be affecting the accuracy of the numbers presented; for example, ensuring that figures presented as “Turnover” within the reports align with the Bureau of Labor Statistics’ methodology. Also, “Turnover” and “Quits” for Police and Fire should be calculated and presented as rates given their large departmental sizes, and these rates should be compared clearly to other City employee groups to help decisionmakers easily compare and ensure the City’s retention efforts are as efficient and effective as possible.

Issue Date: April 23, 2020

Original Target Date: December 2021

Current Target Date: ~~December 2021~~ June 2022 September 2022 October 2023
July 2025

IT Performance Audit of Citywide Data Classification and Sensitive Data Encryption

20-013
(JP) (VG)

The City of San Diego relies on and generates significant amounts of data on a daily basis to plan, execute, and improve its operations. A Comprehensive Data Management program is essential to enable the City to appropriately protect and leverage its data resources to maximize the usefulness of this data to the City and the public while balancing appropriate access and security. In our [IT Performance Audit of Citywide Data Classification and Sensitive Data Encryption](#), we found that the City must further formalize its data management program to enable comprehensive data management, including the classification and security of its data. Specifically, we found:

Finding 1: The City requires stronger coordination and definition of roles between the groups responsible for data management to ensure availability and security of the City’s data resources.

Finding 2: The role of Chief Data Officer requires additional definition to facilitate centralization of Citywide data management.

No.	Department	Recommendation Status	Resources Required	No Update Provided
1	Performance & Analytics	Newly Implemented		
2	City Clerk	Previously Implemented (June 2022)		
3	City Clerk	Previously Implemented (December 2021)		
4	Chief Operating Officer	Previously Implemented (June 2022)		
5	City Clerk	In Process – Past Due		

Recommendation 1

Performance & Analytics

The three City data management authorities—the Chief Data Officer (CDO), Chief Information Officer (CIO), and City Clerk—should work collaboratively to create a centralized data management strategy based on a centralized data governance model. All three authorities should sign off on the policy and the City Attorney should conduct a legal review to ensure compliance with applicable laws and regulations. Further, this strategy should incorporate the different roles of the CDO, CIO, and City Clerk to clarify their data management objectives and potential areas of collaboration. (Priority 1)

Newly Implemented

This recommendation is implemented. OCA confirmed the Centralized Data Management Strategy document was drafted based on the Centralized Data Governance Model, and incorporates the different roles of the three data management authorities, the Chief Data Officer, the Chief Information Security Officer (as delegate for the Chief Information Officer), and the City Clerk. The document was signed off by the data management authorities, and reviewed by the City Attorney, as noted in the document revision history. According to the Chief Data Officer, “the City Attorney reviewed the strategy and model but did not conduct a legal review because the office does not typically review strategy documents. City Attorney will conduct a legal review of the Administrative Regulation under development as part of Recommendation #5.”

Issue Date: May 29, 2020

Original Target Date: July 2022

Recommendation 5

City Clerk

The City Clerk, Chief Information Officer, and Chief Data Officer should create an Administrative Regulation defining a Citywide data governance model and the roles and responsibility of each of the City’s data management entities. (Priority 1)

In Process – Past Due

This recommendation is in process. According to the department, the following tasks are necessary to achieve full implementation:

Task 1: The three City data management authorities have worked with a consultant to define a Centralized Data Governance Model and create a Centralized Data Management Strategy based on this model as part of Recommendation #1.
Status: Completed on July 1, 2024.

Task 2: The three City data management authorities are working with the same consultant to define roles and responsibilities of each of the City’s management entities.
Status: In progress.

Task 3: Complete a final draft of an Administrative Regulation and route through the City’s AR approval process.
Status: Expected to be completed by September 30, 2024.

Issue Date: May 29, 2020

Original Target Date: July 2023

Current Target Date: ~~July 2023~~ July 2024 July 2025 April 2025

Follow-Up Performance Audit of the Public Utilities Department’s Industrial Wastewater Control Program

21-001

(JP)

In 2013, we issued a [Performance Audit of the Public Utilities Department’s Industrial Wastewater Control Program](#) (IWCP). At that time, we found that outdated fees, billing lapses, and inadequate controls limited program cost recovery from IWCP permittees. Most program costs were passed on to other wastewater customers who were not IWCP permittees. In addition, we issued a confidential memorandum raising the possibility that these cost recovery practices were not in compliance with Proposition 218. We conducted a [Follow-Up Performance Audit of the Public Utilities Department’s Industrial Wastewater Control Program](#) to review the status of the recommendations we made in 2013. We found that the Public Utilities Department’s cost recovery practices remain out of compliance with City regulations and policies and possibly State Law. Specifically, we found:

Finding 1: The Public Utilities Department has not adjusted many IWCP permit fees since 1984, and its cost recovery practices remain out of compliance with City policies and potentially State Law.

Finding 2: Billing lapses have reoccurred due to overly complex and inefficient processes and a breakdown in oversight.

No.	Department	Recommendation Status	Resources Required	No Update Provided
1	Public Utilities	Previously Implemented (December 2022)		
2	Public Utilities	Previously Implemented (December 2021)		
3	Public Utilities	Previously Implemented (December 2020)		
4	Public Utilities	In Process – Past Due		
5	Public Utilities	Previously Implemented (June 2021)		
6	Public Utilities	In Process – Past Due		
7	Public Utilities	Previously Implemented (June 2021)		
8	Public Utilities	Previously Implemented (June 2021)		
9	Public Utilities	Previously Implemented (December 2023)		

Recommendation 4

Public Utilities

Upon completion of the fee study, the Public Utilities Department should work with the Office of the City Attorney and the Participating Agencies to review and revise, as appropriate, Interjurisdictional Agreements to include fees for service that achieve appropriate cost recovery under the guidelines of Council Policy 100-05 and Administrative Regulation 95.25, as well as Proposition 218. The revised agreements should include mechanisms to adjust fees in response to changes in the cost of service. (Priority 1)

In Process – Past Due

This recommendation is in process. According to the department, the following tasks are necessary to achieve full implementation:

Task 1: Conduct negotiations with Participating Agencies.

Status: Principal negotiations have concluded. We are waiting to receive any potential revisions and will work through them once we receive them. Target for negotiations to be completed by December 31, 2024 with JPA and Participating Agency approvals to follow.

Task 2: Implement revised interjurisdictional agreements.

Status: Final agreement needs JPA approval followed by the 12 Participating Agencies receiving approval from their respective governing bodies. Pending completion of Task 1. Dependent on outside agencies and their docketing process.

Issue Date: July 15, 2020

Original Target Date: November 2020

Current Target Date: November 2020 July 2021 August 2022 July 2023
July 2024 December 2024

Recommendation 6

Public Utilities

The Public Utilities Department should move the Industrial Wastewater Control Program's budget from the Municipal Wastewater Fund to the Metropolitan Wastewater Fund. (Priority 1)

In Process – Past Due

This recommendation is in process. According to the department, the following tasks are necessary to achieve full implementation:

Task 1: Conduct negotiations with Participating Agencies.

Status: Principal negotiations for updating interjurisdictional agreements with the Participating Agencies has concluded. Following final review, will go through numerous approval processes, which includes JPA approval followed by the 12 Participating Agencies.

Task 2: Move IWCP budget from Muni to Sewer Fund.

Status: Pending completion of Recommendation #4. Target date: July 1, 2026.

Issue Date: July 15, 2020

Original Target Date: July 2022

Current Target Date: ~~July 2022~~ ~~July 2023~~ ~~July 2024~~ ~~July 2025~~ July 2026

Agreed-Upon Procedures Related to the Central Stores Physical Inventory – Fiscal Year 2020

21-002
(DN)

The San Diego Municipal Code requires an annual inventory count of the Purchasing & Contracting Department’s Central Stores physical inventory. The [Agreed-Upon Procedures Related to the Central Stores Physical Inventory report for fiscal year 2020](#), conducted by Macias Gini & O’Connell (MGO), resulted in two recommendations.

No.	Department	Recommendation Status	Resources Required	No Update Provided
1	Purchasing & Contracting	In Process – Past Due		
2	Purchasing & Contracting	In Process – Past Due		

Recommendation 1

Purchasing & Contracting

Macias Gini & O’Connell recommends that the Purchasing and Contracting Department consider procuring handheld devices that are compatible with the SAP inventory record module. These devices can be used to scan the barcodes that already exist on each stock item tag and will allow storekeepers to update inventory records in real-time for their inventory cycle counts and will provide more accurate and timely information regarding inventory record maintenance. (Priority 2)

In Process – Past Due

This recommendation is in process. According to the department, the contract was awarded on July 22, 2024, and the initial phase of implementation is underway. The vendor has had onsite visits and performed final assessments of current processes and workflows and will be providing a refined and finalized implementation timeline shortly. The initial order of handheld devices and printers should be arriving in August or September 2024 and the process of device access to network and security will run in parallel with the process of software integration to the current inventory and warehouse management modules being utilized by Central Stores. DoIT’s ERP team and Enterprise Applications Manager have been involved in this project from the beginning stages and do not foresee any issues at this time. The target timing implementation and utilization is still by the end of this calendar year.

Issue Date: September 14, 2020

Original Target Date: April 2021

Current Target Date: ~~April-2021~~ ~~March-2022~~ ~~September-2022~~ ~~June-2023~~
~~September-2023~~ December 2024

Recommendation 2
Purchasing & Contracting

Macias Gini & O'Connell recommends that the Purchasing and Contracting Department develop policies and procedures for obtaining and documenting explanations and related support for any adjustments made to the inventory stock records. (Priority 2)

 **In Process – Past Due**

This recommendation is in process. The department did not provide an update during this reporting period. As of the Audit Committee meeting for the prior reporting period (April 2024), the department reported that it was in the middle of the RFP process for the handheld scanners, which will impact how it completes inventory and its processes. The department stated that once the scanners are in place, the department will move to make the policies and procedures incorporating the new scanners.

Issue Date: September 14, 2020

Original Target Date: June 2021

Current Target Date: ~~June-2021~~ ~~December-2021~~ ~~Unknown~~ ~~December-2022~~
 June-2023 ~~December-2023~~ Unknown

Performance Audit of the San Diego Police Department’s Data Analysis

21-004 (JP)

Complete and accurate data is essential for the San Diego Police Department (SDPD) to inform the public of the City of San Diego’s (City) safety, enable oversight of operations, and allow SDPD to analyze and evaluate operations to enable evidence-based operational decision making. In our [Performance Audit of SDPD’s Data Analysis](#), we found that SDPD can improve operational data analysis and procedures for accepting citizen complaints. Specifically, we found:

Finding 1: SDPD has internal controls that should help ensure reliable crime data and RIPA reports for all stops, but minor inconsistencies could affect future reporting requirements and RIPA completeness.

Finding 2: SDPD can improve its use of existing data to evaluate its operations and maximize evidence-based decision making.

Finding 3: SDPD complies with State Law by having a complaint procedure, but the process can be improved for accepting complaints against officers and informing the public of its complaints process.

No.	Department	Recommendation Status	Resources Required	No Update Provided
1	SDPD	Previously Implemented (December 2020)		
2	SDPD	In Process – Past Due		
3	SDPD	Previously Implemented (December 2020)		
4	SDPD	Newly Implemented		
5	SDPD	Previously Implemented (December 2022)		
6	SDPD	Previously Implemented (December 2022)		
7	SDPD	Previously Implemented (December 2022)		
8	SDPD	Will Not Implement – Disagree (June 2022)		
9	SDPD	Previously Implemented (June 2021)		

Recommendation 2

SDPD

The San Diego Police Department (SDPD) should update crime report procedures and training materials to improve reporting consistency and to ensure SDPD can switch their reporting to the National Incident-Based Reporting System (NIBRS) as planned—and ahead of other California agencies. This should include requiring officers to report all known offenses in reportable fields.

As procedures are updated, SDPD should provide training and continuous feedback through supervisory review on the updated procedures.

Finally, SDPD should ensure consistency across Divisions in training and supervisory review of crime report data entry. (Priority 2)

In Process – Past Due

This recommendation is in process. According to SDPD, the following task is necessary to achieve full implementation:

Task: Department Procedure 6.04, which outlines the specific procedures for reporting consistency, was submitted to the City Attorney in December 2023 for its review and approval. Once approved by the City Attorney, the procedure will require meet and confer with the appropriate unions.

Status: DP 6.04 is still pending meet and confer approval from the MEA and the POA. The meet and confer process is very time consuming. Furthermore, there are legal components involved in these negotiations. SDPD estimates the completion date as August 30, 2024.

Issue Date: September 28, 2020

Original Target Date: June 2022

Current Target Date: ~~June 2022~~ ~~December 2022~~ ~~December 2023~~ ~~June 2024~~
August 2024

Recommendation 4

SDPD

In order to maximize the effectiveness of limited resources, the San Diego Police Department (SDPD) should formally document a requirement for Commanders to include data analysis in planning and evaluation of Division operations, such as analysis of response times, call outcomes, and community-oriented policing efforts. As part of these procedures, SDPD should determine if the analysis is appropriate for public release, document that determination, and publish the analysis if appropriate. SDPD should also provide additional training in evidence-based policing for Commanders. (Priority 2)

Newly Implemented

This recommendation is implemented. SDPD has developed dashboards to provide analyses to commanders and officers. SDPD has issued a training bulletin to provide guidance on use of the dashboards for planning and evaluating operations. SDPD issued a department order requiring command staff members use the data dashboards monthly to deploy resources more effectively and develop strategies to enhance investigative abilities. Additionally, SDPD made a publicly available version of the dashboard to meet the recommendation's intention of providing analyses to the public. which can be found at: <https://experience.arcgis.com/experience/c24d611442564023af92f42759ee5c42/>.

Issue Date: September 28, 2020

Original Target Date: June 2022

Performance Audit of the Purchasing and Contracting Department’s Small Local Business Enterprise Program

21-005
(CN)

In our [Performance Audit of the Purchasing and Contracting Department’s Small Local Business Enterprise Program](#), we found that the program’s design and insufficient oversight limit efforts to increase diversity and small business development in City contracting. Specifically, we found:

Finding 1: The SLBE program has not effectively achieved the economic benefits of its program objectives.

Finding 2: Changes to the program’s implementation may expand its economic benefits.

Finding 3: City leadership is not given sufficient quality information on the performance of the program to make informed management and oversight decisions.

No.	Department	Recommendation Status	Resources Required	No Update Provided
1	Purchasing & Contracting	Previously Implemented (June 2021)		
2	Purchasing & Contracting	Previously Implemented (December 2021)		
3	Purchasing & Contracting	In Process – Past Due		
4	Purchasing & Contracting	In Process – Past Due		
5	Purchasing & Contracting	In Process – Past Due		
6	Purchasing & Contracting	Previously Implemented (June 2022)		
7	Purchasing & Contracting	In Process – Past Due		
8	Purchasing & Contracting	Previously Implemented (December 2021)		
9	Purchasing & Contracting	In Process – Past Due		
10	Purchasing & Contracting	Previously Implemented (December 2022)		
11	Purchasing & Contracting	Previously Implemented (June 2022)		
12	Purchasing & Contracting	In Process – Past Due		

Recommendation 3

Purchasing & Contracting

We recommend that Equal Opportunity Contracting (EOC) compare the amount awarded in each contract type for each race/gender group to the race/gender makeup of contractors available in the region. Once the disparity study is complete, EOC could use the disparity study's analysis of the makeup of business owners in the region to estimate the anticipated percentage of contract funding that could possibly be awarded to each group in each contract type (construction, architectural and engineering services, and goods and services). If the disparity study is not complete or does not provide sufficient information, EOC management should use countywide race/ethnicity and gender data (either workforce or population data) to make this estimation. EOC should include this comparison in its annual reports. This recommendation does not recommend any preference in contracting based on race or gender, nor does it create or imply a required goal or quota of race or gender in contracts with the City. (Priority 2)

In Process – Past Due

This recommendation is in process. The department reported that staff needs additional time to determine how to utilize the 2021 Disparity Study to address the recommendation. At the April 2024 Audit Committee meeting, the department stated it needed additional time to make a comparison between County business databases.

Issue Date: November 24, 2020

Original Target Date: December 2021

Current Target Date: ~~December 2021~~ June 2022 June 2023 June 2024
June 2025

Recommendation 4

Purchasing & Contracting

We recommend the Mayor's Office reposition oversight of the Small Local Business Enterprise (SLBE) program outside the management of the program. Oversight should include necessary expertise on decreasing barriers for businesses owned by women and people of color and should not solely rely upon City contracting expertise or fall to an advisory commission that cannot compel management to action. Oversight should, at minimum, include:

- a. Reviewing and approving the SLBE program's performance measures, including the goods and services participation rate in Recommendation #7.
- b. Ensuring the performance measures and goals of the program align with the program's objectives.
- c. Reviewing the program's progress at meeting performance measures and goals, and increasing the goals at a steady rate to ensure program progress.
- d. Reviewing and approving the goal setting methodology for construction contracts.
- e. Reviewing and approving the template for the annual report to City Council, as referenced in Recommendation #11, to ensure the information is presented in a manner that is clear and details the program's performance.
- f. Reviewing, approving, and seeking regular updates on the progress of the outreach plan in Recommendation #5. (Priority 2)

In Process – Past Due

This recommendation was originally reported as implemented by Management. However, after OCA review, we have determined it to be in process.

Management has created an oversight body for the Small Local Business Enterprise program that is outside of the management of the program, but has not provided documentation showing that oversight includes necessary expertise on decreasing barriers for businesses owned by women and people of color. Additionally, Management has not provided documentation showing what the oversight body will be responsible for. The recommendation requires the oversight body review and approve program performance measures, review and approve the goal setting methodology for construction contracts, and review and approve the progress of the Outreach plan, among other oversight activities.

Issue Date: November 24, 2020

Original Target Date: December 2021

Current Target Date: ~~December 2021~~ ~~June 2022~~ ~~December 2022~~ ~~June 2023~~
~~June 2024~~ Unknown

Recommendation 5

Purchasing & Contracting

We recommend that Equal Opportunity Contracting develop a written, evidence-based plan consistent with the results of the disparity study for increasing outreach and participation in the Small Local Business Enterprise (SLBE) program for small, local businesses and those owned by women and people of color to the extent allowable under the law.

- The plan should include outcome-based performance measures for each program objective. Measures to be considered should include:
 - Registration by businesses owned by women and people of color;
 - The number of businesses that grow out of the emerging local business enterprise category each year;
 - The number of businesses that grow out of the small, local business enterprise category each year; and
 - The number of employees the organization has when applying initially, when renewing their application, and when growing out of the program.
- The plan should be presented to the Citizens Equal Opportunity Commission for input and should include a public hearing with invited speakers from the pool of current registered SLBEs, SLBEs that successfully grew out of the program, and affiliated stakeholder groups, including industry associations and chambers of commerce.
- The plan should create goals and performance measures related to other tools designed to reduce barriers and increase competition in contracting included in the program, such as the mentor-protégé program and the bonds/insurance assistance program.

This recommendation does not recommend any preference in contracting based on race or gender, nor does create or imply a required goal or quota of race or gender in contracts with the City. (Priority 2)

In Process – Past Due

This recommendation is in process. According to the department, EOC has developed new partnerships with various public organization groups and increased outreach efforts for small, minority, and women owned businesses. Partnerships include the County of San Diego Black Chamber of Commerce, Veterans in Business, American Indian Chamber of Commerce, Black Entrepreneurs Leaders & Leaners (BELLE), San Diego Women Business Center, and San Diego Asian Business Association. The intent of these efforts is to grow awareness of City contracting opportunities and increase the participation of small, minority- and woman-owned businesses in City contracts. Staff require additional time to develop a detailed written plan to ensure the full implementation of the recommendation.

Issue Date: November 24, 2020

Original Target Date: December 2021

Current Target Date: ~~December 2021~~ ~~June 2022~~ ~~June 2023~~ ~~June 2024~~
June 2025

Recommendation 7

Purchasing & Contracting

We recommend the Small Local Business Enterprises (SLBE) program management work with the Purchasing and Contracting Department to create annual performance goals for the percent of goods and services contract dollars awarded to SLBEs. The evaluation of appropriate goods and services SLBE contracting goals should include reviewing the portion of goods and services contracts that are for services that could likely be provided by local businesses. (Priority 2)

In Process – Past Due

This recommendation was originally reported as implemented by the department. However, after OCA review, we have determined it to be in process.

Although the department reported this recommendation as implemented, it stated that it does not plan to set a goal for the percent of goods and services contracts that will be awarded to small, local businesses certified under the Small Local Business Enterprise (SLBE) program. Instead, the department stated that it has adopted but not yet implemented an aspirational goal that 15 percent of all contract dollars awarded will be awarded to SLBE firms, which will include goods and services, construction, and architectural and engineering contracts. The department stated it plans to include the 15 percent aspirational goal in all future contract solicitations, but this has not been completed yet. Therefore, the recommendation is still in process.

Issue Date: November 24, 2020

Original Target Date: January 2022

Current Target Date: ~~January 2022~~ ~~December 2022~~ ~~June 2023~~ ~~June 2024~~
Unknown

Recommendation 9

Purchasing & Contracting

We recommend Small Local Business Enterprise (SLBE) program management, in consultation with the appropriate oversight bodies, evaluate the caps on SLBE subcontracting requirements for construction projects annually. Program management should then include the caps in the annual report, with a detailed description of the methodology used to justify the cap, and should include the previous cap amounts over time. This recommendation, however, should not conflict with City policies that require the prime contractor to perform at least 50 percent of the contract. (Priority 2)

In Process – Past Due

This recommendation is in process. The department reported that staff needs additional time to determine how to implement the recommendation.

Issue Date: November 24, 2020

Original Target Date: January 2022

Current Target Date: ~~January 2022~~ ~~June 2023~~ ~~June 2024~~ June 2025

Recommendation 12

Purchasing & Contracting

We recommend Equal Opportunity Contracting draft written policies for data tracking. Methodologies should be consistent year over year, with any changes documented, and the report should have a written quality control reviewing process to minimize errors and ensure the methodologies for the data used in the report do not distort the conclusions drawn from the data. (Priority 2)

In Process – Past Due

This recommendation is in process. The department reported that staff needs additional time to implement the recommendation. At the April 2024 Audit Committee meeting, the department stated it is continuing to work with other agencies to develop schedules to identify best practices.

Issue Date: November 24, 2020

Original Target Date: December 2021

Current Target Date: ~~December 2021~~ ~~June 2022~~ ~~June 2023~~ ~~June 2024~~
June 2025

Performance Audit of Strategic Human Capital Management II: Employee Performance Management

21-006

(NO) (GT)

To address risks identified in our performance audit of the City’s strategic human capital management, we initiated the [Performance Audit of Strategic Human Capital Management II: Employee Performance Management](#) to evaluate the extent of and several internal controls around efforts to monitor and address employee performance issues. We found that the City should ensure all employees receive performance reviews, and should enhance controls to ensure consistent and appropriate utilization of employee incentive and accountability tools. Specifically, we found:

Finding 1: The City should ensure all employees receive required performance evaluations to recognize and reward high performers as well as to identify and address poor performance.

Finding 2: The City utilizes multiple ways to recognize and reward commendable performance among employees, but utilization of the Rewards & Recognition Program varies widely among departments and its effect on employee satisfaction and retention is unclear.

Finding 3: The Human Resources Department should strengthen its abilities to more strategically monitor aggregated discipline trends and issues within the City’s workforce.

Finding 4: Opportunities exist for the City to reform some elements of its disciplinary processes and discipline-related training for City supervisors.

No.	Department	Recommendation Status	Resources Required	No Update Provided
1	Personnel	In Process – Past Due		
2	Personnel & Human Resources	Previously Implemented (June 2022)		
3	Human Resources	Previously Implemented (June 2022)		
4	Human Resources	Previously Implemented (December 2023)		
5	Human Resources	Newly Implemented		
6	Human Resources	Newly Implemented		
7	Human Resources	Newly Implemented		
8	Human Resources	Newly Implemented		
9	Human Resources	Previously Implemented (December 2022)		

No.	Department	Recommendation Status	Resources Required	No Update Provided
10	Personnel	In Process – Past Due		
11	Human Resources	Previously Implemented (December 2022)		

Recommendation 1

Personnel

The Personnel Department (Personnel) and Human Resources Department (HR) should work collaboratively to report Employee Performance Review (EPR) completion rates for all eligible employees Citywide in the City’s Annual Workforce Report.

- a. The report should include some sort of breakout capability, such as results by department, type of EPR (e.g., annual, quarterly, etc.), and classified or unclassified status.
- b. Personnel and HR should encourage the lowest-utilizing departments in particular—for example, via additional reminders or targeted trainings of supervisors and managers in those departments. (Priority 2)

In Process – Past Due

This recommendation is in process. According to the Personnel Department, the following tasks are necessary to achieve full implementation:

Task 1: Build a report to identify completed and past due EPR Reports.
Status: Report is built.

Task 2: Personnel to provide access to HR to run the completion rates report to be included in the City’s Annual Workforce Report.
Status: Planned for August 2024.

Issue Date: November 25, 2020

Original Target Date: December 2021

Current Target Date: ~~December 2021~~ June 2022 ~~December 2022~~ June 2023
December 2023 March 2024 August 2024

Recommendation 5*Human Resources*

The Human Resources Department should develop and implement a plan to increase awareness of Rewards & Recognition Program tools and to encourage additional program participation in the lowest-utilizing departments in particular—for example, via targeted or required trainings of supervisors and managers in those departments. (Priority 2)

Newly Implemented

This recommendation is implemented. To help increase awareness and encourage program participation in the Rewards & Recognition (R&R) Program, in May 2024, HR notified all City supervisors and payroll specialists that the City's most utilized award in its R&R Program, Discretionary Leave Awards, could now be proceeded in SAP rather than manually. Following this announcement, HR offered a virtual training on this new automated SAP process. Also, HR includes in its quarterly P.O.D. Cast Newsletter monthly schedules for its Employee R&R Program trainings for all City employees. Finally, HR has recently implemented its People STAT Program, which is a proactive initiative to provide City departments at biweekly meetings with data and information specific to recruitment, rewards and recognition, employee accountability, and disability management issues. Specific to the Rewards & Recognition Program, HR's People STAT Program's key metrics focus on DL and Exceptional Merit Cash Payment utilization.

Issue Date: November 25, 2020

Original Target Date: December 2021

Recommendation 6*Human Resources*

The Human Resources Department (HR), working as necessary with the Personnel Department, should strengthen its abilities to more strategically monitor aggregate discipline trends and issues within the City workforce—for example, trends over time or patterns across departments or other aspects of the City's workforce. Specifically, HR should develop and implement a process to provide this information periodically, or preferably on-demand, to the City Executive Team, the Risk Oversight Committee, the Civil Service Commission, and City departments' management to better identify and mitigate performance and misconduct-related risks. (Priority 2)

Newly Implemented

This recommendation is implemented. The Human Resources Department (HR) has created and implemented its People STAT Program, which is a proactive initiative to provide City departments with recruitment, rewards and recognition, employee accountability, and disability management data and information. Specific to the tracking and reporting of discipline trends and issues within the City workforce, HR staff meet with City departments at biweekly employee relations meetings to discuss Employee Accountability Measures (i.e., employee discipline) which include the total number and type of disciplines issues, number of disciplines by reason, total number

of fact findings, Employee Performance Review (EPR) completion rates, and other employee accountability-related topics. These efforts should help City departments' management better identify and mitigate performance and misconduct-related risks.

Issue Date: November 25, 2020

Original Target Date: December 2021

Recommendation 7

Human Resources

The Human Resources Department should incorporate strengthening its tracking and dissemination of performance and discipline-related information into its ongoing effort to outline and document its goals, responsibilities, and the organizational efforts it is undertaking internally to strengthen its emphasis on Strategic Human Capital Management (SHCM) efforts, agreed to as part of our first SHCM audit. See Recommendation #6 from our Performance Audit of the City's Strategic Human Capital Management. This should include analysis to determine if additional staffing resources are needed to successfully execute this plan to strengthen its SHCM capabilities. (Priority 2)

Newly Implemented

This recommendation is implemented. The Human Resources Department (HR) has created and implemented its People STAT Program, which is a proactive initiative to provide City departments with recruitment, rewards and recognition, employee accountability, and disability management data and information. Specific to the tracking and reporting of performance and discipline-related information, HR staff meet with City departments at biweekly employee relations meetings to discuss Employee Accountability Measures (i.e., employee discipline) which include the total number and type of disciplines issues, number of disciplines by reason, total number of fact findings, Employee Performance Review (EPR) completion rates, and other employee accountability-related topics. These efforts should help reinforce HR's organization efforts to strengthen the department's Strategic Human Capital Management initiatives.

Issue Date: November 25, 2020

Original Target Date: July 2021

Recommendation 8*Human Resources*

The Human Resources Department, working collaboratively with the Personnel Department, should develop and execute a plan for actions the City can take to better utilize mechanisms, such as probationary periods and Supplemental Employee Performance Reviews (EPRs), if/as appropriate. Strategies considered should include:

- a. Reexamining or reaffirming the City's philosophical approach to discipline issues;
- b. Trainings for supervisors identifying the tools of probationary periods and Supplemental EPRs and their importance;
- c. Ensuring quarterly EPRs are completed, especially for probationary employees; and
- d. A particular focus on these or other operationally appropriate efforts among departments that show lower EPR completion rates, especially for probationary employees. (Priority 2)

Newly Implemented

This recommendation is implemented. According to HR, the department has reaffirmed the City's philosophical approach both in its Dimensions in Discipline manual and, more recently, in its latest updates to the Dimensions in Discipline Virtual Workbook which is used in the Dimensions in Discipline trainings. This effort meets the spirit of this specific sub-element of the recommendation.

To help better utilize mechanisms such as probationary periods and Supplemental Employee Performance Reviews (EPRs), the Personnel Department (Personnel) has built an online EPR Manager Report that identifies completed and past due EPRs, which should help ensure City supervisors complete Supplemental EPRs for poor employee performance and quarterly EPRs for probationary employees. Furthermore, Personnel has developed a new Employee Performance Review Program Training KPI, included in its FY2025 Proposed Budget, with a goal of 60 percent new supervisors who attend the EPR training in a given fiscal year. Personnel's EPR training materials highlight the importance of documenting poor performance in EPRs and also lists "probationary employees" as the first kind of employee that evaluations are completed for. HR's Virtual Employee Accountability Class Facilitator's Guide also includes an in-depth overview of Supplemental EPRs. Taken together, these efforts should help ensure City supervisors complete timely EPRs and are better informed of the importance of Supplemental EPRs for poor performing employees and quarterly EPRs for probationary employees.

Issue Date: November 25, 2020

Original Target Date: July 2022

Recommendation 10
Personnel

The Personnel Department (Personnel) should continue its efforts to expand its Employee Performance Review (EPR) Program training as well as more general training opportunities pertaining to discipline processes, for example by creating or expanding virtual attendance options.

- a. Priority for registration should be given to supervising employees who have not taken City courses on supervision or discipline.
- b. The Chief Operating Officer should implement a requirement that departmental appointing authorities require all new supervisors take the EPR Program course within one year of becoming a supervisor. Personnel should develop a mechanism to monitor and report compliance with this requirement such as by requiring departmental appointing authorities to annually report all new supervisors and whether or not they completed such trainings. (Priority 2)

In Process – Past Due

This recommendation was originally reported as implemented by the department. However, after OCA review, we have determined it to be in process.

According to Personnel, the department is tracking the completion rate of new supervisors who take the EPR Program course and included a new KPI for this completion rate in the FY2025 Proposed Budget. The KPI has a completion rate goal of 60%. Personnel also met in closed session with the Civil Service Commission in June with the purpose to review the City’s position and instruct the City’s designated representatives for labor negotiations to meet and confer over the terms and conditions of employment related to mandatory Employee Performance Review Program training for supervisors who supervise Classified employees within one year of becoming a supervisor. This effort is still ongoing and therefore the recommendation’s target implementation date has been revised to the end of the next follow-up cycle (December 2024).

Issue Date: November 25, 2020

Original Target Date: December 2021

Current Target Date: ~~December 2021~~ July 2022 ~~December 2022~~ June 2023
December 2024

Performance Audit of the City’s Climate Action Plan

21-009

(DN) (MS)

In our [Performance Audit of the City’s Climate Action Plan](#), we found that the City can strengthen its oversight mechanisms to ensure City departments stay on track to implement CAP goals, and can improve its fiscal planning efforts for CAP implementation by developing a prioritization mechanism and estimating costs. Specifically, we found:

Finding 1: The City can strengthen its oversight mechanisms to ensure City departments stay on track to implement CAP actions, and can better inform key decisionmakers of implementation progress.

Finding 2: The City should improve its fiscal planning efforts for CAP implementation by developing a prioritization mechanism and estimating costs.

No.	Department	Recommendation Status	Resources Required	No Update Provided
1	Chief Operating Officer	In Process – Past Due		
2	Sustainability & Mobility	Previously Implemented (June 2022)		
3	Sustainability & Mobility	Previously Implemented (June 2022)		
4	Sustainability & Mobility	Previously Implemented (December 2021)		
5	Sustainability & Mobility	Previously Implemented (June 2022)		
6	Sustainability & Mobility	Previously Implemented (June 2023)		

Recommendation 1

Chief Operating Officer

To formally establish responsibility and authority for oversight and accountability of CAP implementation, the City’s Chief Operating Officer should adopt an Administrative Regulation that requires:

- CAP-related City departments to annually provide CAP workplans to the Sustainability Department for review and approval; the CAP workplans should outline the work the City departments plan on accomplishing for the following year;
- The City to formally establish roles within each City department involved in CAP implementation to act as a liaison and to drive forward CAP implementation within their respective department, including the responsibility of developing the annual workplan for the department;
- CAP-related City departments to annually request to docket their CAP annual workplans for presentation to the full City Council for budgetary considerations; and
- The Sustainability Department to annually request to docket the CAP Annual Reports for presentation to the full City Council. (Priority 1)

In Process – Past Due

This recommendation is in process. According to the department, it is preparing to send the Administrative Regulation to the Chief Operating Officer for their signature. The department noted that the Administrative Regulation should be executed in the near future.

Issue Date: February 18, 2021

Original Target Date: December 2022

Current Target Date: ~~December 2022~~ ~~March 2023~~ Unknown

Hotline Investigation of Board-Up Services

21-011

(GR)

A Fraud Hotline report led to an investigation into SDPD’s policy and practices related to emergency board and secure activities Citywide. In our [Hotline Investigation of Board-Up Services](#), we found that there is no policy and no contract in place that addresses the use of a private contractor and that business owners and residents have been required to pay for services they did not agree to. There is no apparent legal authority for the City to utilize an uncontracted vendor for this type of service, and it is unclear whether the vendor has the authority to charge the responsible parties for these services. Other cities have attempted to address the same problem and have contracted with board-up vendors and addressed the issue in their municipal codes and police procedures. The City prepared a solution in 2014 but did not pursue it for unknown reasons.

No.	Department	Recommendation Status	Resources Required	No Update Provided
1	SDPD	Previously Implemented (December 2022)		
2	SDPD	Previously Implemented (June 2023)		
3	SDPD	Newly Implemented		

Recommendation 3

SDPD

We recommend that the San Diego Police Department update its current procedures to include residential properties, a board-up report, a waiver of liability form, details regarding the amount of time officers will spend attempting to contact a responsible person, and appeal procedures. (Priority 3)

Newly Implemented

This recommendation is implemented. SDPD provided documentation demonstrating that it updated its current procedures to include the items listed in the recommendation, including completing an incident report to be left onsite and specifying a time limit that an officer will spend attempting to contact a responsible person. The SDMC was also updated to define procedures for abatement of unsecured structures on public or private property. The new third-party board-up services contract addresses liability issues.

Issue Date: June 24, 2021

Original Target Date: October 2023

Performance Audit of the City’s Use of CARES Act Funding

22-001
(JP) (DK)

In our [Performance Audit of the City’s Use of CARES Act Funding](#), we found that the City developed a sound financial management process to ensure CARES Act funds were spent in accordance with the Act. We also found instances where the need for expediency and the continuation of essential services led to some expenditures that we identified for further scrutiny to determine eligibility under the CARES Act. Specifically, we found:

Finding 1: The City’s financial management process generally followed best practice to provide reasonable assurance of compliance with CARES Act funding requirements and should be formalized.

Finding 2: The City significantly overpaid for portable showers, and two contracts still need to be approved by City Council.

Finding 3: The City’s use of paid leave may have not been consistent with CARES Act regulations.

Finding 4: The Emergency Rental Assistance Program did not have sufficient documentation by San Diego Housing Commission staff to verify income eligibility and economic hardship.

No.	Department	Recommendation Status	Resources Required	No Update Provided
1	Finance	Previously Implemented (December 2021)		
2	Chief Compliance Officer	Previously Implemented (June 2023)		
3	Purchasing & Contracting	Newly Implemented		
4	San Diego Housing Commission	Previously Implemented (June 2022)		

Recommendation 3

Purchasing & Contracting

To ensure the City has followed its own procedures on all Coronavirus Relief Fund-reimbursed procurements, the Purchasing and Contracting Department should bring the portable shower and food service contracts to City Council for approval. (Priority 3)

Newly Implemented

This recommendation is implemented. Council ratified the portable showers contract on April 11, 2024, and ratified the Food Service Contract on January 10, 2023.

Issue Date: July 21, 2021

Original Target Date: October 2021

Performance Audit of the City’s Major Building Acquisition Process

22-002
(CN) (MJ)

In 2015, the City began a series of building acquisitions totaling more than \$230 million. Many questions have been raised about whether these acquisitions were in the best interest of the City. We conducted our [Performance Audit of the City’s Major Building Acquisition Process](#) to determine (1) if the City followed policies and best practices when acquiring major buildings, and (2) if the City has sufficient governance mechanisms for oversight of major building acquisitions.

We found that a serious lack of policies and oversight caused the City to miss or skip key steps in the acquisition process, and allowed the prior City Administration to leave out or misrepresent key information about building acquisitions when presenting them to the City Council and the public. Specifically, we found:

Finding 1: The prior City Administration did not follow best practices when acquiring more than \$230 million of major real estate assets due to unclear roles and responsibilities, resulting in significantly increased costs and underutilized facilities.

Finding 2: The prior City Administration failed to conduct sufficient due diligence, limiting the City’s understanding of the properties acquired and hindering its ability to negotiate.

Finding 3: The prior City Administration diminished City Council’s oversight capabilities on major real estate acquisitions by failing to provide complete and accurate information.

No.	Department	Recommendation Status	Resources Required	No Update Provided
1	Economic Development	In Process – Past Due		
2	Economic Development	In Process – Past Due		
3	Economic Development	In Process – Past Due		
4	Economic Development	In Process – Past Due		
5	Economic Development	In Process – Past Due		
6	Economic Development	In Process – Past Due		
7	Compliance	In Process – Not Due		
8	Economic Development	In Process – Past Due		
9	Independent Budget Analyst	Previously Implemented (June 2022)		

No.	Department	Recommendation Status	Resources Required	No Update Provided
10	Economic Development	In Process – Past Due		

Note: The former Real Estate Assets Department is now part of the Economic Development Department. Thus, all recommendations originally assigned to the Real Estate Assets Department are now assigned to the Economic Development Department.

Recommendation 1

Economic Development

As the lead department, we recommend the Real Estate Assets Department (READ), in consultation with the Independent Budget Analyst (IBA), City Attorney’s Office, and other departments as needed, create a new or amended Council Policy for City Council’s approval that requires a best practices checklist for building acquisitions. READ and other departments as detailed in the new or amended policy would complete and present the checklist to City Council for every building purchase or lease agreement that requires City Council approval. The checklist in the Council Policy should establish the following steps to be taken and presented to City Council:

- a. Determination of how a building acquisition fits in the strategic plan detailed in Recommendation 3.
- b. Determination of what the building will be used for and to what extent the building fits the business case.
- c. Completion of a funding method analysis, with input from the Debt Management Department.
- d. Determination of estimated tenant improvement costs supported by relevant data. Tenant improvement proposals should be presented and approved with the building acquisition. Tenant improvements proposals should include detail on how the tenant improvements will ensure the building meets the City’s needs and detail on the anticipated cost and timeline.
- e. Completion of an overall economic analysis including consideration of other acquisition options, with input from the Chief Financial Officer.
- f. Completion and presentation of a due diligence checklist (see details in Finding 2, Recommendation 5), including a high-level summary of the due diligence materials obtained by READ and their findings. The due diligence materials obtained by READ and provided at least in summary to City Council should include but not be limited to appraisals, building condition and environmental assessments, and the assessments’ findings. Findings from assessments may include the building’s Americans with Disabilities Act compliance, the presence of hazardous materials, the results of a building systems investigation, and the results of an asbestos inspection.
- g. Identification and designation of a set City Council committee to oversee building leases or purchases that require City Council approval.
- h. Presentation of the City Attorney’s Office’s written analysis of the significant legal risks of the contract.

- i. Review of completion of items on the checklist by the IBA or the IBA's as-needed consultant to the best of their knowledge. This review may include an analysis of how well the best practices have been conducted. City staff may note in the checklist if steps required in the checklist were not completed and why. City staff should provide material to the IBA to support each component of the checklist, including the rationale to not complete checklist steps. (Priority 1)

In Process – Past Due

This recommendation is in process. According to the department, Council Policy 700-32 is to be updated by the Economic Development Department and requires approval by City Council. A draft of the updated Council Policy 700-32 addressing all the key items listed in the Recommendation #1 was presented to the Land Use & Housing Committee in October 2023. This specific policy was recommended for approval to move forward for consideration by City Council. In November 2023, the former Department of Real Estate and Airport Management Department was consolidated into the Economic Development Department. Leadership has been working hard on taking a holistic approach to the Council Policies and since then has made some additional updates to draft Council Policy. The updates required additional review and coordination with the City Attorney's Office, IBA, and Office of the City Auditor. A final review of the draft Council Policy will need to go through one final internal review prior to bringing forward for Council consideration. Due to some additional changes, the department's next steps are to bring forward Council Policy 700-32, along with Council Policy 700-12 and 700-10, to the Land Use & Housing Committee and City Council before the end of 2024. The month and date in which these will be docketed will be dependent upon docketing availability and timelines.

Issue Date: July 22, 2021

Original Target Date: July 2022

Current Target Date: ~~July 2022~~ ~~March 2023~~ ~~December 2023~~ December 2024

Recommendation 2

Economic Development

When drafting the Council Policy set out in Recommendation 1, we recommend that the Real Estate Assets Department (READ), in consultation with the Independent Budget Analyst (IBA), City Attorney's Office, and other departments as needed, create an Administrative Regulation to establish clear roles and responsibilities for City departments involved in the acquisition process or with expertise to contribute to the acquisition process. The Administrative Regulation that correlates to the Council Policy in Recommendation 1 should, at minimum, include roles and responsibilities for the departments listed below.

- a. Acquisition lead. The policy should set out the role and responsibilities of the acquisition decisionmaker, as well as the acquiring department, if the parties are different. READ can require the acquisition decisionmaker to provide information to READ for the checklist, such as the business case for the building and the desired funding method.

- b. READ. READ's role in transactions should be clearly defined, including its responsibility in taking the lead on negotiations and conducting due diligence. READ should conduct an economic analysis of purchasing the building in question compared to other options, as well as an economic analysis of using the funding method recommended compared to other funding methods. READ should consult with the Department of Finance and the Debt Management Department for the economic analysis. READ should be the party responsible for completing the due diligence checklist and ensuring the information presented is accurate.
- c. City Attorney's Office. The City Attorney's Office should prepare and present a written legal analysis of the significant risks in each building's acquisition contract for all buildings that require City Council approval. The written legal analysis may be included as a dedicated section within the staff report to City Council or may take the form of a separate memo.
- d. Independent Budget Analyst (IBA). The IBA should be notified and provided all relevant information on building purchase acquisitions at the time a building has been identified and prior to the start of negotiations. The IBA would not be involved in the operations and management side of acquiring the building, but should be provided information to conduct a sufficient and timely analysis of the best practices followed or not followed. The IBA should also review the best practices checklist (as described in Recommendation 1) and hire a consultant for review of the checklist as needed. (Priority 1)

In Process – Past Due

This recommendation is in process. According to the department, Council Policy 700-32 is to be updated by the Economic Development Department and requires approval by City Council. A draft of the updated Council Policy 700-32 addressing all the key items listed in the Recommendation #1 was presented to the Land Use & Housing Committee in October 2023. This specific policy was recommended for approval to move forward for consideration by City Council. However, in November 2023, the former Department of Real Estate and Airport Management Department was consolidated into the Economic Development Department and the department took some additional time and is working hard to take a holistic approach to the policies. As such, the department has included additional updates to draft Council Policy, which required additional review and coordination with the City Attorney's Office, IBA, and Office of the City Auditor. A final review of the draft Council Policy will need to go through one final internal review prior to bringing forward for Council consideration. Due to some additional changes, the department's next steps are to bring forward Council Policy 700-32, along with Council Policy 700-12 and 700-10, to the Land Use & Housing Committee and City Council before the end of 2024. The month and date in which these will be docketed will be dependent upon docketing availability and timelines.

Issue Date: July 22, 2021

Original Target Date: July 2022

Current Target Date: ~~July 2022~~ ~~March 2023~~ ~~December 2023~~ December 2024

Recommendation 3

Economic Development

We recommend that the Real Estate Assets Department (READ), in consultation with the City Administration, develop and use a strategic real estate and office space plan. The plan should include the current space usage and a plan for future office space usage for City properties. The Council Policy described in Finding 1 should require READ to present the plan to the designated City Council committee and the City Council for input, changes, and approval every two years. (Priority 2)

In Process – Past Due

This recommendation is in process. According to the department, in 2022, the former Department of Real Estate and Airport Management Department retained Jones Lang LaSalle (JLL) to conduct a comprehensive portfolio analysis that assesses current office buildings and employee work styles. In addition, the analysis included all owned and leased asset in the Civic Center Core area, overall office space needs, new remove/hybrid work environment and future office space demands for City of San Diego employees. The Contract included four (4) distinct phases including: 1) Initiation; 2) Demand; 3) Program Plan; and, 4) Pilot Programs. In November 2023, the Real Estate and Airport Management functions were consolidated into the Economic Development Department. In March 2024, staff provided the Economic Development & Intergovernmental Relations Committee and Council with an information update on the Downtown Civic Core Office Optimization Study. The informational update provides a final report on the findings of Phase 1 and Phase 2, along with an update to the Phase 3 Pilot Program Plan and an updated timeline for the Pilot Program. During the FY25 budgeting process, completion of the Pilot Program was put on hold. As part of its next steps, the department is working hard to take a holistic review and approach to bring forward any implemented recommendations in accordance with the audit.

Issue Date: July 22, 2021

Original Target Date: February 2023

Current Target Date: ~~February 2023~~ ~~December 2023~~ ~~March 2024~~ Unknown

Recommendation 4*Economic Development*

We recommend that the Council Policy set out in Recommendation #1 also require all contractors or advisors with significant input on real estate transactions to have a signed contract with the City and a determination form filed with the Office of the City Clerk by the contracting department. Additionally, we recommend that the policy in Recommendation #1 require the best practices checklist presented to City Council for real estate acquisitions to include a section disclosing any consultants or advisors to the City that were involved in the acquisition. Before presenting the checklist to City Council, the lead department on the acquisition should confirm with the Office of the City Clerk that each consultant or advisor listed has a Consultant Determination Form on file, and that any consultants and advisors have filed a Statement of Economic Interests form if necessary. (Priority 1)

In Process – Past Due

This recommendation is in process. According to the department, Council Policy 700-32 is to be updated by the Economic Development Department and requires approval by City Council. A draft of the updated Council Policy 700-32 addressing all the key items listed in the Recommendation #1 was presented to the Land Use & Housing Committee in October 2023. This specific policy was recommended for approval to move forward for consideration by City Council. However, in November 2023, the former Department of Real Estate and Airport Management Department was consolidated into the Economic Development Department and the department took some additional time to review and included additional updates to draft Council Policy, which required additional review and coordination with the City Attorney's Office, IBA, and Office of the City Auditor. A final review of the draft Council Policy will need to go through one final internal review prior to bringing forward for Council consideration. Due to some additional changes, the department's next steps are to bring forward Council Policy 700-32, along with Council Policy 700-12 and 700-10, to the Land Use & Housing Committee and City Council before the end of 2024. The month and date in which these will be docketed will be dependent upon docketing availability and timelines.

Issue Date: July 22, 2021

Original Target Date: February 2023

Current Target Date: ~~February 2023~~ ~~December 2023~~ December 2024

Recommendation 5*Economic Development*

We recommend that the Real Estate Assets Department (READ) create a due diligence checklist in an Administrative Regulation to ensure that the due diligence items (as recommended in Recommendation #1f) are accounted for prior to purchase and presentation to a designated oversight committee. READ should be responsible for completing this checklist, and if READ determines an item is unnecessary for a particular acquisition, READ should be responsible for reporting with supporting information why READ chose not to complete the required item. The checklist should include, but is not limited to, the following items:

- a. Independent Appraisals. READ should contract for an appraisal for the building early in the negotiations on purchase price, before the purchase price is agreed upon
- b. Independent Building Condition Assessments. READ should create a policy on what assessments (e.g., facilities, systems, hazardous materials, ADA, plumbing, geotechnical, etc.) are required and when and who is responsible for ensuring they are conducted.
- c. Environmental Assessment. READ should hire a contractor and/or have qualified City staff perform a Phase 1 environmental assessment.
- d. Independent Asbestos Assessment. READ should engage the Asbestos and Lead Management Program to determine if an asbestos inspection is necessary before entering into a purchase and sale agreement. Asbestos inspection conclusions should be considered in the building's negotiated purchase price and/or for future tenant improvements.
- e. Test fit. READ should create a policy on when a test fit is required and when and who is responsible for ensuring it is completed and included in the tenant improvement cost and cost/benefit analysis. (Priority 1)

In Process – Past Due

This recommendation is in process. According to the department, a draft Due Diligence Checklist has been completed and will be presented for Council approval with the updates to Council Policy 700-32. The Due Diligence Checklist addresses all items listed in the recommendation and, while not yet approved by City Council as part of the comprehensive Council Policy updates, is actively being used by the department's Real Estate Division. The draft Due Diligence Checklist was presented to the Land Use & Housing Committee in October 2023 and is pending approval by City Council. Due to the consolidation of the Department of Real Estate and Airport Management into the Economic Development Department in November 2023, leadership took additional time to take a holistic look at the policies, including the checklist prior to bringing forward for Council consideration. The Due Diligence Checklist is a part of the comprehensive updates to the Council Policies and will be brought forward together as a package. The department's next steps are to complete all internal reviews and bring forward consideration all three Council Policies, including the Due Diligence Checklist, to the Land Use & Housing Committee and City Council before the end of 2024. The month and date in which these will be docketed will be dependent upon docketing availability and timelines.

Issue Date: July 22, 2021

Original Target Date: July 2022

Current Target Date: ~~July 2022~~ ~~March 2023~~ ~~December 2023~~ December 2024

Recommendation 6

Economic Development

We recommend that the Council Policy set out in Recommendation #1 also require that the Real Estate Assets Department (READ) or the acquisition lead present the best practices checklist to City Council and demonstrate that all pertinent departments have signed off on all aspects of the acquisition process. The due diligence supporting materials, including those listed in Recommendation #4, must also be made available to City Councilmembers and the public. (Priority 1)

In Process – Past Due

This recommendation is in process. According to the department, a draft Due Diligence Checklist has been completed and will be presented for Council approval with the updates to Council Policy 700-32. The Due Diligence Checklist addresses all items listed in the recommendation and, while not yet approved by City Council as part of the comprehensive Council Policy updates, is actively being used by the department’s Real Estate Division. The draft Due Diligence Checklist was presented to the Land Use & Housing Committee in October 2023 and is pending approval by City Council. Due to the consolidation of the Department of Real Estate and Airport Management into the Economic Development Department in November 2023, the department took additional time to take a holistic approach and further review all policies, including the checklist prior to bringing forward for Council consideration. Various updates have been made to the various Council Policies which required additional reviews by internal and external stakeholders, including the IBA, City Attorney’s Office, and Office of the City Auditor. The Due Diligence Checklist is a part of the comprehensive updates to the Council Policies and will be brought forward together as a package. The department’s next steps are to complete all internal reviews and bring forward consideration all three Council Policies, including the Due Diligence Checklist, to the Land Use & Housing Committee and City Council before the end of 2024. The month and date in which these will be docketed will be dependent upon docketing availability and timelines.

Issue Date: July 22, 2021

Original Target Date: July 2022

Current Target Date: ~~July 2022~~ ~~March 2023~~ ~~December 2023~~ December 2024

Recommendation 7*Compliance*

We recommend that the Independent Budget Analyst, in consultation with the City Attorney's Office, create and bring forward to City Council for approval a section to be added to the San Diego Municipal Code to provide an enforcement mechanism for Charter Section 32.1, to ensure that City staff accurately represent and inform City Council of all material facts or significant developments relating to real estate acquisitions under the jurisdiction of City Council. (Priority 1)

In Process – Not Due

This recommendation is in process. The IBA published and presented a report to the Audit Committee at the March 2024 meeting discussing the potential options for implementing the recommendation or addressing the risk through alternate actions. The Audit Committee voted to have Management and the City Attorney coordinate on the following actions and to bring back a progress report to the Audit Committee no later than March 2025:

- a. Creation of language for staff attestation for unrepresented management level employees with staff reports to the City Council as referenced in Option #2 of IBA Report 24.05.
- b. Update the employee code of conduct, including the internal employee handbook, to include reference to Charter Section 32.1 as referenced in Option #3 of IBA Report 24-05
- c. Develop and offer enhanced staff training related to City Charter Section 32.1 as referenced in Option #4 of IBA Report 24-05.

The recommendation was reassigned from the IBA to the Compliance Department at the Compliance Department's request.

Issue Date: June 22, 2021

Original Target Date: IBA Agreed, but City Attorney's Office Disagreed

Current Target Date: March 2025

Recommendation 8*Economic Development*

We recommend that the Council Policy set out in Recommendation #1 require the Independent Budget Analyst (IBA) to review the best practices checklist before City staff present the checklist to City Council committee and determine if staff completed the steps outlined in Recommendation #1. The IBA's assessment should be conducted in writing and presented with sufficient time for City Council to review its conclusions. (Priority 1)

In Process – Past Due

This recommendation is in process. According to the department, Council Policy 700-32 is to be updated by the Economic Development Department and requires approval by City Council. A draft of the updated Council Policy 700-32 addressing all the key items listed in the Recommendation #1 was presented to the Land Use & Housing Committee in October 2023. This specific policy was recommended for

approval to move forward for consideration by City Council. In November 2023, the Real Estate and Airport Management functions were consolidated into the Economic Development Department. Leadership has been working hard to take a holistic approach to the revised Council Policies and bring forward recommendations to address the audits. The department’s next steps are to bring forward Council Policy 700-32, along with Council Policy 700-12 and 700-10, to the Land Use & Housing Committee and City Council before the end of 2024. The month and date in which these will be docketed will be dependent upon docketing availability and timelines.

Issue Date: July 22, 2021

Original Target Date: July 2022

Current Target Date: ~~July 2022~~ ~~March 2023~~ ~~December 2023~~ December 2024

Recommendation 10

Economic Development

We recommend that the Council Policy set out in Recommendation #1 require the Real Estate Assets Department (READ) to take all building purchases and leases that require City Council approval to the same City Council committee identified and designated in Recommendation #1. The Council Policy should also require that if the acquisition is not taken to the committee overseeing acquisitions, the City Administration should explain in writing why and the action taken by City Council should include an express waiver. (Priority 2)

In Process – Past Due

This recommendation is in process. According to the department, Council Policy 700-32 is to be updated by the Economic Development Department and requires approval by City Council. A draft of the updated Council Policy 700-32 addressing all the key items listed in the Recommendation #1 was presented to the Land Use & Housing Committee in October 2023. This specific policy was recommended for approval to move forward for consideration by City Council. However, in November 2023, the former Department of Real Estate and Airport Management Department was consolidated into the Economic Development Department and the department took some additional time to review and included additional updates to draft Council Policy, which required additional review and coordination with the City Attorney’s Office, IBA, and Office of the City Auditor. A final review of the draft Council Policy will need to go through one final internal review prior to bringing forward for Council consideration. Due to some additional changes, the department’s next steps are to bring forward Council Policy 700-32, along with Council Policy 700-12 and 700-10, to the Land Use & Housing Committee and City Council before the end of 2024. The month and date in which these will be docketed will be dependent upon docketing availability and timelines.

Issue Date: July 22, 2021

Original Target Date: July 2022

Current Target Date: ~~July 2022~~ ~~March 2023~~ ~~December 2023~~ December 2024

Performance Audit of Equity in Recreation Programming

22-005
(AR) (MS)

Recreation is a core public service that provides numerous health and social benefits to individuals and communities. In our [Performance Audit of Equity in Recreation Programming](#), we found that providing equitable recreation programming requires a comprehensive, strategic approach. Specifically, we found:

Finding 1: Although the Parks and Recreation Department solicits participant feedback, it is likely not aware of broader community recreational needs and lacks a strategic plan and adequate resources to provide recreation programs more equitably.

Finding 2: The Parks and Recreation Department’s approach to resource allocation and program quality is incomplete and limits its ability to provide equitable recreation programming.

Finding 3: The Parks and Recreation Department’s approach to community engagement and marketing is decentralized and inconsistent, which results in diminished access to programming.

Finding 4: The Parks and Recreation Department has made efforts to ensure certain communities can participate in recreation programs, but significant barriers remain that may preclude other groups from participating.

Finding 5: Although the Parks and Recreation Department tracks certain program information, current practices diminish its ability to implement a data-driven approach for resource allocation, monitoring, evaluation, and reporting.

No.	Department	Recommendation Status	Resources Required	No Update Provided
1	Parks & Recreation	In Process – Past Due		
2	Parks & Recreation	In Process – Past Due		
3	Parks & Recreation	In Process – Not Due		
4	Parks & Recreation	In Process – Past Due		
5	Parks & Recreation	In Process – Past Due		
6	Parks & Recreation	In Process – Past Due		
7	Parks & Recreation	In Process – Past Due		
8	Parks & Recreation	In Process – Past Due		

No.	Department	Recommendation Status	Resources Required	No Update Provided
9	Parks & Recreation	In Process – Past Due		
10	Parks & Recreation	In Process – Past Due		
11	Parks & Recreation	In Process – Past Due		
12	Parks & Recreation	In Process – Past Due		
13	Parks & Recreation	Newly Implemented		
14	Parks & Recreation	Previously Implemented (June 2023)		
15	Parks & Recreation	In Process – Past Due		
16	Parks & Recreation	Previously Implemented (June 2023)		

Recommendation 1

Parks & Recreation

To ensure a formalized approach for obtaining recreation programming feedback from the community at-large, the Parks and Recreation Department should:

- Develop, document, and implement a process for conducting a community needs assessment that includes identifying the types of programs communities need, satisfaction levels, effectiveness, and recreation priorities, and demographic information such as race, income, education level, age, etc.; and
- Conduct this assessment at least every five years to reevaluate the data and update strategic plan efforts. (Priority 1)



In Process – Past Due

This recommendation is in process. According to the department, the following tasks are necessary in order to achieve full implementation:

Task 1: Request budget for consultants and positions to develop and implement community survey. Parks and Recreation requested budget in FY24 and FY25 to cover the costs of hiring consultants to conduct a community needs assessment. In FY24 and FY25 only \$50,000 was appropriated for recreation program equity audit expenses. The community needs assessment consultant costs are anticipated to range from \$150,000 to \$300,000.

Task 2: Acquire a consultant to develop, implement and summarize community needs assessment. The department developed a RFP with Purchasing and Contracting in 2023. The RFP is scheduled to be advertised in Planet Bids for one month beginning February 12, 2024. The department projects completion of the assessment around December 2025.

Task 3: Analyze community needs data and implement programming to meet community needs. Upon receipt of the final community needs assessment report, the department will request budget for FY27 to implement programmatic and marketing recommendations. The department will also seek budget in FY26 in anticipation of the completed assessment mid-year to allow funding to support efforts for the remainder of FY26.

Task 4: Conduct follow up community needs assessment in 2028. The department will revise this date to 2030 to allow for a five-year span between assessments.

In summary, Parks and Recreation requested NPE in budget years 2023, 2024, and 2025 to support efforts related to the Audit of Equity in Recreation Programming. The department has a reoccurring budget of \$50,000 in NPE but lacks additional fund allocations to meet the full needs of responding to this audit and recommendation. The department released a RFP in February 2024 to acquire a consultant to conduct the community needs assessment, even though funds remain short for the effort. The RFP review process was delayed due to the Citywide funds block in FY24 but has since resumed in FY25. Projected completion of the community needs assessment is December 2025.

Issue Date: November 10, 2021

Original Target Date: September 2022

Current Target Date: ~~September 2022~~ December 2024 December 2025

Recommendation 2

Parks & Recreation

Once the Parks and Recreation Department (Parks & Rec) completes a community needs assessment, it should develop a strategic plan for addressing recreational equity that:

- Defines Parks & Rec's vision for equitable recreational programming;
- Includes objectives and goals with performance measures to gauge progress;
- Identifies resource needs to implement:
 - The goals and objectives of the strategic plan;
 - The recommendations in this audit report; and
- Any other strategies Parks & Rec plans to pursue to improve recreation programming equity;
- Requires Parks & Rec to annually update progress on its performance measures; and
- Requires Parks & Rec to update its objectives, goals, and performance measures every five years and incorporate findings from the community needs assessment. Parks & Rec should present the strategic plan to the City Council for approval. (Priority 1)

In Process – Past Due

This recommendation is in process. According to the department, the following tasks are necessary in order to achieve full implementation:

Task 1: In January 2022, Mayor Todd Gloria released the new Citywide Strategic Plan, which outlines the City's vision, mission, operating principals, priority areas of focus and the commitment to equity. As part of the commitment to equity, each department, including the Parks and Recreation Department, developed a Tactical Equity Plan outlining goals, objectives, and performance metrics.

Task 2: The Parks and Recreation Department Tactical Equity Plan was presented to the Community and Neighborhood Services Committee followed by City Council in May and June of 2023, respectively, as part of the annual report of 2023 Recreation Equity Report.

Task 3: Conduct a Citywide Community Recreation Needs Assessment, which will inform whether the performance metrics outlined in the Tactical Equity Plan are in alignment to reduce inequities and assure continuity of high-quality recreation programs across all communities of the city.

Task 4: Update department's Tactical Equity Plan to address equity in recreation using the results of the Community Recreation Needs Assessment.

Task 5: Present the updated Tactical Equity Plan to Community Recreation Groups, the Parks and Recreation Board, and the City Council for review, input and approval.

In summary, Parks and Recreation requested NPE in budget years 2023, 2024, and 2025 to support efforts related to the Audit of Equity in Recreation Programming. The department released a RFP in February 2024 to acquire a consultant to conduct the Community Recreation Needs Assessment, even though funds remain short for the effort. Projected completion of the Community Recreation Needs Assessment is December 2025. Upon completion of the Community Needs Assessment, the department will update the Tactical Equity Plan to address equity in recreation as outlined in this recommendation.

Issue Date: November 10, 2021

Original Target Date: September 2022

Current Target Date: ~~September 2022~~ ~~December 2023~~ ~~March 2025~~ May 2026

Recommendation 3*Parks & Recreation*

To fully recover taxpayer money spent on contracted recreation programs, the Parks and Recreation Department should include contracted recreation programs in its next User Fee Study and increase the program surcharge, if necessary, in order to reach 100 percent cost recovery on these programs. (Priority 1)

In Process – Not Due

This recommendation is in process. According to the department, the following tasks are necessary in order to achieve full implementation:

Task 1: Acquire a consultant for a cost-of-service study. In alignment with Council Policy 100-05, User Fee Policy, the department is required to conduct a cost-of-service study every five years to update the department's Fee Schedule to ensure adequate cost recovery of services provided to the public. The department last updated the Fee Schedule in July 2022 and will conduct the next cost-of-service study in Fiscal Year 2026.

Task 2: Upon completion of the FY26 cost-of-service study, the Department will update the Department Fee Schedule to capture recommendations resulting from the study, including the analysis of contractual program fees and the program surcharge fee identified in this recommendation.

Task 3: The department will present the updated Department Fee Schedule to Community Recreation Groups, the Parks and Recreation Board, and City Council for review, input, and approval.

Task 4: Upon approval of the updated Department Fee Schedule, the online registration and permitting software will require updating, along with the automatic fee calculator that accompanies this software. This will be conducted with assistance from the Department of IT's consultant, CGI.

Task 5: Provide training to department staff on updated fee schedule and begin implementation.

In summary, the last Cost of Service Study was conducted in 2019 to support the most recent update to the Department Fee Schedule in July 2022. According Council Policy 100-05 User Fee Policy (https://docs.sandiego.gov/councilpolicies/cpd_100-05.pdf), the next required update to the fee schedule is in five years, or in 2027. In order to address this recommendation, staff will consider when to conduct the necessary steps for a new cost of service study and fee update.

Issue Date: November 10, 2021

Original Target Date: June 2025

Current Target Date: June 2025 Unknown

Recommendation 4*Parks & Recreation*

To identify disparities in equitable funding, the Parks and Recreation Department should develop, document, and implement a resource allocation model that will evaluate resource equity between recreation facilities. The model should be based on:

- Community-specific criteria (e.g., health indicators, poverty, transportation access, etc.); and
- Site-specific criteria (e.g., size, frequency of visitors, amenities, etc.). (Priority 1)

**In Process – Past Due**

This recommendation is in process. According to the department, the following tasks are necessary in order to achieve full implementation:

Task 1: Request budget for consultants and positions to develop and implement community survey. Parks and Recreation requested budget in FY24 and FY25 to cover the costs of hiring consultants to conduct a community needs assessment. In FY24 and FY25 only \$50,000 was appropriated for recreation program equity audit expenses. The community needs assessment consultant costs are anticipated to range from \$150,000 to \$300,000.

Task 2: Acquire a consultant to develop, implement and summarize community needs assessment. The department developed a RFP with Purchasing and Contracting in 2023. The RFP is scheduled to be advertised in Planet Bids for one month beginning February 12, 2024. The department projects completion of the assessment around December 2025.

Task 3: Analyze community needs data and implement programming to meet community needs. Upon receipt of the final community needs assessment report, the Department will request budget for FY27 to implement programmatic and marketing recommendations. The department will also seek budget in FY26 in anticipation of the completed assessment mid-year to allow funding to support efforts for the remainder of FY26.

Task 4: Analyze findings of Community Needs Assessment, compare recreation centers across the City, and develop a resource allocation model based on the comparison, benchmarking, and public input.

Task 5: Incorporate resource allocation model into the annual Recreation Equity Report and present to Community Recreation Groups, the Parks and Recreation Board, and City Council via the annual budget request process.

In summary, Parks and Recreation requested NPE in budget years 2023, 2024, and 2025 to support efforts related to the Audit of Equity in Recreation Programming. The department released a RFP in February 2024 to acquire a consultant to conduct

the Community Recreation Needs Assessment, even though funds remain short for the effort. Projected completion of the Community Recreation Needs Assessment is December 2025. Upon completion of the assessment, the department will develop a resource allocation model for City Council review and approval in anticipation of the FY27 budget year.

Issue Date: November 10, 2021

Original Target Date: June 2023

Current Target Date: ~~June 2023~~ ~~November 2025~~ June 2026

Recommendation 5

Parks & Recreation

To monitor the quality of staff-run and contractual programs, the Parks and Recreation Department should develop, document, and implement a comprehensive method for measuring the quality of all recreation programs. This should include training staff to conduct these program quality assessments in a way that is standardized and incorporates notes, observations, and interview data. (Priority 2)



In Process – Past Due

This recommendation is in process. According to the department, the following tasks are necessary in order to achieve full implementation:

Task 1: Requested staff positions in budget years 2023, 2024, and 2025 to support efforts to complete this recommendation. Additional analytical staff is crucial to measure the quality of all recreation programs. Some of these positions were added in the budget for Fiscal Years 2023 and 2024, while others remain unfunded.

Task 2: Develop, recruit, and hire new positions to support this recommendation.

Task 3: Develop procedures to create, distribute, and analyze surveys for recreation programs in a Department Instruction.

Task 4: Train department staff on new recreation program survey and evaluation system.

Task 5: Conduct surveys and evaluations for recreation programs. Analyze results to determine the success of programs.

In summary, the department requested staff positions in fiscal years 2023, 2024, and 2025 to support efforts to complete this recommendation. Two additional analytical positions were added to the budget and hired as a result. The department worked with the Performance and Analytics Department to develop an online program survey for program participants and established a Department Instruction (DI) outlining procedures for program survey and evaluation implementation. The DI is currently under legal review and meet and confer with the labor union. Upon completion of these reviews, department staff will be provided training on this process and begin implementation.

Issue Date: November 10, 2021

Original Target Date: June 2023

Current Target Date: ~~June 2023~~ November 2024

Recommendation 6

Parks & Recreation

To address the resource disparities identified in Recommendation #4 and the disparities in program quality identified in Recommendation #5, the Parks and Recreation Department should develop, document, and implement a plan for directing resources, including any equity-based funding, toward specific steps to eliminate identified disparities. Steps taken to address disparities should:

- Consider using equity-based funding for scholarships that apply to contracted programs;
- Incorporate community feedback;
- Include measurable metrics;
- Report on the effectiveness of the Opportunity Fund in addressing inequities; and
- Be included in any update to the strategic plan developed in response to Recommendation #2. (Priority 1)

In Process – Past Due

This recommendation is in process. According to the department, the following tasks are necessary in order to achieve full implementation:

Task 1: Develop a council policy to direct resources for equitable recreational programming to Communities of Concern. The department hosted 12 workshops, both in person and online, to develop a council policy on the development and management of the Opportunity Fund, a new fund that collects fees from permitted use of park facilities which is used to support programs, events and services in Communities of Concern. Council Policy 700-48 was adopted by the City Council on April 14, 2023.

Task 2: Train department staff on fee calculations and use of the Opportunity Fund. Department staff are provided on-going training on the collection of the new Opportunity Fund Fees for permitted activities as well as the Opportunity Fund allocation process.

Task 3: Allocate Opportunity Fund to the Recreation Center Funds for the communities of concern. The first year of Opportunity Fund allocations took place in fiscal year 2024 in which \$400,000 was available to allocation and six recreation center funds were chosen by a committee to receive the funding. Staff at the six recreation centers were provided coaches to assist in obtaining services and purchases to support the expansion of their programs and events and ensure the Opportunity Funds were spent in accordance with their budget proposals.

Task 4: Update annual Equity Report and Tactical Equity Plan to encompass equitable funding allocations. In May 2023 and May 2024, the department presented the

Annual Report of Recreation Equity which explored, in detail, the expansion of equitable programs and events as a result from new funding allocations, such as the Opportunity Fund, grants, general fund budget and philanthropy. In addition, the department's Tactical Equity Plan was established with equitable funding and program expansion as a core concept.

Task 5: Report on the effectiveness of the Opportunity Fund in addressing inequities. The department will be presenting a report in September to stakeholders and the City Council on the effectiveness of the Opportunity Fund in addressing inequities.

In summary, the Department Fee Schedule was updated in 2022 with a new Opportunity Fund Fee, which collects revenue through permits that are utilized to support programs and events at parks, recreation centers and pools located in Communities of Concern. Through 12 community input workshops, the department developed the Opportunity Fund Policy, Council Policy 700-48, (https://docs.sandiego.gov/councilpolicies/cpd_700-48.pdf) which was adopted by the City Council on April 14, 2023. Two years of the Opportunity Fund collection and allocation was completed for FY24 and FY25 and a report on the first full year of allocation of the Opportunity Fund will be presented to Community Recreation Groups, the Parks and Recreation Board and the City Council in September 2024.

Issue Date: November 10, 2021

Original Target Date: June 2023

Current Target Date: ~~June 2023~~ August 2025

Recommendation 7

Parks & Recreation

In order to increase and standardize marketing efforts, the Parks and Recreation Department (Parks & Rec) should hire a marketing professional to: Manage online (e.g., social media, websites) and physical (e.g., flyers, banners) content; coordinate marketing efforts across Parks & Rec; and lead strategic marketing initiatives for Parks & Rec (e.g., public relations, educational campaigns, etc.). (Priority 3)



In Process – Past Due

This recommendation is in process. According to the department, the following tasks are necessary in order to achieve full implementation:

Task 1: Request budget for a consultant and positions to develop and implement a robust marketing plan. Parks and Recreation requested budget in FY24 and FY25 to cover the costs of hiring a consultant and a marketing Program Manager to develop the department's first-ever marketing plan. Budget was not allocated for this service or position in either fiscal year to support this recommendation.

Task 2: Acquire a consultant to develop and implement a marketing plan for the department. Upon receipt of general fund budget and staffing to support this item, the department will begin the RFP process to hire a consultant to develop the marketing plan. The RFP process typically takes 8–14 months to execute.

Task 3: Finalize and implement marketing plan via staff training.

In summary, Parks and Recreation requested PE and NPE in budget years 2023, 2024, and 2025 to support efforts related to the Audit of Equity in Recreation Programming. No additional funding was received to support staff and a consultant to develop a marketing plan. The department did receive an Information Systems Analyst position to support social media marketing efforts, but a Marketing Program Manager, Recreation Specialist, and a consultant are still required to fully support the development and implementation of a department marketing plan.

Issue Date: November 10, 2021

Original Target Date: June 2023

Current Target Date: ~~June 2023~~ ~~March 2025~~ June 2026

Recommendation 8

Parks & Recreation

In order to effectively market recreation programs to all residents, the Parks and Recreation Department should:

- Direct individual recreation centers to collect demographic information on participants and the surrounding community, including age, gender, race, and other demographics;
- Use collected information to create a strategic marketing plan that:
- Sets goals and objectives for marketing efforts;
- Creates steps for Citywide marketing plans; and
- Develops policies for individual recreation center marketing plans; and
- Use demographic information to tailor marketing efforts towards specific segments of the population, with the goal of promoting engagement through awareness, access, and participation. (Priority 2)



In Process – Past Due

This recommendation is in process. According to the department, the following tasks are necessary in order to achieve full implementation:

Task 1: Request budget and hire a consultant and staff positions to develop, implement and support a robust marketing plan as outlined in Recommendation 7.

Task 2: Acquire a new online registration and permitting software that can support collection of the data in this recommendation. The current system does not offer the ability to collect or report on this data. The department has identified an alternate software that can meet the requirements of this recommendation and is working through operational barriers to complete the co-op agreement.

Task 3: Conduct surveys and analyze results to determine success of programs as outlined in Recommendation 5.

Task 4: Utilize data to tailor marketing efforts in accordance with the marketing plan.

In summary, Parks and Recreation requested PE and NPE in budget years 2023, 2024, and 2025 to support efforts related to the Audit of Equity in Recreation Programming. No additional funding was budgeted to support the development and implementation of a marketing plan which is integral to this recommendation. The department continues to request budget to support a consultant, Marketing Program Manager, Information Systems Analyst and a Recreation Specialist. In addition, the department identified an alternate online registration and permitting software that is compatible with demographic collection and reporting and is working to execute a co-op agreement with support from the Department of IT and Treasury. The department has also partnered with the Performance and Analytics Department to develop a program survey which incorporates the voluntary collection of demographic data. Results of these surveys are presented in an annual Come Play Outside report.

Issue Date: November 10, 2021

Original Target Date: June 2023

Current Target Date: ~~June 2023~~ ~~June 2025~~ June 2026

Recommendation 9

Parks & Recreation

To ensure that eligible program participants can receive the fee waiver, the Parks and Recreation Department should develop, document, and implement procedures that allow residents to:

- Apply fee waivers to all eligible programs on an annual basis; and
- Register for classes online while using the fee waiver. (Priority 3)



In Process – Past Due

This recommendation is in process. According to the department, the following tasks are necessary in order to achieve full implementation:

Task 1: Update fee waiver process to allow applicants to apply once annually for entire family. In December 2022, Parks and Recreation established a revised Fee Waiver Application process that included and application in both English and Spanish, including instructions for submitting the fee waiver application. Under the new process, an applicant need only apply once every calendar year for their entire household and the approved fee waiver is good for all eligible programs in that calendar year at any location.

Task 2: Ability for fee waiver approved families to enroll for programs online. The department is still working on two items related to this recommendation requiring an extension to the completion date: Allowing approved applicants to register online for any fee waiver eligible program. 1) This will require a new online registration platform that accommodates this type of feature. 2) Developing an application clearance electronically and securely a third party provider.

In summary, in December 2022 Parks and Recreation trained staff and implemented a new Fee Waiver Program that included an application with instructions in both English and Spanish. Staff are trained on the Fee Waiver program annually, with several

refreshers throughout each year. The new fee waiver meets all recommendations of this item. The department is still working on establishing a method to apply fee waivers to customer accounts allowing them to enroll without having to travel to a facility. The current online registration software doesn't allow for this process. The department identified an alternate online registration and permitting software that is compatible with demographic collection and reporting and is working to execute a co-op agreement with support from the Department of IT and Treasury.

Issue Date: November 10, 2021

Original Target Date: July 2022

Current Target Date: ~~July 2022~~ ~~June 2023~~ ~~March 2024~~ ~~June 2026~~ March 2026

Recommendation 10

Parks & Recreation

To ensure recreation programs are accessible to people at all income levels, the Parks and Recreation Department (Parks & Rec) should reevaluate its current practice of only allowing the fee waiver for Civic Dance and Aquatics programs and expand eligibility to other recreation programs. As part of this, Parks & Rec should:

- Analyze alternative agency fee waiver models—including higher income limits, tiered systems, and membership passes—and recommend adoption of a decided-upon model; and
- Develop, document, and implement guidelines that specify which programs and costs fee waivers can be applied to and the rationale for leaving other programs and costs ineligible for fee waivers and include them in Park & Rec's fee schedule. (Priority 3)

In Process – Past Due

This recommendation is in process. According to the department, the following tasks are necessary in order to achieve full implementation:

Task 1: Conduct a comprehensive review of the department's Fee Waiver Program and corresponding fees in the Department Fee Schedule.

Task 2: Develop a report outlining findings and recommendations for a new fee waiver program.

In summary, in December 2022 Parks and Recreation trained staff and implemented a new Fee Waiver Program that included an application with instructions in both English and Spanish and have been expanded to include the waiver of fees for all staff led programs. The timeline to complete this recommendation will correspond with the timing for Recommendations 4 and 6. It will also be reviewed again depending on the timing for Recommendation 3 for a cost-of-service study and fee schedule update. Through the cost-of-service study, the consultant can evaluate options to increase access to the fee waiver, including the challenges of subsidizing the fees waived for contract service classes, which cannot be passed onto other class participants per Proposition 26 requirements.

Issue Date: November 10, 2021

Original Target Date: July 2022

Current Target Date: ~~July 2022~~ ~~November 2023~~ ~~November 2025~~ July 2026

Recommendation 11

Parks & Recreation

To gain insight into the languages spoken in each community, the Parks and Recreation Department (Parks & Rec) should develop, document, and implement a plan to identify recreation center service areas and the languages spoken by individuals or households in those areas. Parks & Rec should update and review the results of this analysis at least biannually to determine which translation and interpretation languages are necessary in the service areas. (Priority 2)

In Process – Past Due

This recommendation is in process. According to the department, the following tasks are necessary in order to achieve full implementation:

Task 1: Request budget and acquire a consultant to conduct an analysis to identify languages spoken in service areas and develop a communication plan to determine which translation and interpretation languages are necessary in each service area.

Task 2: Train department staff on Communication Plan and implement plan.

In summary, the department released a RFP in February 2024 to acquire a consultant to conduct a Community Recreation Needs Assessment, which includes identifying communication needs of each service area, even though funds remain short for the effort. Projected completion of the community needs assessment is December 2025. With the results from this assessment, a communication plan will be developed and implemented. Currently, through a translation service contract, the department is translating marketing materials for events and programs into various languages spoken in each respective service area and offering telephone and in-person interpretation services as requested by the public.

Issue Date: November 10, 2021

Original Target Date: June 2023

Current Target Date: ~~June 2023~~ ~~June 2025~~ June 2026

Recommendation 12*Parks & Recreation*

To ensure that the Parks and Recreation Department (Parks & Rec) meets community language needs, Parks & Rec should:

- Develop, document, and implement, a department-wide language access plan that includes at least the following elements:
 - Establishment of a threshold at which languages must be spoken in the service area to be considered a substantial number of customers;
 - Policies for recreation center staff that specify which written materials need to be translated into the languages identified in Recommendation #11; and
 - Procedures for getting documents translated and approved by qualified bilingual staff or professional translators. (Priority 2)

In Process – Past Due

This recommendation is in process. According to the department, the following tasks are necessary in order to achieve full implementation:

Task 1: Acquire contracts for translation and interpretation services. In 2022, the Communications Department underwent efforts to hire consultants to provide document translations services as well as in-person and phone interpretation services. These services were rolled out to the Parks and Recreation Department to utilize in February 2023.

Task 2: Establish a threshold of which languages should be included in a communication plan for each service area. The Community Recreation Needs Assessment (CRNA) set to begin in calendar year 2024 will inform the department on languages spoken across the City.

Task 3: Develop and implement a department-wide language access plan. Upon completion of the CRNA, the department will finalize and implement a language access plan.

In summary, the department has taken steps to educate staff on new translation and interpretation services available Citywide and will soon hire a consultant to conduct a Community Recreation Needs Assessment that will inform a Communication and Language Access Plan. The department remains unbudgeted for staffing and a consultant to establish and manage marketing and communication efforts, and is currently utilizing existing interns to conduct benchmarking for the Language Access Plan. Budget for staffing and a consultant were requested in FY23, FY24, and FY25.

Issue Date: November 10, 2021

Original Target Date: June 2023

Current Target Date: ~~June 2023~~ ~~June 2025~~ June 2026

Recommendation 13*Parks & Recreation*

To provide high-quality customer service to residents who speak languages other than English, the Parks and Recreation Department should:

- Work with the Communications Department to obtain access to a contract for over-the-phone interpretation services and written materials translation. (Priority 2)

Newly Implemented

This recommendation is implemented. The City has a contract with a vendor for translation and interpretation services. Staff have been trained how to access and use these services and the department provided examples of translated flyers showing the services are actively being used.

Issue Date: November 10, 2021

Original Target Date: October 2022

Recommendation 15*Parks & Recreation*

To ensure the accuracy of key data fields in the Parks and Recreation Department's (Parks & Rec) recreation program management software, Parks & Rec should:

- Develop automated controls, where possible, to ensure that recreation staff enter program information in the recreation program management software consistently and accurately; and
- Develop policies and procedures that require Area Managers to regularly review program information captured in Parks & Rec's recreation program management software—such as dates, season, and class status, among others—for consistency and accuracy. These policies and procedures should specify how Area Managers should select data entries for review, require this review to be documented, and identify corrective actions where necessary. (Priority 2)

**In Process – Past Due**

This recommendation is in process. According to the department, the following tasks are necessary in order to achieve full implementation:

Task 1: Request budget for positions to monitor, maintain, develop policies and procedures, and train staff on online registration software. In FY23 and FY24, the department received five new positions out of ten to support on-going efforts to improve recreational program offerings.

Task 2: Develop, recruit, and hire new positions to support this action. Over the past year, the department has filled five positions to support this action, with the Information Systems Analyst II being the last to on-board in December 2023.

Task 3: Evaluate online registration software that best meets the department's goals and objectives. The department identified a software that meets the needs identified

in this audit and beyond. A piggyback contract was prepared in 2023 to streamline this transition. It was discovered that the vendor does not use the mandated gateway provider set forth by the Treasurer's Department. Therefore a RFP will need to be developed to procure a responsive vendor. This will take an additional one to two years to complete. New target date is February 2026.

Task 4: Formalize online registration and permitting software trainings into Department Instructions. In October 2022, the department updated the ActiveNet Online Registration and Permitting training, and it is mandatory for every employee to take the training prior to using the system. In addition, the department developed an annual refresher training that is mandatory for all supervisors using the system. The training on ActiveNet for supervisors identifies roles and responsibilities for entering, reviewing and approving content entered. The department is in the process of formalizing the roles and responsibilities for use of ActiveNet in a Department Instruction. This target date was previously October 2023, but was extended to April 2024 as a result of limited staff time, and the department was looking into changing the registration and permitting platform to meet the audit recommendations. The DI is under internal review, followed by legal review, then it will go to meet and confer with an anticipated implementation of October 2024.

In summary, Parks and Recreation hired five positions as of December 2023 to assist with improving recreational programs, training, marketing, and online registration and permitting software controls. Detailed training for the online software was established and mandated annually for all supervisors and employees using the online software beginning in October 2022. The training identifies roles, responsibilities, data entry, and oversight procedures. The department has developed a draft Department Instruction formalizing the use of the online recreation software. The DI is under legal review and meet and confer with an anticipated implementation of October 2024 in alignment with our annual Online Registration and Permitting Software Training. The department continues to explore online recreation software providers that meet the needs and City requirements. A RFP will be developed to complete this process in an anticipated two-year time frame.

Issue Date: November 10, 2021

Original Target Date: June 2023

Current Target Date: ~~June 2023~~ ~~October 2023~~ ~~February 2026~~ ~~April 2024~~
February 2026

Performance Audit of the City’s Lease Management and Renewal Process

22-007
(NO) (NK)

Effectively managing the leasing out of City-owned property is essential to maximize the City’s revenues and ensure the best use of the City’s assets. In our [Performance Audit of the City’s Lease Management and Renewal Process](#), we found:

Finding 1: The City allows a much higher share of leases to remain in holdover than other jurisdictions, which may be leading to foregone revenue for the City and potential or perceived favoritism.

Finding 2: The Department of Real Estate and Airport Management (DREAM) should improve its lease management practices, particularly to protect the City from liability, verify that lessees are utilizing leased property appropriately, and ensure that rent levels align with market conditions.

Finding 3: DREAM should work with the City Attorney’s Office to develop a lease template to streamline the lease renewal process and ensure that the appropriate provisions and clauses are included in leases.

No.	Department	Recommendation Status	Resources Required	No Update Provided
1	Economic Development	In Process – Past Due		
2	Economic Development	Previously Implemented (June 2023)		
3	Economic Development	In Process – Past Due		
4	Economic Development	Newly Implemented		
5	Economic Development	Previously Implemented (December 2022)		
6	Economic Development	In Process – Past Due		
7	Economic Development	Previously Implemented (December 2022)		
8	Economic Development	In Process – Past Due		
9	Economic Development	In Process – Past Due		
10	Economic Development	Previously Implemented (December 2023)		
11	Economic Development	Previously Implemented (December 2022)		

No.	Department	Recommendation Status	Resources Required	No Update Provided
12	Economic Development	In Process – Past Due		
13	Economic Development	In Process – Past Due		
14	Economic Development	In Process – Past Due		

Note: The former Department of Real Estate and Airport Management is now part of the Economic Development Department. Thus, all recommendations originally assigned to the Department of Real Estate and Airport Management are now assigned to the Economic Development Department.

Recommendation 1

Economic Development

The Department of Real Estate and Airport Management (DREAM) should document and execute a strategy for addressing the number of lease holdovers in the City’s portfolio, as appropriate.

Elements of the strategy that should be considered include:

- a. Re-evaluating or removing the 25 percent Lease Holdover key performance indicator and replacing or supplementing it with an alternative goal relating to on-time lease renewals (such as number of lessees approaching holdover that were emailed a lease expiration reminder);
- b. Setting a target for completing the renewal of a certain percentage or number of leases which are currently in holdover;
- c. Determining a mechanism for selecting which leases will be prioritized for renewal, to include the leases with high potential foregone revenue and leases that have been in holdover the longest; and
- d. Completing or updating a policies and procedures manual for DREAM staff that provides guidance on the issues discussed in this finding, such as determining when property agents and DREAM staff should exercise financial disincentives, prioritizing leases for renewal, improving documentation and alerts within REPortfolio, etc. (Priority 1)

In Process – Past Due

This recommendation is in process. According to the department, as a first step, the department has run a comprehensive list of all leases or agreements in holdover for longer than 5 years and filtered by time in holdover, revenue and non-revenue. The next steps in developing this strategy include prioritizing, assigning and obtaining resources and setting reasonable targets for completion. The department anticipates finalizing its implementation plan by the end of 2024. With that said, staff have already started working on renewing leases that have been in holdover.

Issue Date: February 9, 2022

Original Target Date: February 2023

Current Target Date: ~~February 2023~~ ~~December 2023~~ February 2024 Unknown

Recommendation 3*Economic Development*

The Department of Real Estate and Airport Management should ensure that each new or renewed lease includes a financial disincentive clause regarding holdover status (for example, 150 percent or up to two times the last month's rent and/or market-rate rent for non-profits). The disincentive clause may be written such that the City only exercises the financial disincentive when appropriate. (Priority 1)

In Process – Past Due

This recommendation is in process. According to the department, this recommendation is partially implemented. The department reported that it has developed an updated holdover financial disincentive clause that has been applied to new short- and long-term revenue generating leases within the Airport Management Division of Economic Development. The holdover clause allows the City to receive from tenant monthly rent for the rental space calculated by the greater of: 1) per diem basis using the fair market rental rate for the rental space determined as of the termination date by an appraiser selected by the City; or 2) monthly rent equal to 150% of the monthly rent owed under the lease for the month immediately prior to the commencement of the holdover tenancy. The Real Estate and Airport Management functions were consolidated into the Economic Development Department in November 2023. According to EDD, leadership is taking a holistic approach within the department in order to bring forward implemented recommendations in accordance with the audits. While this language is actively being included in short- and long-term revenue generating leases, the department is seeking further refinement to ensure consistency.

Issue Date: February 9, 2022

Original Target Date: Immediately

Current Target Date: ~~February 2022~~ ~~June 2023~~ December 2024

Recommendation 4*Economic Development*

The Department of Real Estate and Airport Management (DREAM) should prevent future leases from entering into holdover status by leveraging process improvements such as:

- a. Automated Reminders: 6 months to 2 years before the lease expiration, DREAM's lease administration system should alert a property agent to begin discussions with the tenant and notify them that the agreement is set to expire on a particular upcoming date and will fall into holdover unless the lease is amended, renewed, or terminated; and
- b. If applicable, the lessee should also be informed in writing that their rent may be raised while in holdover but that such a raise in rent can be avoided by renewing the lease prior to the lease expiration date. (Priority 2)

Newly Implemented

This recommendation is implemented. DREAM provided evidence that REPortfolio, the current lease portfolio management software, has been set to alert agents of past due and upcoming items within 120 days (such as expiration, rental adjustments, inspections, etc.). DREAM uploaded and emailed evidence for OCA review. The email report, provided by DREAM, shows that agents are alerted of upcoming items 120 days in advance. DREAM also provided a screenshot of the report set up, which demonstrates that REPortfolio will automatically send these alerts to property agents.

Issue Date: February 9, 2022

Original Target Date: February 2024

Recommendation 6

Economic Development

To improve productivity, oversight, and accountability, the Department of Real Estate and Airport Management (DREAM) should establish and enforce productivity standards, goals, or similar performance targets and procedures based on reasonable expectations for conducting property inspections, ensuring up-to-date insurance and/or indemnification of the City, adjusting rent timely, and documenting appraisals. Finalized performance targets should be communicated to all appropriate employees within DREAM so that all are aware of these expectations and monitored via routine reporting by DREAM management/supervisors. Deviations from agreement terms should be documented and maintained within REPortfolio, EDRS, or another information management system. (Priority 1)

In Process – Past Due

This recommendation is in process. According to the department, as a first step towards implementing this recommendation, the department is focusing its efforts on comprehensively updating the three key Council Policies applicable to the Real Estate Division. This includes updates to Council Policy 700-10 related to the Disposition of City-Owned Real Property which provides guidance on the leasing of City-owned property. The updates to the Council Policy are expected to be completed by the end of 2024. Upon adoption of these Council Policies, the department's next steps will include the creation of a Real Estate Procedures Manual, which will replace and update the procedures currently outlined in the "Real Estate Assets Department Manual" which was last updated in 1995. The Council Policies update portion of this recommendation will be complete by the end of 2024, with the anticipated procedures manual to be completed by February 2025. Additionally the department has procured and selected a consultant for new real estate administration software that is anticipated to launch by the end of 2024. Upon implementation of this new software, the department will be able to track, monitor and report data in a more efficient manner.

Issue Date: February 9, 2022

Original Target Date: February 2024

Current Target Date: February 2024 ~~March 2024~~ February 2025

Recommendation 8*Economic Development*

The Department of Real Estate and Airport Management should perform and document a property inspection for all properties that have not had a documented inspection within the last 3 years. (Priority 1)

In Process – Past Due

This recommendation is in process. According to the department, it has compiled a list of properties with no inspections for more than three years. Given the limited staff resources, the department is prioritizing and conducting inspections or informal site visits as time permits to bring them to current. Additionally, the REPortfolio system has been set to notify agents of inspections coming due within 120 days. It is anticipated that inspections will be done on an on-going basis as they are due. Inspections on all properties per the recommendation are anticipated to be current by the end of 2025.

Issue Date: February 9, 2022

Original Target Date: January 2023

Current Target Date: ~~January 2023~~ ~~November 2023~~ December 2025

Recommendation 9*Economic Development*

To improve oversight of potentially foregone revenue from non-competitively priced leases, the publicly-presented Portfolio Management Plan or similar publicly-presented plan should include a listing of all City lease-outs. The list should include leases' most recent market rental value, the date of said value, and the actual annual rent paid to the City. The results should be presented both by lease as well as grand totals, and leases with the largest differences between market value and actual rent paid should be highlighted for public transparency. The Department of Real Estate and Airport Management should work with City leadership to include a control, such as a requirement within updated Council Policy, to ensure that this reporting continues periodically. (Priority 1)

In Process – Past Due

This recommendation is in process. According to the department, comprehensive updates to Council Policy 700-10 include the requirement to complete a Real Property Management Plan (formerly Portfolio Management Plan) every two years. The Real Property Management Plan amongst other things, will include a listing of City lease-outs along with the relevant information. A draft Revised Council Policy 700-10 was presented to the Land Use and Housing Committee in October 2023. The Committee recommended revisions to Council Policy 700-10 and requested staff review and bring back edits for Committee consideration. The department's next steps are to complete internal review and docket Council Policy 700-10 for consideration by the Land Use & Housing Committee and City Council before the end of 2024. The month and date will be dependent upon final review by the City Attorney and docketing availability and timelines.

Issue Date: February 9, 2022

Original Target Date: July 2022

Current Target Date: ~~July 2022~~ ~~July 2024~~ December 2024

Recommendation 12

Economic Development

The Department of Real Estate and Airport Management should research and implement the use of REPortfolio or another lease administration system's capabilities, as appropriate, to:

- a. Create task/checklist imports available for property agents that can also act as checklists for each of the following lease management practices: inspections, insurance updates, appraisals, rent adjustments, and other recurring obligations/tasks under the lease; and
- b. Require agents to use the Job Notes (or similar) feature to record interactions or notes regarding the leasing process for each tenant. Notes could be added for each interaction and agreement action, such as updated information regarding the status or completion of inspections, requests and receipts of insurance certificates, appraisals ordered and completed, and rent adjustments, and can link to the City's electronic lease file where other correspondence is housed. (Priority 2)

In Process – Past Due

This recommendation is in process. According to the department, it is currently utilizing REPortfolio and has set up weekly reminders for agents to notify them of assignments and critical tasks that are due within the next 120 day timeframe. Funds were appropriated in the FY24 Budget for implementation of a new lease administration software. The department has entered into a contract with the software consultant and has initiated the process of replacing the current lease administration system. It is anticipated that the system will launch by the end of 2024.

Issue Date: February 9, 2022

Original Target Date: February 2024

Current Target Date: ~~February 2024~~ December 2024

Recommendation 13*Economic Development*

The Department of Real Estate and Airport Management should conduct or facilitate a formal training of its staff on the capabilities and limitations of REPortfolio, EDRS, and/or another lease administration system, as appropriate.

- a. Training topics for consideration should include: timely uploading of documentation, consistent naming conventions, and a post process review by supervisory staff to ensure adherence to system usage procedures. (Priority 2)

In Process – Past Due

This recommendation is in process. According to the department, it is currently utilizing REPortfolio and has set up weekly reminders for agents to notify them of assignments and critical tasks that are due within the next 120 day timeframe. Funds were appropriated in the FY24 Budget for implementation of a new lease administration software. The department has entered into a contract with the software consultant and has initiated the process of replacing the current lease administration system. It is anticipated that the system will launch by the end of 2024. As part of the new software launch, staff will be trained on its capabilities and best practice for use of the system.

Issue Date: February 9, 2022

Original Target Date: February 2024

Current Target Date: February-2024 April-2024 December 2024

Recommendation 14*Economic Development*

In order to maintain uniform lease clauses throughout the City of San Diego's lease portfolio, the Department of Real Estate and Airport Management should work with the City Attorney's Office to create a master lease template(s) and a lease clause database, and should ensure that the database is updated at least every 3 years to account for changes in clauses. (Priority 1)

In Process – Past Due

This recommendation is in process. According to the department, this recommendation is partially implemented. The department reported that it has worked with the City Attorney's Office over the course of the last two years to develop master lease and agreement templates. The City Attorney's office maintains uniform lease clauses and lease templates for a variety of real estate transactions including short-term and long-term leases, percentage rent leases, flat rate leases, license agreements, easements, etc. The Real Estate and Airport Management functions were consolidated into the Economic Development Department in November 2023. According to EDD, leadership is working to take a holistic approach in order to bring forward implemented recommendations in accordance with the audits, including actively working with the City Attorney's Office on complete implementation of this recommendation.

Issue Date: February 9, 2022

Original Target Date: February 2023

Current Target Date: ~~February 2023~~ ~~April 2023~~ ~~June 2024~~ Unknown

Performance Audit of Workplace Safety and Workers' Compensation

22-008


(JP)

City employees expect and deserve a safe workplace, and work-related injuries and illnesses harm employees and their families. We conducted a [Performance Audit of Workplace Safety and Workers' Compensation](#) and industrial leave and found that improving workplace safety and minimizing workers' compensation costs requires a multi-pronged approach. Specifically, we found:

Finding 1: Some departments do not meet the Citywide Injury and Illness Prevention Program requirements, which likely contributes to higher injury rates and workers' compensation costs.

Finding 2: The City should proactively prevent workplace incidents by conducting incident investigations with a focus on root cause analyses; collecting and analyzing injury, illness, and near-miss data; and using safety performance indicators to continuously improve safety program effectiveness.

Finding 3: Workers' Compensation has a process in place for reviewing potential fraud, but it can improve controls over this process by centrally tracking all fraud red flags or tips and investigations.

No.	Department	Recommendation Status	Resources Required	No Update Provided
1	Chief Compliance Officer	In Process – Past Due		
2	Chief Compliance Officer	Previously Implemented (June 2023)		
3	Chief Compliance Officer	In Process – Past Due		
4	Risk Management	Previously Implemented (December 2023)		
5	Chief Compliance Officer	In Process – Past Due		
6	Risk Management	Previously Implemented (December 2023)		
7	Chief Compliance Officer	In Process – Past Due		
8	Chief Compliance Officer	In Process – Past Due		
9	Chief Compliance Officer	In Process – Past Due		
10	Risk Management	Previously Implemented (December 2023)		

Recommendation 1*Chief Compliance Officer*

To specify roles and responsibilities in the process of implementing, maintaining, and monitoring department-specific Injury and Illness Prevention Programs (IIPPs), the Compliance Department's Occupational Safety and Health program (OSH) should establish and implement an Administrative Regulation or process narrative that includes the following elements.

For operating departments, the Administrative Regulation or process narrative should establish roles and responsibilities that include:

- Developing and implementing a department-specific IIPP that meets State requirements and department-specific needs;
- Providing the department-specific IIPP to OSH for review;
- Collecting information on activities supporting the IIPP and reporting it to OSH; and
- Conducting an annual review of the department-specific IIPP and reporting the results to OSH with an attestation from the department director.

For OSH, the Administrative Regulation or process narrative should establish responsibilities that include:

- Educating departments on requirements for department-specific IIPPs;
- Reviewing department-specific IIPPs for compliance with State requirements and conformance with Citywide workplace safety goals;
- Notifying appropriate Deputy Chief Operating Officers and the Chief Operating Officer of departments lacking an IIPP;
- Requesting departments review their IIPP annually, report to OSH the results of their review with an attestation by each department director on the accuracy of the update, and report any changes to the department-specific IIPP; and
- Summarizing annual updates from departments in an annual Citywide safety report to Department Directors, Deputy Chief Operating Officers, the Chief Operating Officer, and the Safety and Risk Oversight Committee. (Priority 1)

In Process – Past Due

This recommendation is in process. According to the department, the following tasks are necessary to achieve full implementation:

Task 1: Process Narrative identifying roles and responsibilities in the process of implementing, maintaining and monitoring department specific IIPPs draft completed by OSH staff.

Status: Draft undergoing additional review July 2024, new Program Manager.

Task 2: Draft Process Narrative reviewed by internal department Management.

Status: Planned to be complete and draft finalized by the end of November 2024.

Task 3: Process Narrative shared with appropriate parties/departments.

Status: Planned to be complete by December 2024.

Issue Date: May 9, 2022

Original Target Date: December 2023

Current Target Date: ~~December 2023~~ ~~October 2023~~ ~~May 2024~~ December 2024

Recommendation 3

Chief Compliance Officer

To help address employee concerns and improve Citywide workplace safety culture, the Compliance Department’s Occupational Safety and Health program (OSH) should work with the Performance and Analytics Department to include questions regarding workplace safety programs in the Employee Satisfaction Survey (ESS). In addition to department directors, OSH should receive a copy of ESS results and use the results of the survey to analyze potential Citywide trends or employee concerns and coordinate with departments—allowing for departments with designated safety personnel to conduct their own analysis—to address employee concerns and make process adjustments to improve department safety programs, such as reporting safety concerns, conducting periodic inspections, providing regular training, and promoting a safe workplace. (Priority 2)

In Process – Past Due

This recommendation is in process. According to the department, the following tasks are necessary to achieve full implementation:

Task 1: OSH staff to work with PandA to develop Citywide survey that will capture information regarding safety and safety culture.

Status: Draft of survey completed May 2024.

Task 2: Draft of survey to be reviewed by HR and REOs to be provided copy for any possible questions.

Status: Survey information to be provided to REOs August 2024.

Task 3: Survey is released Citywide and stays open for 4 weeks September 2024.

Status: Planned to be completed by the end of September 2024.

Task 4: Results are compiled, OSH works with PandA to review, analyze and share information with departments.

Status: Planned to be completed November 2024.

Issue Date: May 9, 2022

Original Target Date: October 2022

Current Target Date: ~~October 2022~~ ~~December 2023~~ ~~October 2023~~ June 2024
November 2024

Recommendation 5*Chief Compliance Officer*

To ensure the City takes a data-driven approach to proactively identifying safety issues and preventing injuries from happening, Occupational Safety and Health program (OSH) should work with City departments to set department safety goals and establish department safety performance indicators that include:

- Leading safety indicators, such as the percentage of employees attending safety refresher trainings, average time to address safety issues, and percentage of monthly/weekly safety inspections completed; and
- Lagging safety indicators, such as Incident Rate, Days Away, Restricted, or Transferred (DART) Rate, and injury frequency and severity.

The selection of department safety indicators should involve employees at all levels within the department/division. Safety performance results should be shared with all levels of the department/division.

OSH should periodically review departments' performance in achieving their safety goals, report this information in the annual Citywide safety report identified in Recommendation 1, and work with departments to update their IPPs on a regular basis based on departments' safety performance. (Priority 1)

In Process – Past Due

This recommendation is in process. According to the department, the following tasks are necessary to achieve full implementation:

Task 1: Risk Management is taking the lead on procuring a software solution for their Claim System and is partnering with Compliance to find a software system that will also meet their safety data needs. An RFI was drafted with input from all user groups. Status: RFI process complete, responses were reviewed in May and June.

Task 2: RFP Process, Risk Management is taking the lead with collaboration from Compliance.

Status: RFP development meetings to begin in August, selection of vendor anticipated by Summer 2025.

Task 3: Transition to new system including training for all users to take place. Additional steps likely added after RFP responses come in.

Status: It is anticipated that a new system would be in place and functional by August 2026.

Issue Date: May 9, 2022

Original Target Date: TBD based on FY2024 budgeted resource allocations

Current Target Date: ~~TBD based on system selected~~ August 2026

Recommendation 7*Chief Compliance Officer*

To ensure management and the Occupational Safety and Health program (OSH) have timely access to injury and illness information to evaluate and drive positive changes to the City's safety programs, OSH should implement a safety data collection process outlining the roles and responsibilities of OSH and operational departments. OSH should:

- Implement a data solution, such as a safety software system, that will enable the capture of recordable injuries and Supervisor's Injury/Illness Investigation Reports at the department level.
- Provide guidance and training to department safety personnel on how to analyze their department's data and how to report to department management as well as to OSH the number and type of incidents, common incident causes, corrective actions taken, trends in Incident Rates and Days Away, Restricted, or Transferred (DART) Rate, etc. OSH should perform such analysis for departments without safety personnel.
- Analyze records submitted by departments to identify and monitor Citywide trends and benchmark against comparable organizations or occupations to identify areas for improvement.
- Report the results of their analysis and coordinate with department directors to report department-specific analysis to the Safety and Risk Oversight Committee at least annually. (Priority 1)

In Process – Past Due

This recommendation is in process. According to the department, the following tasks are necessary to achieve full implementation:

Task 1: Risk Management is taking the lead on procuring a software solution for their Claim System and is partnering with Compliance to find a software system that will also meet their safety data needs. An RFI was drafted with input from all user groups. Status: RFI process complete, responses were reviewed in May and June.

Task 2: RFP Process, Risk Management is taking the lead with collaboration from Compliance. Status: RFP development meetings to begin in August, selection of vendor anticipated by Summer 2025.

Task 3: Transition to new system including training for all users to take place. Additional steps likely added after RFP responses come in. Status: It is anticipated that a new system would be in place and functional by August 2026.

Issue Date: May 9, 2022

Original Target Date: TBD based on FY2024 budgeted resource allocations

Current Target Date: ~~TBD based on system selected~~ August 2026

Recommendation 8*Chief Compliance Officer*

To ensure departments can effectively conduct incident investigations and take corrective action measures timely, the Compliance Department's Occupational Safety and Health program (OSH) should develop, document, and implement a Citywide incident investigation program. The program should provide for OSH and any designated department safety staff to train department supervisors and other relevant personnel on incident investigation procedures, specify when and how often trainings will be provided, focus on identifying root cause(s) of the injury, emphasize correcting root cause(s), and provide for an annual program review to identify areas of improvement to the program. Trainings should guide personnel who conduct investigations to effectively conduct, document, and perform injury root cause analysis as well as identify and implement corrective action measures. To ensure program effectiveness, OSH should coordinate with department safety staff to provide department supervisors with relevant accident examples, realistic corrective actions, and guidance on using a systems approach for incident investigation, including root cause analysis. (Priority 1)

In Process – Past Due

This recommendation is in process. According to the department, the following tasks are necessary to achieve full implementation:

Task 1: Incident Investigation training to be developed by OSH. Training to include root cause analysis. Related documents/forms to be updated with new information accordingly.

Status: Training developed, training and new documents to undergo further review and CAO review, anticipated to be completed by September 2024.

Task 2: Training and new documents to be made available to supervisors.

Status: Anticipated to be complete October 2024.

Issue Date: May 9, 2022

Original Target Date: July 2023

Current Target Date: ~~July 2023~~ January 2024 May 2024 October 2024

Recommendation 9*Chief Compliance Officer*

To ensure supervisor incident investigations are properly documented, the Compliance Department's Occupational Safety and Health program (OSH) should:

- Update the Citywide Supervisor Injury/Illness Investigation form to include a description of the incident from eyewitnesses and employees with knowledge of the incident, identification of root cause(s), and corrective action(s) taken.
- Require all departments use the standard Citywide Supervisor Injury/Illness Investigation form. However, in cases where departments need to customize the form, OSH should work with departments as needed to tailor their form to meet department-specific needs while also meeting the minimum requirements of the Citywide form. (Priority 2)



In Process – Past Due

This recommendation is in process. According to the department, the following tasks are necessary to achieve full implementation:

While the requested position was not included in the FY25 budget, the following is in process with current staff:

Task 1: Incident Investigation training to be developed by OSH. Training to include root cause analysis. Related documents/forms to be updated with new information accordingly.

Status: Training developed, training and new documents to undergo further review and CAO review, anticipated to be completed by September 2024.

Task 2: Training and new documents to be made available to supervisors.

Status: Anticipated to be complete by October 2024.

Additionally, Compliance staff have initiated regularly occurring meetings with safety staff from all departments to share information, including the upcoming form changes.

Issue Date: May 9, 2022

Original Target Date: TBD based on FY2024 budgeted resource allocations

Current Target Date: ~~TBD based on FY2025 budgeted resource allocations~~
October 2024

Performance Audit of the Development Services Department’s Code Enforcement Division

22-009
(GT) (AR)

The City of San Diego conducts code enforcement activities to ensure, improve, and maintain safe and desirable San Diego neighborhoods. In our [Performance Audit of the Development Services Department’s Code Enforcement Division](#), we found that conducting code enforcement activities requires three key components: initial response, compliance activity, and monitoring and assessment. Specifically, we found:

Finding 1: Code Enforcement does not meet response time goals and thus does not assess the nature and severity of code enforcement complaints in a timely manner.

Finding 2: Staffing imbalances and Code Enforcement’s underuse of case management tools contribute to inconsistent application of policies and a risk that violations persist.

Finding 3: Code Enforcement’s Accela data and performance metric reporting does not accurately reflect case progress or results.

No.	Department	Recommendation Status	Resources Required	No Update Provided
1	Development Services	In Process – Past Due		
2	Development Services	In Process – Past Due		
3	Development Services	In Process – Past Due		
4	Development Services	In Process – Past Due		
5	Development Services	In Process – Past Due		
6	Development Services	In Process – Past Due		
7	Development Services	In Process – Past Due		
8	Development Services	In Process – Past Due		
9	Development Services	In Process – Past Due		
10	Development Services	In Process – Past Due		

Recommendation 1*Development Services*

To address the issue of new/active cases not receiving an initial inspection on time or any inspection at all, the Development Services Department should re-implement and update as needed its Voluntary Compliance Program, while also maintaining its current Alternative Compliance Program, to help reduce the total number of new cases that are assigned to investigators.

The Voluntary Compliance Program should allow for cases to go through the regular case progression if the complainant is not satisfied or if the violation persists. The Code Enforcement Division could use this procedure to respond to low-priority cases that involve the following case types:

- Fences/Walls
- Mobile Food Trucks
- Excessive Storage in Garage
- Outdoor Merchandise Displays
- Outdoor Storage
- Vehicle Repair
- Roosters (Priority 2)

**In Process – Past Due**

This recommendation is in process. According to the department, the following tasks are necessary to achieve full implementation:

Task 1: Hire Program Manager.
Status: In progress.

Task 2: Establish program guidelines and written procedures.
Status: In progress.

Task 3: Update Accela to add Voluntary Compliance as a Status and create a report that tracks subsequent responses.
Status: Not completed.

Task 4: Draft letters and obtain approval from the DSD Director.
Status: Not completed.

Task 5: Train staff.
Status: Not completed.

Step 6: Outreach and implementation.
Status: Not completed.

DSD Building and Land Use Enforcement Division (BLUE) needs additional staff to create and implement a new program. Adding 1.00 Program Manager position and 1.00 Senior Planner – Code Enforcement Coordinator position will allow BLUE to develop the program, create a procedure, train staff, and provide outreach.

BLUE has requested a provisional position to implement this recommendation. The request has been approved and is being processed. Once hired, this position will be tasked with implementation.

Issue Date: June 9, 2022

Original Target Date: July 2023

Current Target Date: ~~July 2023~~ July 2025

Recommendation 2

Development Services

To ascertain staffing needs discussed in both Finding 1 and Finding 2, and to better articulate resource needs and budget requests with evidentiary support, the Development Services Department (DSD) should:

Establish a Key Performance Indicator (KPI) for the optimal average caseload for the Code Enforcement Division's building and zoning investigators. DSD should report this KPI in its annual budget document. (Priority 2)



In Process – Past Due

This recommendation is in process. According to the department, the following tasks are necessary to achieve full implementation:

Task 1: Establish caseload targets for Zoning Investigators and Combination Building Inspectors.

Status: In progress.

Task 2: Create a report with an explanation of the methodology.

Status: Not completed.

Task 3: Train Seniors and BOSS on tracking and reporting caseloads.

Status: Not completed.

Task 4: Provide new KPI data.

Status: Not completed.

All Development Services Department Divisions developed new KPIs following the new City of San Diego parameters. The KPIs in the FY26 budget implemented the audit's recommendation to use a larger data set to show BLUE's responsiveness to priority complaints.

BLUE will now work to complete the remaining recommendations and then establish reporting and tracking tools.

Issue Date: June 9, 2022

Original Target Date: July 2023

Current Target Date: ~~July 2023~~ July 2025

Recommendation 3

Development Services

To help investigators and management better organize and analyze case data, the Development Services Department should create or expand fields for the following case information in Accela:

- Indication of a special project that does not follow the regular complaint procedure;
- Notice and Fine Detail; and
- Status (both Active and Closed). Add at least the following choices:
 - Status for Admin Hearing;
 - Awaiting Permit; and
 - Referred to City Attorney's Office (Priority 2)



In Process – Past Due

This recommendation is in process. The Building and Land Use Enforcement (BLUE) division did not receive funding for an additional program manager necessary for implementation. However, staff stated they are actively trying to identify Accela fields to improve case management with available resources. According to the department, the following tasks are necessary to achieve full implementation:

Task 1: Hire Program Manager.

Status: Not complete.

Task 2: Update Accela to add fields to track special projects and add additional Status fields.

Status: In progress.

Task 3: Create a written procedure with instructions on case entry to include using existing notice fields and new fields for special projects and expanded statuses.

Status: Not complete.

Task 4: Train staff to use new fields.

Status: Not complete.

BLUE continues to review Accela fields to identify methods to track special projects using current staff. Once complete, BLUE will request DSD IT implement them.

Issue Date: June 9, 2022

Original Target Date: July 2023

Current Target Date: ~~July 2023~~ July 2025

Recommendation 4*Development Services*

After expanding Accela field options, to consistently analyze data on an aggregate level, the Development Services Department should create a data dictionary for Accela that clearly defines choices for at least the following fields:

- Types of Inspections (specify which ones contribute towards Re-Inspection Fees);
- Active Case Status; and
- Closed Case Result. (Priority 2)

**In Process – Past Due**

This recommendation is in process. According to the department, the following tasks are necessary to achieve full implementation:

Task 1: Hire Program Manager.
Status: In progress.

Task 2: Create a Data Dictionary.
Status: In progress.

Step 3: Train Staff and Implement.
Status: Not complete.

DSD Building and Land Use Enforcement Division (BLUE) needs additional staff to create and implement a data dictionary and provide training. Adding 1.00 Program Manager position and 1.00 Senior Planner – Code Enforcement Coordinator position will allow BLUE to develop the dictionary, and train staff.

BLUE has requested a provisional position to implement this recommendation. The request has been approved and is being processed. Once hired, this position will be tasked with implementation.

Issue Date: June 9, 2022

Original Target Date: July 2023

Current Target Date: ~~July 2023~~ July 2025

Recommendation 5*Development Services*

In order to maintain ongoing involvement in long-term cases, the Development Services Department should update Code Enforcement's Procedures Manual and Accela training materials to require all new or active cases to have a workflow task scheduled with target due date for next step in the case management process, and to require investigators to check the "My Tasks" dashboard in Accela daily. Examples of possible workflow tasks include:

- Estimated inspection date of initial inspection;
- Compliance inspection after issuance of a notice; and
- Estimated permit completion date. (Priority 2)

**In Process – Past Due**

This recommendation is in process. According to the department, the following tasks are necessary to achieve full implementation:

Task 1: Hire Program Manager.
Status: In progress.

Task 2: Establish a written procedure detailing accurate entry requirements in Accela.
Status: Not complete.

Task 3: Establish a policy requiring daily monitoring of Accela Tasks by CED investigative staff.
Status: Not complete.

Task 4: Train staff and implement.
Status: Not complete.

DSD Building and Land Use Enforcement Division (BLUE) needs additional staff to create and implement a new procedure. Adding 1.00 Program Manager position and 1.00 Senior Planner – Code Enforcement Coordinator position will allow BLUE to develop the procedure, train staff, and implement.

Issue Date: June 9, 2022

Original Target Date: July 2023

Current Target Date: ~~July 2023~~ July 2025

Recommendation 6*Development Services*

In order for the Development Services Department (DSD) Code Enforcement Division's management to better track aggregate case data, DSD should update Code Enforcement's Procedures Manual and Accela training materials to include the following:

- Investigators should list all zoning/building violations in "Violation Table" in Accela; and
- Investigators should enter pertinent case information, such as Civil Penalty Notice and Order and Administrative Citation/Warning issuance date, compliance date, and fine/penalty amounts, into the Civil Penalty Notice and Order and Administrative Citation Warning fields in Accela. (Priority 2)

**In Process – Past Due**

This recommendation is in process. According to the department, the following tasks are necessary to achieve full implementation:

Task 1: Hire Program Manager.
Status: In progress.

Task 2: Establish a written procedure requiring entry in Accela of all observed violations and remedy details.
Status: Not complete.

Task 3: Train staff and implement.
Status: Not complete.

DSD Building and Land Use Enforcement Division (BLUE) needs additional staff to create and implement a new procedure. Adding 1.00 Program Manager position and 1.00 Senior Planner – Code Enforcement Coordinator position will allow BLUE to develop the procedure, train staff, and implement.

BLUE has requested a provisional position to implement this recommendation. The request has been approved and is being processed. Once hired, this position will be tasked with implementation.

Issue Date: June 9, 2022

Original Target Date: July 2023

Current Target Date: ~~July 2023~~ July 2025

Recommendation 7*Development Services*

To address Finding 1 and to give more information to supervisors and managers, the Development Services Department should develop and use tools such as Accela reports or online dashboards that include the following:

- New or active cases that do not have an initial inspection and the number of days from case open date;
- All cases with number of inspections and whether they have a re-inspection fee issued;
- All active cases open longer than 90 days without a notice issued;
- All active cases without an update in the last 90 days; and
- All active cases with most recent workflow task. (Priority 1)

**In Process – Past Due**

This recommendation is in process. According to the department, the following tasks are necessary to achieve full implementation:

Task 1: Hire Program Manager.
Status: In progress.

Task 2: Update Accela to create reports that provide all recommended information.
Status: Not complete.

Task 3: Perform UAT Testing.
Status: Not complete.

Task 4: Establish a written procedure detailing how to run accurate reports.
Status: Not complete.

Task 5: Train CED Seniors and implement.
Status: Not complete.

DSD Building and Land Use Enforcement Division (BLUE) needs additional staff to work with DSD IT to create reports that provide all recommended information. Adding 1.00 Program Manager position will allow BLUE to create these reports, test efficacy, create a procedure on usage, and train staff on its usage.

BLUE has requested a provisional position to implement this recommendation. The request has been approved and is being processed. Once hired, this position will be tasked with implementation.

Issue Date: June 9, 2022

Original Target Date: July 2023

Current Target Date: ~~July 2023~~ July 2025

Recommendation 8*Development Services*

To help Development Services Department (DSD) Code Enforcement Division's supervisors hold investigators accountable, DSD should update Code Enforcement's Procedures Manual to require Code Enforcement senior investigators to regularly review individual investigators' caseloads to identify and follow-up on cases that have had no updates in the past three months. DSD should consider the following:

- Supervisors should filter out cases that they do not expect investigators to actively work when reviewing individual investigators' caseloads to identify cases that have no updates for at least three months.
- During their review of individual investigators' caseloads, management should require supervisors to ensure that investigators provided a written notice to the property owner for all active cases with violations, as well as ensure cases with three or more follow-up inspections have had a re-inspection fee issued. (Priority 2)

**In Process – Past Due**

This recommendation is in process. According to the department, the following tasks are necessary to achieve full implementation:

Task 1: Hire Program Manager.

Status: In progress.

Task 2: Add Senior positions to reduce team size.

Status: Not complete.

Task 3: Establish a written policy requiring CED Seniors to run Accela reports regularly to review staff performance.

Status: Not complete.

Task 4: Train CED Seniors and Implement new policy.

Status: Not complete.

DSD Building and Land Use Enforcement Division (BLUE) needs additional staff to create a new policy on more thorough and frequent reports on staff performance and productivity. Adding 1.00 Program Manager position, 1.00 Senior Combination Inspector position, and 2.0 Senior Zoning Investigator positions will allow BLUE to create these reports, create a policy on usage, train staff on its usage, and create more time for Seniors to implement.

BLUE has requested a provisional position to implement this recommendation. The request has been approved and is being processed. Once hired, this position will be tasked with implementation.

Issue Date: June 9, 2022

Original Target Date: July 2023

Current Target Date: ~~July 2023~~ July 2025

Recommendation 9

Development Services

To address the misreporting of Key Performance Indicators (KPIs) and inaccurate tracking of response time, the Development Services Department (DSD) should create and use a report from Accela that accurately measures Code Enforcement's initial response time. This report should include cases opened in the current fiscal year that:

- Have received an inspection; or that
- Have no inspection but are beyond the goal response time.

Additionally, the basis of DSD's annual KPI reporting should be this report pulled on a date at least eight months after the start of the reported fiscal year. (Priority 2)



In Process – Past Due

This recommendation is in process. According to the department, the following tasks are necessary to achieve full implementation:

Task 1: Update Accela to create reports accurately reflecting inspection activity, including cases without initial inspections.

Status: In progress.

Task 2: Run reports for KPIs based on periods of at least 8 months.

Status: Not complete.

DSD Building and Land Use Enforcement Division (BLUE) needs to implement other recommendations for this recommendation to be effective. Additional staff are needed to implement the other recommendations. Adding 1.00 Program Manager position, if not the other identified positions, will allow BLUE to implement most of the recommendations, create supporting policies and procedures, and provide effective training.

BLUE has requested a provisional position to implement this recommendation. The request has been approved and is being processed. Once hired, this position will be tasked with implementation.

Issue Date: June 9, 2022

Original Target Date: July 2023

Current Target Date: ~~July 2023~~ July 2025

Recommendation 10*Development Services*

To address data reliability issues, the Development Services Department (DSD) should create a checklist for online case files, and Code Enforcement's Procedures Manual should require Code Enforcement management to conduct periodic audits of cases using this checklist. The checklist should require Code Enforcement to check for both accuracy and completeness of the Accela case file and should include at least:

- Date of First Inspection;
- Number and Type of Inspections;
- Number and Type of Violations;
- Number and Amount of Fines/Fees;
- Complaint Details;
- Completed Workflow and Activities; and
- Closed Status.

Based on the results of these audits, Code Enforcement's Procedures Manual should outline appropriate management response when issues with investigator performance are identified. (Priority 2)

**In Process – Past Due**

This recommendation is in process. According to the department, the following tasks are necessary to achieve full implementation:

Task 1: Hire Program Manager.
Status: In progress.

Task 2: Create a Case Closure Checklist.
Status: In progress.

Task 3: Train CED staff on the Checklist and Implement it.
Status: Not complete.

Task 4: Establish a written policy requiring the CED Management Team to conduct periodic random audits of closed cases and detail appropriate responses to findings.
Status: Not complete.

Step 5: Train the BLUE Management Team on the Audit Procedure and Implement it.
Status: Not complete.

DSD Building and Land Use Enforcement Division (BLUE) needs additional staff to create a new case closure procedure using the recommended Checklist. Adding a 1.00 Program Manager position will allow BLUE to create a case closure checklist to ensure senior staff closely reviews all cases for confirmed inspection, appropriate remedy issuance, and application of required re-inspection fees. This position will also update

procedures and train staff to use the checklist. Implementation will increase the workload of BLUE's senior staff and the addition of 1.00 Senior Combination Inspector position and 2.0 Senior Zoning Investigator positions is needed. In the upcoming quarter, BLUE will begin to develop a Case Closure Checklist using current staff to implement them.

BLUE has requested a provisional position to implement this recommendation. The request has been approved and is being processed. Once hired, this position will be tasked with implementation.

Issue Date: June 9, 2022

Original Target Date: July 2023

Current Target Date: ~~July 2023~~ July 2025

Performance Audit of SDPD’s Use and Management of Body Cameras

23-001
(CN) (DK)

Body cameras are used to improve San Diego Police Department (SDPD) officer and public safety, providing additional documentation of police encounters with the public and functioning as important evidence collection and accountability tools. In our [Performance Audit of SDPD’s Use and Management of Body Cameras](#), we found:

Finding 1: Officers likely did not record many enforcement encounters, as required.

Finding 2: In many cases, officers did not appear to record the entire incident, as required.

Finding 3: Officers generally categorized videos correctly, but some changes would minimize the risk of deleting videos too soon.

Finding 4: SDPD does not have a detailed policy on when it releases body camera video, creating confusion among the public and City Council.

No.	Department	Recommendation Status	Resources Required	No Update Provided
1	SDPD	In Process – Past Due		
2	SDPD	In Process – Past Due		
3	SDPD	In Process – Past Due		
4	SDPD	In Process – Past Due		
5	SDPD	In Process – Past Due		
6	SDPD	Previously Implemented (December 2022)		
7	SDPD	In Process – Past Due		

Recommendation 1
SDPD

The San Diego Police Department (SDPD) should amend its body camera procedure to require officers to turn on event mode to record body camera videos for all dispatched events and calls for service, including all incidents directed or self-initiated. SDPD should train all body camera users and supervisors on the new requirement. This recommendation would not impact SDPD's current procedure that requires officers to begin recording while driving to a call and prior to actual contact with a member of the public. Additionally, this recommendation should only impact calls for service and dispatched calls. Therefore, SDPD could keep its current procedure that allows officers to not record suspect interviews if the suspect declines to make a statement due to the body camera being activated and the SDPD procedure that prohibits recordings during contact with confidential informants. (Priority 2)

In Process – Past Due

This recommendation is in process. According to the department, updates to Department Procedure 1.49 have undergone the first meet and confer process with the San Diego Police Officer's Association, however updates will need to be reviewed further and approved before implementation. Once these updates are approved, training will be delivered through a department-wide process.

The department's estimated completion date is October 1, 2024. OCA has reviewed the most recent updates to Procedure 1.49 and the current language meets the requirements of Recommendation #1.

Issue Date: July 20, 2022

Original Target Date: July 2023

Current Target Date: ~~July 2023~~ ~~December 2023~~ ~~June 2024~~ October 2024

Recommendation 2

SDPD

The San Diego Police Department (SDPD) should update the section in Procedure 1.49 related to supervisor reviews of officer videos to ensure supervisors confirm there is a body camera video for all dispatched events for each officer for days selected in the monthly review. SDPD should train all supervisors on the new requirement. This recommendation would not require supervisors to watch additional videos. (Priority 2)

In Process – Past Due

This recommendation is in process. According to the department, updates to Department Procedure 1.49 have undergone the first meet and confer process with the San Diego Police Officer's Association, however updates will need to be reviewed further and approved before implementation. Once these updates are approved, training will be delivered through a department-wide process.

The department's estimated completion date is October 1, 2024. OCA has reviewed the most recent updates to Procedure 1.49, and the current language meets the requirements of Recommendation #2.

Issue Date: July 20, 2022

Original Target Date: July 2023

Current Target Date: ~~July 2023~~ ~~December 2023~~ ~~June 2024~~ October 2024

Recommendation 3

SDPD

The San Diego Police Department (SDPD) should clarify in Procedure 1.49 specifically when officers can stop recording an incident with their body camera. The procedure should clarify the definition of the conclusion of an incident and include examples. SDPD should communicate this procedural update in a department-wide training. (Priority 2)

In Process – Past Due

This recommendation is in process. According to the department, updates to Department Procedure 1.49 have undergone the first meet and confer process with the San Diego Police Officer's Association, however updates will need to be reviewed further and approved before implementation. Once these updates are approved, training will be delivered through a department-wide process.

The department's estimated completion date is October 1, 2024. OCA has reviewed the most recent updates to Procedure 1.49 and the current language meets the requirements of Recommendation #3.

Issue Date: July 20, 2022

Original Target Date: July 2023

Current Target Date: ~~July 2023~~ ~~December 2023~~ ~~June 2024~~ October 2024

Recommendation 4

SDPD

The San Diego Police Department (SDPD) should add to the sergeant reviews section of Procedure 1.49 to require that supervisor reviews include reviewing the end of body camera videos to confirm compliance with procedure. This recommendation would not require supervisors to review additional videos beyond the monthly review process already in place. SDPD should communicate this procedural update in a department-wide training. (Priority 2)

In Process – Past Due

This recommendation is in process. According to the department, updates to Department Procedure 1.49 have undergone the first meet and confer process with the San Diego Police Officer's Association, however updates will need to be reviewed further and approved before implementation. Once these updates are approved, training will be delivered through a department-wide process.

The department's estimated completion date is October 1, 2024. OCA has reviewed the most recent updates to Procedure 1.49 and the current language meets the requirements of Recommendation #4.

Issue Date: July 20, 2022

Original Target Date: July 2023

Current Target Date: ~~July 2023~~ ~~December 2023~~ ~~June 2024~~ October 2024

Recommendation 5

SDPD

The San Diego Police Department (SDPD) should require in Procedure 1.49 that supervisor reviews of body camera videos include watching all videos categorized as BWC Training/Accidental to help ensure they are categorized and retained correctly. SDPD should include this procedural update in a department-wide training. (Priority 2)

In Process – Past Due

This recommendation is in process. According to the department, updates to Department Procedure 1.49 have undergone the first meet and confer process with the San Diego Police Officer's Association, however updates will need to be reviewed further and approved before implementation. Once these updates are approved, training will be delivered through a department-wide process.

The department's estimated completion date is October 1, 2024. OCA has reviewed the most recent updates to Procedure 1.49 and the current language meets the requirements of Recommendation #5.

Issue Date: July 20, 2022

Original Target Date: July 2023

Current Target Date: ~~July 2023~~ ~~December 2023~~ ~~June 2024~~ October 2024

Recommendation 7

SDPD

The San Diego Police Department (SDPD) should write and implement a policy or procedure detailing what body camera videos it releases and when, including critical incident videos.

- a. The policy should, at minimum, ensure compliance with state law and be easily understood by the public. The policy should list the types of incidents it is required to release body camera video for and list the reasons there may be exceptions to releasing a video. Exhibit 5 in the Background section of this report provides an example. To clarify that this policy is meant to mirror state law and not contradict state law, SDPD could state that this list is a summary of state law and that state law and subsequent court proceedings supersede the City policy.
- b. The policy should include SDPD's goal of releasing critical incident videos within 10 days of an officer involved shooting.
- c. The policy should require SDPD to disclose when it is only providing the requester a selection of body camera videos related to the incident that it has determined are most relevant, if the requester has asked for all videos related to the incident.
- d. The policy should detail the factors that go into weighing the interest in delaying disclosure against the public interest in disclosure of body camera videos required to be released under California Penal Code Section 832.
- e. SDPD should present the policy to the relevant City Council committee to educate the public on what body camera videos are available for public inspection, what body camera videos are left to the discretion of the Chief of Police, reasons for delay of disclosure of body camera videos, and the process for requesting body camera videos. The presentation should also explain the timeline for critical incident videos compared to the release of all body camera videos and records requested under California Penal Code Section 832.
- f. SDPD should post the policy on its public website. (Priority 3)

In Process – Past Due

This recommendation is in process. According to the department, updates to Department Procedure 1.49 have undergone the first meet and confer process with the San Diego Police Officer's Association, however updates will need to be reviewed further and approved before implementation. Once these updates are approved, training will be delivered through a department-wide process.

Issue Date: July 20, 2022

Original Target Date: July 2023

Current Target Date: ~~July 2023~~ ~~June 2024~~ October 2024

Performance Audit of Mission Bay and San Diego Regional Parks Improvement Funds, Fiscal Year 2021

23-002
(RG)

The City Charter requires that the City Auditor report annually the extent and nature of the Mission Bay and the San Diego Regional Parks Improvement Funds’ revenues, expenses, and improvements and compliance with the requirements of Section 55.2. In our [Performance Audit of Mission Bay and San Diego Regional Parks Improvement Funds for Fiscal Year 2021](#), we found that the City is in substantial compliance with the requirements of Charter Section 55.2, but should enhance information reporting to oversight committees and continue to address issues with committee appointments.

No.	Department	Recommendation Status	Resources Required	No Update Provided
1	Engineering & Capital Projects & Parks & Recreation	Previously Implemented (June 2023)		
2	Finance	Previously Implemented (December 2022)		
3	Economic Development	Newly Implemented		
4	Economic Development	Newly Implemented		
5	Economic Development	In Process – Past Due		
6	Office of Boards and Commissions	Previously Implemented (June 2023)		
7	Office of Boards and Commissions	In Process – Past Due		
8	Finance	Previously Implemented (December 2022)		

Note: The former Department of Real Estate and Airport Management is now part of the Economic Development Department. Thus, all recommendations originally assigned to the Department of Real Estate and Airport Management are now assigned to the Economic Development Department.

Recommendation 3*Economic Development*

To improve oversight and accountability in lease management practices, we recommend: The Department of Real Estate and Airport Management should conduct and document routine site visits of leased properties on Mission Bay Lands at a minimum frequency of once every 3 years to ensure properties are being well maintained and are being operated in accordance with the lease terms. The documentation should include, but not be limited to:

- Verification that insurance certificates are current;
- Verification that rent adjustments are current;
- Verification that sublease operations are properly approved;
- Condition of the leasehold, based on a visual inspection; and
- Potential safety violations or hazard identified based on a visual inspection.

Should staff identify any violations to lease terms, staff should notify lessees in writing and request they cure the issue. (Priority 2)

Newly Implemented

This recommendation is implemented. The department has completed at least 11 site visits during the past 12-month period. This is on pace to exceed the minimum frequency of once every 3 years for leased properties on Mission Bay Lands. The Property Inspection Reports that document the Site visits now include the recommended visual site inspections to ensure lease compliance in accordance with the list included in Recommendation 3.

Issue Date: August 2, 2022

Original Target Date: July 2025

Recommendation 4*Economic Development*

The Department of Real Estate and Airport Management should require lessees to submit annual rent rolls to the City to allow City staff to reconcile subleases annually and timely identify expiring subleases or non-approved subleases. (Priority 2)

Newly Implemented

This recommendation is implemented. The department received the revised language for section 2.6 of the standard lease template from the City Attorney's office. This section requires a Sublease Update Package at least once each Lease Year. The language will be included in all new leases or amendments to leases.

Issue Date: August 2, 2022

Original Target Date: July 2024

Recommendation 5*Economic Development*

The Department of Real Estate and Airport Management should include a Facility Condition Inspection clause in future leases involving in-water improvements to ensure that docks, piers, or marinas are being properly maintained. (Priority 2)

In Process – Past Due

This recommendation is in process. The department will work with the City Attorney's Office to draft language requiring Facility Condition Inspection clauses, as applicable, to future long-term leases that have in-water improvements. The target implementation date for this recommendation is revised from July 2024 to September 2024.

Issue Date: August 2, 2022

Original Target Date: July 2024

Current Target Date: ~~July 2024~~ September 2024

Recommendation 7*Office of Boards and Commissions*

To ensure Committees are properly staffed in compliance with the City Charter, we recommend: The Office of Boards and Commissions should bring appointment and reappointment resolutions to City Council on a routine basis and in a timely manner to maintain proper active standing of the members on both the Mission Bay Park Committee and the Park and Recreation Board. (Priority 3)

In Process – Past Due

This recommendation is in process. For the Mission Bay Park Committee, there have been five new appointments and four re-appointments, but currently there are two members serving under expired terms with one of those in excess of the eight-year maximum term. The Park and Recreation Board is fully staffed, and all members are currently in active status.

Additionally, Municipal Code Section 26.30(c) requires that an interval of four years must pass before a person who has served eight consecutive years on the Mission Bay Park Committee can be reappointed and one member of the Mission Bay Park Committee is currently serving beyond eight consecutive years in violation of the Municipal Code. The Office of Boards and Commissions should ensure appropriate staffing for this committee in compliance with the Municipal Code.

The original target implementation date for this recommendation was November 2022 and the revised target date is December 2024.

Issue Date: August 2, 2022

Original Target Date: November 2022

Current Target Date: ~~November 2022~~ ~~November 2023~~ December 2024

Performance Audit of the City’s Get It Done Application and Service Requests Management



23-004
(NO) (MS)

The development of Get It Done is one of the City’s efforts to improve customer service and has streamlined intake for a variety of service requests. In addition to Get It Done, the City has many other decentralized customer service portals and intake channels for residents to report problems or request information about City services. In our [Performance Audit of the City’s Get It Done Application and Service Requests Management](#), we found:

Finding 1: While Get It Done has greatly expanded customers’ access to request services, many customers receive limited, confusing, or inaccurate information about their service requests.

Finding 2: A centralized, 3-1-1 phone-based intake option could improve the customer service experience, increase equity and access to City services, and decrease SDPD’s call volume and wait times.

Other Pertinent Information: The City is not meeting current demand for many types of service requests; continued process improvements and additional resources are likely needed to address service requests submitted through Get It Done and a future 3-1-1 contact option.

No.	Department	Recommendation Status	Resources Required	No Update Provided
1	Performance & Analytics	In Process – Past Due		
2	Performance & Analytics	In Process – Past Due		
3	Performance & Analytics	Previously Implemented (June 2023)		
4	Performance & Analytics	In Process – Past Due		
5	Performance & Analytics	Newly Implemented		
6	Performance & Analytics	Disagree (Audit Committee Requested Action)		

Recommendation 1*Performance & Analytics*

To improve transparency and accountability, the Performance and Analytics Department should follow through with including estimated completion times and the target completion times in the Get It Done report submission screen. (Priority 2)

In Process – Past Due

This recommendation is in process. The department provided evidence to show that service requests pertaining to parking, missed collection, graffiti, and homeless outreach - encampments now inform Get It Done users of the estimated completion time to resolve the request in the service request submittal screen. Additionally, at the April 2024 Audit Committee meeting, the department noted that it was working with relevant departments to identify target completion times for service requests so it could include this information in Get It Done.

As of the last reporting period, the department provided the following status update via the Recommendation Implementation Work Plan:

Task 1: Complete Get It Done live insights dashboard.

Status: Completed August 23, 2023.

The Response Time Dashboard was deployed August 24, 2023. It is currently in “beta” and displays Pothole data. To comprehensively address how long problems take to be resolved across all service types, the FAQ – “How long to problems take to be resolved?” is updated on a quarterly basis with department review. This is meant to better set customer expectations. The numbers in the FAQ populate the data in Task 2.

Task 2: Add estimations from Get It Done Insights Dashboard to key steps in the reporting process.

Status: Completed (Mobile app – December 2023; website – February 9, 2024).

Estimates of service level response times have been added to the mobile app and web site for the services listed below. These appear on the “before you start” and “important information” screens as part of the new report creation process.

- Parking;
- Missed collection;
- Encampment;
- Graffiti; and,
- Illegal dumping

Task 3: Confirm target completion times for each service with responsible departments and display with estimation times at key steps in the Get It Done reporting process.

Status: Planned completion January 2025.

The department updated the target completion date from June 2024 to January 2025 as additional time will be needed to identify target service levels with departments.

To be initially completed for the following service types:

- Parking;
- Missed collection;
- Encampment;
- Graffiti; and
- Illegal dumping

Issue Date: October 6, 2022

Original Target Date: December 2023

Current Target Date: ~~December 2023~~ June 2024 January 2025

Recommendation 2

Performance & Analytics

To improve the Get It Done customer experience, the Performance and Analytics Department should review, identify, prioritize, and document which services could feasibly include progress updates to customers (i.e., “interim” steps). As part of this effort, PandA should also articulate a plan and timeline for developing progress updates to customers for these service request types. (Priority 3)



In Process – Past Due

This recommendation is in process. There has been no change in status since the last reporting period. As of the last reporting period, the department provided the following status update via the Recommendation Implementation Work Plan:

Task 1: Document to identify necessary resources to implement Recommendation #2.

Status: Completed June 2023.

Draft Digital Customer Experience Strategy released which identifies Performance Coach needs. Solicited feedback from all Council Districts’ community planning groups in 2023.

Task 2: Develop a document with a matrix containing each Get It Done report type and prioritize / evaluate need for an increase in status updates.

Status: Planned completion July 2025.

Updated to July 2025 – created an initial draft prioritization matrix containing service evaluation criteria, indicating services with interim status updates. With the current staffing levels, we are able to comprehensively evaluate and improve services at a limited basis (1–2 services per year). To fully achieve this recommendation by the requested timeline, it would require additional resources described in the Digital Customer Experience Strategy.

Task 3: Provide an update on the Get It Done services that have been identified as candidates for additional progress updates.

Status: Planned completion July 2026.

Updated to July 2026 – updates can be provided when analysis has been completed in prior step.

Issue Date: October 6, 2022

Original Target Date: July 2023

Current Target Date: ~~July 2023~~ July 2026

Recommendation 4

Performance & Analytics

To ensure that operational staff are adequately trained on communication codes, the Performance and Analytics Department, in consultation with relevant departments/divisions for the most common service requests (i.e., Environmental Services Department, San Diego Police Department Neighborhood Policing Division, San Diego Police Department Parking Division, and Transportation Department Street Division) should provide updated training to staff that includes using the appropriate communication code. (Priority 2)



In Process – Past Due

This recommendation is in process. In October 2023 and April 2024, appropriate Environmental Services Staff obtained training on the use of customer communication codes for Get It Done. Additionally, Neighborhood Policing obtained training on the use of communication codes.

As of the last reporting period, the department provided the following status update via the Recommendation Implementation Work Plan:

Task 1: Send cardstock print-outs of current communication codes per department via inter-office mail to all Get It Done functional area Points of Contact.

Status: Completed April 14, 2023.

Task 2: Request two (2) Program Coordinator positions as part of FY25 budget development process.

Status: Planned completion January 2025.

Task 3: Receive two (2) Program Coordinator positions in FY25 budget.

Status: Planned completion June 2025.

No new positions granted for FY25 due to budget constraints. Will revisit request for FY26 budget cycle.

Status: Planned completion TBD.

Tasks 4–7 are contingent on receiving FY26 positions.

Task 4: Publish position roles and responsibilities for Get It Done training team.

Status: Planned completion TBD.

Task 5: Hire and onboard training staff.
Status: Planned completion TBD.

Task 6: Develop and publish department Get It Done training plans and materials.
Status: Planned completion TBD.

Task 7: Publish training schedule for all areas of Get It Done.

Issue Date: October 6, 2022

Original Target Date: June 2023

Current Target Date: ~~June 2023~~ July 2025

Recommendation 5

Performance & Analytics

To ensure the accuracy of communication codes entered, relevant departments/divisions for the most common service requests (i.e., Environmental Services Department, San Diego Police Department Neighborhood Policing Division, San Diego Police Department Parking Division, and Transportation Department Street Division) should develop, implement, and document policies and procedures that require supervisors to regularly review service requests and the communication codes used for consistency and accuracy. These policies and procedures should specify how supervisors should select service requests cases for review, require this review to be documented, and identify corrective actions where necessary. (Priority 2)

Newly Implemented

This recommendation is implemented. The Performance and Analytics Department developed procedures for department supervisors to regularly review Get It Done activity reports, closure details, and customer communication codes, to ensure accuracy and the quality of service to Get It Done customers. The procedures include information on the process for selecting Get It Done reports for review; conducting and documenting the review; identifying discrepancies and taking corrective actions; and complying with the spot checking procedures. For example, the procedures note that supervisors can select a random sample of Get It Done reports, while also ensuring that different service types and customers are represented in the sample and that reports could be reviewed weekly; however, supervisors may consider workload and operational priorities to adjust the frequency of their review. Additionally, the procedures include guidance on the information that supervisors can review to ensure the appropriate communication codes were used and where the review should be documented. Further, the procedures include information on the different types of corrective action (i.e., re-train staff, implement process improvements, etc.) that supervisors can take when they identify discrepancies or inaccuracies in the use of communication codes. Lastly, the procedures note that departments integrated with Get It Done should ensure that supervisors follow this quality assurance review process.

Issue Date: October 6, 2022

Original Target Date: TBD Pending Resources

Recommendation 6*Performance & Analytics*

To build on past efforts at increasing the City of San Diego's commitment to customer service, the City Administration should establish a centralized 3-1-1 contact option for residents. These efforts should include:

- a. Forming a standing City working group among the most affected departments and working groups (e.g., the Performance and Analytics Department, Station 38, Police Dispatch, City Clerk, Public Utilities Department, Department of IT, Environmental Services Department, and others, as necessary);
- b. Assessing the feasibility, strategy, and potential timeline for migrating existing customer service functions into the 3-1-1 customer service center; and
- c. Developing a timeline for developing a marketing strategy, including branding, media outreach, and social media utilization, for City services included in the 3-1-1 customer service center. (Priority 1)

Disagree (Audit Committee Requested Action)

This recommendation is in process pending item presentation to Council and subsequent Audit Committee disposition. When the audit report was issued, the Administration disagreed with the recommendation. On October 12, 2022, the audit report was presented to the Audit Committee. At that meeting, the Audit Committee approved a motion by Chair Whitburn to accept the report and forward it to City Council. The motion also included a request that the Performance and Analytics Department (PandA) "prepare and present to the City Council, during the first half of CY2023, a customer service strategy and roadmap to expand digital services, including the resources necessary, with the intent to create a 3-1-1 call center system." In June 2023, the department provided to the Audit Committee a draft of the Digital Customer Experience Report, which lays the foundation for actions, methods, and plans needed to usher in a future state envisioned by the City's Strategic Plan. Additionally, the department noted that it planned to revise the report based on feedback it would obtain in Summer 2023, and would share a revised draft with the Audit Committee later in the year. At the Audit Committee meeting in November 2023, the Compliance Department noted that PandA had presented the Digital Customer Experience Strategy to at least one community group from each Council District and was still in the process of obtaining feedback on the Digital Customer Experience Strategy. At that time, the intent was that once the plan was finalized, OCA would recommend a disposition of this item to the Audit Committee.

In June 2024, PandA issued a memo to the Audit Committee on this recommendation and also presented the revised Customer Experience Strategy to the Audit Committee. The revised Strategy lays out a vision for customer service; for example, recommendations on publishing a searchable directory of City services and collecting feedback, as well as required resources to implement the Strategy. However, the Strategy does not include mention of a plan or intent to create a 3-1-1 contact option.

Notably, in the companion memo included in the docket materials of the June 2024 Audit Committee meeting, PandA included three different options on how the City could implement a 3-1-1 dial code, but these options and content are not included in the Customer Experience Strategy itself.

The accompanying memo noted pros and cons of the different options, and stated that the formal recommendation disagreement was “primarily because we recognize the reality that a substantial investment will be necessary to design and develop a system that provides solutions to callers’ needs.” Further, the department mentioned its intent to present the Strategy to City Council for adoption, as this would provide PandA with a plan to manage its work with Get It Done and a potential call center. The Customer Experience Strategy was presented as an informational item only and no motion was made.

Issue Date: October 6, 2022

Original Target Date: TBD

Current Target Date: ~~TBD~~ June 2024 Unknown

Performance Audit of the City’s Towing Program

23-005
(NO) (MJ) (NK)

Vehicle towing provides public benefits, such as ensuring streets are clear for street sweeping, parking is available for all, parking rules and laws are followed, and vehicles are registered. However, towing can also have disproportionate impacts on vulnerable populations, such as people who are low-income or are experiencing homelessness. For some people, a vehicle tow may result in the permanent loss of their vehicle, loss of employment, loss of access to education and medical care, and other consequences. In our [Performance Audit of the City’s Towing Program](#), we found:

Finding 1: The City should strengthen the public oversight and transparency of the vehicle towing program by publicly reporting on the program’s outcomes, impacts to residents, and potential revisions to tow policies and practices.

Finding 2: Internal oversight of the towing program is strong and SDPD should continue to conduct performance evaluations in compliance with the City’s contract guide.

No.	Department	Recommendation Status	Resources Required	No Update Provided
1	SDPD	In Process – Past Due		
2	SDPD	In Process – Past Due		
3	SDPD	In Process – Past Due		
4	SDPD	In Process – Past Due		

Recommendation 1

SDPD

The San Diego Police Department (SDPD) should present a report to the Public Safety and Livable Neighborhoods Committee and/or City Council periodically on the towing program’s operations. The frequency of the report should be prior to each of the City’s comprehensive user fee studies (currently conducted every 3 years), as well as prior to issuing or renewing a request for proposal for relevant towing and/or impound contracts. Based on City leadership’s input and City Council’s approval of the revised Council Policy in Recommendation 2, SDPD’s periodic report should include all the following reporting elements and any others that SDPD deems as essential:

- a. Program overview to include Tow Administration Unit activities, such as training, inspections conducted, and operational changes or upgrades.
- b. Reporting of key program status and statistics:
 - i. Total number of tows and vehicles sold via lien sales, broken out by tow reason;
 - ii. Response times for licensed tow providers;
 - iii. Number of vehicles towed/impounded by location per year;
 - iv. Number of Get It Done requests for 72-hour parking violations;
 - v. Time between vehicle impound and disposition;

- vi. Number of waivers given, including reasons; and
- vii. Number of post-storage hearing reversals (i.e., bad tows).
- c. Financial overview and impact to the City and residents:
 - i. Total line-item costs for City labor, tow-ing costs (fees paid to towing providers), dispatch costs, and any other pertinent costs;
 - ii. Total line-item revenues of the program; if revenues are less than costs, include the reason(s) why—e.g., low fees and lien sale losses;
 - iii. Cost recovery percentage and General Fund subsidy due to unrecovered fees and waivers;
 - iv. Average fees accrued;
 - v. Average lien sale price; and
 - vi. Benchmarked user fees and tow rates.

The San Diego Police Department should also present the results of this audit report to the Public Safety and Livable Neighborhoods Committee prior to FY2024 RFP issuance. (Priority 2)

In Process – Past Due

This recommendation is in process. According to the department, the following steps are necessary to achieve full implementation:

Step 1 is to clarify what information needs to be included in the presentation.

Step 2 is to identify the sources where the information can be obtained.

Step 3 is to obtain the information from the sources.

Step 4 is to organize the information into a format that can be easily communicated by the presenter and understandable to the receiver.

Step 5 is to review the information and anticipate any questions that may be raised.

Step 6 is to prepare responses to the anticipated questions.

Step 7 is to have the information reviewed by the Traffic Division's Commanding Officer.

Step 8 is to make any modifications requested by the Commanding Officer.

Step 9 is presenting the information.

Status: SDPD stated that it has completed steps 1 and 2. It plans to complete the remaining steps closer to the current target date of May 2025 to ensure that the information presented is as accurate as possible. The target date was chosen to meet the requirement of presenting the information prior to FY2026.

Issue Date: November 14, 2022

Original Target Date: July 2023

Current Target Date: ~~July 2023~~ May 2025

Recommendation 2

SDPD

Prior to presentation of the next towing program update, the San Diego Police Department (SDPD) should work with City leadership to present a new or updated Council Policy 500-03 for City Council's approval. The revised Council Policy should codify the frequency of presenting the report, and provide specific guidance regarding information that should be contained in the report. The Council Policy should require that all of the information listed in Recommendation 1 be included in the periodic report, in addition to any other information that SDPD believes is essential. If SDPD determines any of the information listed in Recommendation 1 should not be required by the Council Policy, the staff report and presentation for the proposed Council Policy should include an explanation of why SDPD has determined the information is unnecessary or infeasible to provide. (Priority 2)

In Process - Past Due

This recommendation is in process. According to the department, the following steps are necessary to achieve full implementation:

Step 1 is to obtain a copy of the current policy.

Step 2 is to incorporate the requested changes into the current policy.

Step 3 is to have the new draft reviewed by the Traffic Division's Commanding Officer.

Step 4 is to make any modifications recommended by the Commanding Officer.

Step 5 is to have the draft reviewed by a Police Legal Advisor.

Step 6 is to make any modifications recommended by the Legal Advisor.

Step 7 is to submit the draft for consideration and approval.

Status: Step 1 was completed on February 6, 2024. SDPD is currently at Step 5. Each of these steps needs to be accomplished in order to provide a thorough and accurate draft for City Council approval.

The new target timeframe for completing the remaining steps has been estimated for October 1, 2024.

Issue Date: November 14, 2022

Original Target Date: July 2023

Current Target Date: ~~July 2023~~ ~~May 2024~~ October 2024

Recommendation 3

SDPD

As the primary department administering the City's towing program, the San Diego Police Department (SDPD) should solicit, compile, and report information to City Council on potential policy options for the towing program. SDPD should solicit, compile, and report information from stakeholder departments, which may include, for example, information on:

- a. Alternative fee models, fee forgiveness options, and/or income-based payment plan options (City Treasurer's Office);
- b. Policy options to mitigate potential impacts on residents or segments of resident populations (Homelessness Strategies and Solutions; Office of Race and Equity);
- c. Legal considerations associated with policy options (Office of the City Attorney);
- d. Potential changes to towing and impound provider contracts (Purchasing and Contracting); and
- e. Enforcement considerations associated with policy options including options for increasing enforcement based on complaint trends, safety considerations, or other factors, as well as enforcement alternatives to towing (SDPD).

SDPD should incorporate the input from stakeholder departments in future towing program updates to City Council, consistent with the reporting frequency set forth in Recommendation 1. (Priority 2)

In Process – Past Due

This recommendation is in process. Although SDPD disagreed with this recommendation, the Audit Committee, at Councilmember Whitburn's request, redirected responsibility for taking the lead on analyzing and reporting on potential revisions to the City's towing policies to Councilmember Whitburn's office.

Councilmember Whitburn and his office have discussed potential policy options with SDPD, the City Attorney's Office, and other stakeholders. Additional discussions are required to help ensure any policy revisions align with State law and reflect the perspectives of the many stakeholders on this issue. In addition, presentation of final policy options likely cannot occur until SDPD implements Recommendation #1, which is for SDPD to present an annual report on various operational and financial aspects of the Towing Program. As discussed above, SDPD indicates that it will present the recommended report in May 2025.

Task 1: Discuss potential policy options with the Office of the City Attorney, SDPD and other stakeholders.

Status: In process. Councilmember Whitburn's office has consulted with the Office of the City Attorney, SDPD, and other stakeholders. Additional discussions are required to identify options that align with State law and have stakeholder support.

Task 2: Draft proposed policy options and request review from the Office of the City Attorney and SDPD.

Status: In process pending potential changes in State law.

Task 3: Finalize proposed policy options incorporating feedback from SDPD and the Office of the City Attorney and present the proposed options to the Public Safety Committee and the City Council.

Status: Not complete.

Issue Date: November 14, 2022

Original Target Date: Disagree

Current Target Date: Unknown

Recommendation 4

SDPD

The San Diego Police Department should continue to conduct quarterly performance evaluations for its licensed towing and impound contractors and submit these forms to the Purchasing and Contracting Department for monitoring. (Priority 2)

In Process – Past Due

This recommendation is in process. According to the department, the following steps are necessary to achieve full implementation:

Step 1 is to visit each of the thirteen contracted tow providers. A written evaluation will be completed for each tow provider during the first step.

Step 2 will be to provide those evaluations to the Purchasing and Contracting Department.

Status: According to SDPD, evaluations of contracted tow providers were not performed for the time period between July 1, 2023 and January 1, 2024. This was in part due to multiple personnel changes, the new RFP process for LTPs and LIPs, a delay in finalizing the tow contracts by Purchasing and Contracting, and the inability of the contracted tow dispatch provider to update their system with the new contracted tow companies. SDPD submitted FY2024 Q4 Evaluations to the Office of the City Auditor. Additional evaluations will be submitted in the coming quarters. The new target timeframe for completing the next three evaluations is March 1, 2025.

Issue Date: November 14, 2022

Original Target Date: Implemented

Current Target Date: ~~Unknown~~ ~~May 2024~~ March 2025

Performance Audit of the San Diego Housing Commission’s Homelessness Services Contract Management

23-07
(JP) (AR)

Contractors perform many of the City’s homelessness services, such as operating storage centers, rapid re-housing programs, shelters, transitional housing, permanent supportive housing, safe parking, and outreach. These contracts are mostly administered by the San Diego Housing Commission (SDHC). In our [Performance Audit of the San Diego Housing Commission’s Homelessness Services Contract Management](#), we found:

Finding 1: SDHC follows its policies and procedures for contract procurement, but can improve its process to identify sole sourced contractors’ potential conflicts of interest.

Finding 2: SDHC ensures contracted homelessness services programs follow best practices through contract design, ongoing administration, and compliance monitoring.

Finding 3: The City lacks documented processes for repairs at City-owned or leased homelessness facilities, causing persistent unsafe and unsanitary conditions at some locations.

No.	Department	Recommendation Status	Resources Required	No Update Provided
1.1	San Diego Housing Commission	Previously Implemented (June 2023)		
1.2	San Diego Housing Commission	Newly Implemented		
3.1	Homelessness Strategies & Solutions	Previously Implemented (December 2023)		
3.2	Homelessness Strategies & Solutions	Previously Implemented (December 2023)		

Recommendation 1.2*San Diego Housing Commission*

When the San Diego Housing Commission next updates its Statement of Procurement Policy, it should require Statements for Public Disclosure for sole source contracts in accordance with its Conflict of Interest Policy. (Priority 2)

Newly Implemented

This recommendation is implemented. The San Diego Housing Commission updated its Statement of Procurement Policy to require Statements for Public Disclosure for sole source contracts. The new policy was approved by both the SDHC Board of Commissioners and the Housing Authority of the City of San Diego.

Issue Date: March 2, 2023

Original Target Date: February 2024

Fraud Hotline Report of Unsafe Driving by City Employees

23-08
(AH) (GR)

The City, its employees, and the public are placed at risk when employees drive unsafely. Our [Fraud Hotline Report of Unsafe Driving by City Employees](#) determined that City Management should take additional steps to increase accountability when City staff are determined to be at fault in vehicle accidents, and more fully utilize existing technology and policies to prevent accidents. Specifically, our investigation concluded:

Conclusion 1: Required reviews of unsafe driving data appear to be rare.

Conclusion 2: Numerous recent City vehicle accident investigations were never completed.

Conclusion 3: New City employees who drive on City business are required to review some, but not all City driving policies.

Conclusion 4: Enhancements to the vehicle telematics system could streamline the review process.

No.	Department	Recommendation Status	Resources Required	No Update Provided
1	Chief Compliance Officer	Disagree (Audit Committee Requested Action)		
2	Chief Compliance Officer	In Process – Past Due		
3	Chief Compliance Officer	Newly Implemented		
4	Chief Compliance Officer	Disagree (Audit Committee Requested Action)		

Recommendation 1*Chief Compliance Officer*

We recommend that the Chief Operating Officer establish procedures to ensure that supervisors routinely review vehicle telematics data in order provide proactive, timely, and efficient training and/or disciplinary action to unsafe City drivers. These review procedures should be documented, coordinated, and monitored for compliance. (Priority 1)

Disagree (Audit Committee Requested Action)

Notwithstanding Management's "disagree" response, it appears that they agreed with the intent of our recommendation, which was to ensure that reviews of vehicle telematics data are conducted. At the Audit Committee meeting on April 10, 2024, the committee unanimously approved a motion stating, "The Audit Committee requests the Compliance Department to provide updates, through the City Auditor's recommendation follow-up process, on the alternative approach they plan to take on Recommendations 1 and 4, as outlined in their management response."

According to the department, in May of 2024, the Compliance Department hired a Program Coordinator to develop a program and policy for the telematic data derived from the GeoTab system. Compliance will work with the City Attorney's Office, affected departments, and Human Resources in order to draft a policy with the goal of increasing safe driving behaviors in City drivers based on GeoTab data. The policy draft is anticipated to be completed in early 2025.

Issue Date: April 17, 2023

Original Target Date: Disagree

Current Target Date: Unknown March 2025

Recommendation 2*Chief Compliance Officer*

We recommend that the Chief Operating Officer review the circumstances surrounding the 39 instances of vehicle and industrial incident review, reporting, and disciplinary process failures over the past five fiscal years to determine the root causes of the problems and ensure that the necessary corrective actions are taken, to include additional training, policy changes, or other necessary actions. (Priority 3)

In Process - Past Due

This recommendation is in process. According to the department, the following tasks are necessary to achieve full implementation:

Task 1: Compile Data, determine any recommended actions.

Status: To be completed by August 1, 2024.

Task 2: Write memorandum for Management.

Status: Due to staffing issues, the memo is now anticipated to be completed by September 2024.

Issue Date: April 17, 2023

Original Target Date: December 2023

Current Target Date: ~~December 2023~~ ~~May 2024~~ September 2024

Recommendation 3

Chief Compliance Officer

We recommend that the Chief Operating Officer consider including a reference to Administrative Regulation 75.05, regarding unsafe backing, and any other relevant City policies, to the new City employee policy orientation curriculum. (Priority 3)

Newly Implemented

This recommendation has been implemented. The recommended additional safe driving policies are required to be reviewed by all new employees with a hire date of April 1, 2024 or later.

Issue Date: April 17, 2023

Original Target Date: August 2023

Recommendation 4

Chief Compliance Officer

We recommend that the Chief Operating Officer conduct a cost-benefit analysis regarding additional vehicle telematics technology, such as driver identification, automated training assignments, camera systems, and other solutions to proactively and efficiently increase driver safety, and implement the solutions indicated by the analysis. Priority should be placed on addressing City drivers who have demonstrated a pattern of high-risk driving behaviors in the past. (Priority 2)

Disagree (Audit Committee Requested Action)

Notwithstanding Management's "disagree" response, they have agreed to conduct a cost-benefit analysis related to potential enhancements to the new telematics technology; this is the essence of what we are recommending. At the Audit Committee meeting on April 10, 2024, the committee unanimously approved a motion stating, "The Audit Committee requests the Compliance Department to provide updates, through the City Auditor's recommendation follow-up process, on the alternative approach they plan to take on Recommendations 1 and 4, as outlined in their management response."

According to the department, in May of 2024, the Compliance Department hired a Program Coordinator to develop a program and policy for the telematic data derived from the GeoTab system. Compliance will work with the City Attorney's Office, affected departments and Human Resources in order to draft a policy with the goal of increasing safe driving behaviors in City drivers based on GeoTab data. The policy draft is anticipated to be completed in early 2025. At minimum, it is anticipated that one year's worth of data from the new policy and procedures will be required in order to analyze any future benefits from additional telematic technology.

Issue Date: April 17, 2023

Original Target Date: Disagree

Current Target Date: Unknown

Performance Audit of the City’s Capital Improvement Project Approval Process

23-09
(GT) (DK)

One of the biggest hurdles to completing capital improvement projects within estimated costs is conducting sufficient planning and creating a realistic funding plan, particularly because the City has significantly more asset needs than available funding. In our [Performance Audit of the City’s Capital Improvement Project Approval Process](#), we found:

Finding: The City has frequently approved CIP projects prematurely, which likely contributed to significant project cost overruns and much longer project timelines.

No.	Department	Recommendation Status	Resources Required	No Update Provided
1.1	Engineering & Capital Projects	In Process – Past Due		
1.2	Engineering & Capital Projects	In Process – Past Due		
1.3	Engineering & Capital Projects	In Process – Past Due		

Recommendation 1.1

Engineering & Capital Projects

The Engineering & Capital Projects Department (E&CP) and the Department of Finance (DoF), as co-chairs of CIPRAC, should formalize the Preliminary Engineering (P) project phase to provide sufficient time and funding to scope a newly approved CIP project and create an accurate cost estimate and achievable funding strategy. The two departments should lead the effort to either revise an existing and relevant Council Policy, such as Council Policy 000-02, or draft and seek approval of a new Council Policy to require all new projects to start as P-projects unless E&CP and DoF can verify that the new project is “project ready” (i.e., has addressed the elements listed in A. i, ii, iii, and iv below.). The two departments should also ensure supporting process narratives, such as PN-0213, are updated to conform with the new or revised Council Policy.

- a. The new P-project policy should establish stage gates within the P-project phase that will not allow a project to progress past the P-project phase without certain key elements that, based on E&CP and DoF’s assessment, would ensure a project is “project ready.” E&CP and DoF, as applicable, should define and require the following elements:
 - i. A well-defined project scope;
 - ii. Reasonably accurate total project cost estimates;
 - iii. A realistic funding plan/strategy; and
 - iv. Sufficient preparation for land acquisition and permitting, if applicable. (Priority 2)

In Process – Past Due

This recommendation is in process. E&CP has developed a revised Process Narrative for initiating new CIP projects and is currently going through the final internal control reviews before being published on CityNet. Per the recommendation, the revised Process Narrative specifies how a Preliminary (P) project becomes “project ready,” which includes having a clearly defined scope, high-level cost estimate based on defined scope of work, viable funding plan, and identified environmental or land acquisition requirements. E&CP anticipates completing this process by the end of the next recommendation follow-up cycle (December 31, 2024).

Issue Date: June 1, 2023

Original Target Date: June 2024

Current Target Date: ~~June 2024~~ December 2024

Recommendation 1.2

Engineering & Capital Projects

The Engineering & Capital Projects Department (E&CP) and the Department of Finance (DoF), as co-chairs of CIPRAC, should work to establish standardized project delivery timelines for projects that have completed the P-project phase and reassess these timelines on a regular basis. (Priority 2)

In Process – Past Due

This recommendation is in process. E&CP’s newly created Project Standard Duration guidance document provides standard timelines for utility pipelines, parks, facilities, and transportation CIP projects. According to the guidance document, it is meant to be a high-level estimation of how long it takes for different types of projects to be completed after they have been included in the annual budget and funding is received. As such, the guidance document will help set realistic expectations for stakeholders as to how long specific types of CIP projects will take to complete. E&CP has indicated that it intends to post this guidance document on its website to ensure convenient stakeholder access for this information.

Issue Date: June 1, 2023

Original Target Date: June 2024

Current Target Date: ~~June 2024~~ December 2024

Recommendation 1.3*Engineering & Capital Projects*

CIPRAC should review all S-projects approved prior to the rollout of the P-project initiative in 2018, with a special focus on inactive projects, to assess whether projects are still feasible and whether they still align with the City's goals, needs, expectations, funding plan/strategy, and the requirements of the newly adopted Council Policy 800-14. Once CIPRAC has identified S-projects that do not meet these elements, the committee should develop and present a proposal to the City Council for E&CP to either recategorize such projects as P-projects or request cancellation of such projects. (Priority 2)

In Process – Past Due

This recommendation is in process. According to E&CP, the department has begun evaluating S-projects approved prior to the rollout of the P-project initiative in 2018 to identify projects that should either be recategorized or cancelled. However, the evaluation will ultimately not be ready for City Council review and approval until calendar year 2025. The results of the November election will impact the funding strategies that can be put into place for the entire CIP program, which will necessitate the reevaluation of the full project pool that moves forward to completion. This effort is still underway.

Issue Date: June 1, 2023

Original Target Date: June 2024

Current Target Date: ~~June 2024~~ February 2025

Performance Audit of the City’s Brush Management on City-Owned Land

24-01 (NO) (MS) (KE)

In areas adjacent to structures and dwellings, brush management is used to create a defensible space that provides protection from an approaching wildfire and minimizes the spread of a structure fire to wildlands or surrounding areas. In our [Performance Audit of the City’s Brush Management on City-Owned Land](#), we found:

Finding 1: The City lacks comprehensive brush management oversight, causing inconsistent and potentially ineffective brush management efforts by some departments with significant amounts of land in Very High Fire Hazard Severity Zones.

Finding 2: The Parks and Recreation Department Open Space Division has a program to perform regular and effective brush management; however, the City should implement a more coordinated approach to ensure other high fire risk City-owned lands undergo regular brush management.

No.	Department	Recommendation Status	Resources Required	No Update Provided
1.1	Chief Operating Officer	In Process – Not Due		
1.2	Fire-Rescue	In Process – Past Due		
2.1	Chief Operating Officer	In Process – Not Due		
2.2	Chief Operating Officer	In Process – Past Due		
2.3	Parks & Recreation	In Process – Not Due		
2.4	Parks & Recreation	In Process – Past Due		
2.5	Parks & Recreation	In Process – Past Due		

Recommendation 1.1*Chief Operating Officer*

To improve accountability for brush management on City-owned land, the Chief Operating Officer should adopt and implement an Administrative Regulation that:

- a. Requires the Fire-Rescue Department (Fire-Rescue) to identify and maintain information on the location of lands managed by City departments subject to brush management regulations, and to distribute this information to the relevant City departments; and
- b. Establishes policies and procedures (e.g., requiring the development of periodic workplans with relevant brush management goals, and submittal of these workplans to Fire-Rescue) for Fire-Rescue to proactively monitor City-owned land for compliance with brush management regulations, evaluate the work performed, and provide a publicly-available report of the outcomes to City Council and the Chief Operating Officer. (Priority 1)

**In Process – Not Due**

This recommendation is in process. The department has begun identifying land managed by the City and subject to brush management regulations. For example, the department provided maps for 11 City libraries (including the map of a site for a proposed library) that shows land managed by the City and subject to brush management regulations.

As of the last reporting period, the department indicated the following tasks are necessary to achieve full implementation:

Task 1: Adopt Administrative Regulation
COO

Task 2: Identify and maintain information on the location of lands managed by City departments subject to brush management regulations and distribute it to relevant City Departments. A Geotechnical Information Systems Technician under the direction of the Program Manager and Deputy Chief/Fire Marshal of San Diego Fire-Rescue will create a self-certification tool and portal for defensible space requirements in 2024.

In 2023, a general ArcGIS map was created to identify City-owned land, which is available on the department's website. Successfully implementing this new program will be contingent upon resources (budgeted positions). A concept was developed for the self-certification process, but it is ongoing.

The department hopes to have it completed mid FY25.

Task 3: Conduct a Resource Analysis

The resource analysis was completed. The analysis was focused on meeting the audit recommendations after a review of the Oakland and Santa Barbara Fire Department's programs.

Task 4: Hire and train new resources to oversee the program.

The resources were identified in the Audit Response memo and incorporated into the FY25 budget adjustment.

Task 5: Establish policies, procedures, and work plans. Distribute information and evaluate work performed. Provide a publicly available report of outcomes.

Program Manager and Wildfire Mitigation Specialists: The resources were identified in the Audit Response memo and incorporated into the FY25 budget adjustment.

The Fire-Rescue Department is utilizing the City-owned land GIS Map provided by the OCA team. The map and Brush Complaint Process were incorporated into its website: <https://www.sandiego.gov/fire/services/brush>. The Community Risk Reduction Division just went live with the department's new Fire Inspection Software for inspecting buildings. The department is now in discussions about a Defensible Space/Brush Management Self-Certification tool for City-owned land and private land. Information regarding brush management can be distributed through this system via a portal.

For the Fire-Rescue Department to fulfill Recommendation 1.1b, it is contingent up-on an adopted and implemented Administrative Regulation and resources. The department does not have the staffing and resources to fulfill this recommendation. A Fire Battalion Chief (Program Manager), a Geo-Technical Information Systems Technician 2, and Wildfire Mitigation Specialists were part of the resource analysis to meet this recommendation.

The department stated that it already identified some points of contact for brush management of City-owned land and will continue to update these in the event names change.

Target Implementation Date: Fiscal Year 2025 (contingent upon resource allocation)

Issue Date: July 17, 2023

Original Target Date: June 2025

Current Target Date: June 2025

Recommendation 1.2*Fire-Rescue*

The Fire-Rescue Department (Fire-Rescue) should conduct a resource analysis to determine whether it needs additional resources to proactively monitor City-owned lands for compliance with defensible space regulations. Once the analysis is completed, Fire-Rescue should present it to appropriate Council bodies, such as the Public Safety Committee, and make a commensurate request for additional resources during the City's budget process. (Priority 2)

**In Process – Past Due**

This recommendation is in process. Fire-Rescue conducted a resource analysis to determine whether it needs additional resources to proactively monitor City-owned land for compliance with defensible space regulations. Fire-Rescue determined that it needs 5 additional positions, which include an information systems analyst, wildfire program manager and supervisor, and two wildfire mitigation specialists to proactively monitor City-owned land for compliance with defensible space regulations.

Issue Date: July 17, 2023

Original Target Date: June 2024

Current Target Date: June 2024 Unknown

Recommendation 2.1*Chief Operating Officer*

The Chief Operating Officer should direct the Parks and Recreation Department Open Space Division to incorporate paper streets which require brush management, and that are within or adjacent to land managed by the Open Space Division, into its brush management schedule and program. A Service Level Agreement, Internal Order, or similar re-imbusement mechanism should be established if/as appropriate. (Priority 1)

**In Process – Not Due**

This recommendation is in process. According to the department, the following tasks are necessary to achieve full implementation:

Task 1: Parks and Recreation met with the Transportation Department to establish brush management acreage to be consolidated.

Status: Completed November 2023.

Task 2: Parks and Recreation requested funding through the FY2025 process, which was not approved in June 2024.

Status: Parks and Recreation will request funding via the FY2026 budget process ending June 2025. A draft service level agreement is planned for December 2024.

During the FY2025 budget process, the Parks and Recreation Department Open Space Division requested funding to include an additional 83 acres annually that would incorporate the remaining Parks and Recreation divisions and 97 acres annually

identified on Transportation Department's parcels. However, funding for FY25 was not approved via the budget process. The Transportation Department and Parks and Recreation divisions, other than Open Space, will continue with their current level of service which is on an as-needed or complaint-driven basis.

In preparation for the FY2026 budget process, the Parks and Recreation Department Open Space Division will again request funding to incorporate the additional acreage. In anticipation of this, the Open Space Division will continue to work on the preparation of a draft Service Level Agreement (SLA) with the Transportation Department. The SLA draft is anticipated to be shared with the Transportation Department in the 1st Quarter of FY2025, with initial feedback projected to occur during the 2nd Quarter.

Issue Date: July 17, 2023

Original Target Date: June 2025

Current Target Date: June 2025

Recommendation 2.2

Chief Operating Officer

To ensure consistent and effective brush management across all City-owned land, the Chief Operating Officer should consider consolidating brush management responsibilities to the extent operationally and fiscally possible. OCA believes that the Parks and Recreation Department's Open Space Division is best positioned to expand its operations to achieve mandated brush management objectives. However, our assessment does not preclude other approaches that achieve the same objectives. A Service Level Agreement, Internal Order, or similar reimbursement mechanism should be established if/as appropriate. (Priority 2)



In Process – Past Due

This recommendation is in process. According to the department, the following tasks are necessary to achieve full implementation:

Task 1: All departments with City-owned land should identify acreage to be consolidated into the Parks and Recreation Brush Management Program or develop their own proactive program.

Status: All departments continue to meet on a quarterly basis to determine required acreage and method to achieve this recommendation. Completion planned for June 2025 pending identified funding.

This recommendation remains in process: As a result of scheduled Quarterly Brush Management Department meetings, the departments identified in the audit as having brush management responsibility have made significant progress in determining their consolidation of their acreage or creating their own internal program. Below is a list of the departments and what action each have decided to take to provide consistent and effective brush management.

- Parks and Recreation Department:
 - Identified all brush management acres for the entire department.
 - Will internally maintain all acreage when fully funded through the budget process.
- Public Utilities Department:
 - Currently working with a consultant to determine acreage.
 - Will be developing their own internal program.
- Transportation Department:
 - Identified all brush management acres for the entire department.
 - Requested consolidation into Parks and Recreation Department's Brush Management Program when fully funded through the budget process.
- Economic Development Department (consolidated Real Estate):
 - Currently working to review parcel layers and list of properties.
 - Decision pending to keep internal or consolidate to Parks and Recreation.
- Environmental Services Department:
 - Currently working to review parcel layers and list of properties.
 - Currently ongoing and will maintain internal to the department.
- Police Department:
 - Currently working to review parcel layers and list of properties.
 - Requested consolidation into Parks and Recreation Departments Brush Management Program when fully funded through the budget process.
- Stormwater Department:
 - Currently working to review parcel layers and list of properties.
 - Will be developing their own internal program.
- Fire-Rescue Department:
 - Currently working to review parcel layers and list of properties.
 - Decision pending to keep internal or consolidate to Parks and Recreation.
- Library Department:
 - Currently working to review parcel layers and list of properties.
 - Likely to develop their own internal program.

In preparation for the FY2026 budget process, the Parks and Recreation Department Open Space Division will again request funding to incorporate the additional acreage. In anticipation of this, the Open Space Division will continue to work on the preparation of a draft Service Level Agreement (SLA) with the Transportation Department. The SLA draft is anticipated to be shared with the Transportation Department in the 1st Quarter of FY2025, with initial feedback projected to occur during the 2nd Quarter. This process will be replicated for those departments that choose to consolidate in the Parks and Recreation Department's program.

Issue Date: July 17, 2023

Original Target Date: May 2024

Current Target Date: ~~May 2024~~ June 2025

Recommendation 2.3

Parks & Recreation

Departments with significant brush management responsibilities, such as, but not limited to, the Parks and Recreation Department, Transportation Department, Public Utilities Department, and Fire-Rescue Department, should establish regular periodic meetings to help facilitate and coordinate brush management work and resources. (Priority 3)



In Process – Not Due

This recommendation was originally reported as implemented by the department. However, after OCA review, we have determined it to be in process. This recommendation requires evidence of coordination meetings involving at least Parks & Recreation, Transportation, Fire-Rescue, and PUD being held over at least four consecutive quarters. During the last reporting period, OCA staff reviewed the Brush Management Quarterly Meeting Agenda for December 11, 2023, and verified that the agenda provided evidence of one of the four required meetings.

During this reporting period, OCA staff reviewed the Brush Management Quarterly Meeting Agendas and Records of Attendance for meetings which occurred on March 11, 2024 and June 10, 2024. This evidence showed that the applicable departments were in attendance and that brush management topics such as City department property ownership updates and department contacts were discussed. Therefore, evidence of one more meeting is required to deem this recommendation as implemented. The next Brush Management Quarterly Meeting is scheduled for September 9, 2024; this recommendation will be implemented in September 2024 if this scheduled meeting is held.

Issue Date: July 17, 2023

Original Target Date: June 2025

Current Target Date: ~~June 2025~~ September 2024

Recommendation 2.4
Parks & Recreation

To monitor the effectiveness of contractors' brush management work, the Parks and Recreation Department (Parks and Rec) should:

- a. Obtain input from other departments who also use Parks and Rec's contractors to perform brush management, such as the Transportation Department; and
- b. Continue to conduct quarterly performance evaluations and submit these forms to the Purchasing and Contracting Department for monitoring. (Priority 3)

In Process – Past Due

This recommendation was originally reported as implemented by the department. However, after OCA review, we have determined it to be in process. Evidence of Parks & Recreation requesting input from the Transportation Department for two additional quarters of contractor evaluations is required to deem the recommendation as implemented.

For this reporting period, Parks & Recreation provided evidence of its and Transportation's contractor evaluations for FY2024 Q4. OCA verified the evaluations were for the appropriate brush management contractor, Aztec Landscaping, and were approved by Parks & Recreation and Transportation Department staff.

Issue Date: July 17, 2023

Original Target Date: June 2024

Current Target Date: ~~June 2024~~ March 2025

Recommendation 2.5
Parks & Recreation

The Parks and Recreation Department (Parks and Rec) should conduct a resource analysis to determine whether it needs additional resources to perform brush management activities on paper streets and potentially other lands managed by other departments. Once the resource analysis is completed, Parks and Rec should present it to the appropriate Council bodies, such as the Public Safety Committee, and make a commensurate request for additional resources during the City's budget process. (Priority 2)


In Process – Past Due

This recommendation is in process. According to the department, the following tasks are necessary to achieve full implementation:

Task 1: The Parks and Recreation Department will complete a resource analysis to determine need for additional resources.

Status: The Parks and Recreation Department continues to evaluate the need for resources as departments consolidate their brush management. Completion planned for June 2025.

Task 2: Parks and Recreation will present request for additional resources at the appropriate Council bodies.

Status: The Parks and Recreation Department will docket this item by March 2025.

This recommendation remains in process: In preparation for the FY2026 budget process, the Parks and Recreation Department Open Space Division will again request funding to incorporate the additional acreage based on the previous analysis for the FY2025 budget request. As departments incorporate their acreage into the Parks and Recreation Brush Management Program, the methodology to calculate per acreage price will be used to establish future budget requests. Utilizing the current Parks and Recreation Brush Management Contract, we calculated the per acreage cost and added the projected consumer price index for the next five fiscal years. This assisted in determining the funding needed to add the additional 180 acres annually.

As acreage increases program capacity, additional staffing has been identified as needed to implement the required environmental and mapping needs. Adding an additional 180 acres to Parks and Recreation's programs, increases its program by nearly 30%. Based on the current Parks and Recreation staffing levels, we identified an additional Biologist III position would be needed to complete the mandated environmental surveys and reporting. In addition, a Geographical Information Systems Analyst would be required to create the appropriate mapping locations, tracking of work assigned, and completed.

The Parks and Recreation Department will docket this item to be heard at the appropriate committee by end of Quarter 3 of FY2025.

Issue Date: July 17, 2023

Original Target Date: June 2024

Current Target Date: ~~June 2024~~ March 2025


Performance Audit of the City’s Classified Employee Hiring Process

24-02
(CN) (NT)

The City has operated with an elevated employee vacancy rate perpetuated by the length of time it takes to hire. We conducted a [Performance Audit of the City’s Classified Employee Hiring Process](#) to determine whether changes to the City’s hiring process and Civil Service Rules would increase the efficiency and effectiveness of the hiring process for classified employees. We found:

Finding 1: The City Administration should take a more active role in monitoring and advocating for efficiency in the classified hiring process, which took approximately 9 months to complete on average.

Finding 2: The Personnel Department can better balance its focus on fairness in hiring with efficiency by streamlining Personnel regulations and practices.

No.	Department	Recommendation Status	Resources Required	No Update Provided
1.1	Chief Operating Officer	Newly Implemented		
1.2	Human Resources	In Process – Past Due		
1.3	Personnel	In Process – Past Due		
1.4	Human Resources	In Process – Past Due		
1.5	Personnel	Previously Implemented (December 2023)		
1.6	Human Resources	In Process – Not Due		
1.7	Personnel	In Process – Not Due		
1.8	Personnel	Newly Implemented		
2.1	Personnel	Previously Implemented (December 2023)		
2.2	Personnel	In Process – Not Due		
2.3	Personnel	Newly Implemented		
2.4	Personnel	In Process – Past Due		

Recommendation 1.1*Chief Operating Officer*

The Chief Operating Officer should designate a central point of oversight and coordination for hiring departments' hiring of classified employees. The designated party should be responsible for overseeing, monitoring, and reporting on the hiring timeline and hiring initiatives, and advocating for hiring improvements within the City Administration as well as the Personnel Department. (Priority 2)

Newly Implemented

This recommendation is implemented. The Human Resources Department provided a job description that included reference to most of the elements of the job required in the recommendation. The department also provided evidence that the job had been filled.

Issue Date: July 18, 2023

Original Target Date: January 2024

Recommendation 1.2*Human Resources*

The City Administration's central point of oversight and coordination should collect data on the key phases in the hiring process by department (for all City departments) and report that data to a City Council committee and the Civil Service Commission on a regular basis, at least annually. The City Administration should share this information, as well as where each position is in the hiring process, with City departments through a dashboard or other accessible means so department directors may conduct regular monitoring. The key phases in the hiring process timeline reported on could include, but not be limited to, the following:

- a. Vacancy date to date requisition submitted to the Personnel Department;
- b. Date requisition submitted to the Personnel Department to date list of eligible candidates is provided to the department;
- c. Date list of eligible candidates is provided to the department to date the department began interviewing candidates;
- d. Date the department began interviewing candidates to date the department made the conditional offer for the position; and
- e. Date the department made the conditional offer to candidate's first day in the position. The City Administration should also set goals for each timeframe in the hiring process, similar to the federal government's Office of Personnel Management. Development of this dashboard or other tracking system and timeframe should involve input from the Personnel Department. (Priority 2)

In Process – Past Due

This recommendation is in process. According to the department, the implementation of this recommendation is contingent upon the procurement of an enhanced Applicant Tracking System (ATS). The Personnel Department, in consultation with the Human Resources Department and IT, will be reopening an RFP to solicit bids from ATS vendors in the second half of calendar year 2024.

Issue Date: July 18, 2023

Original Target Date: Unknown

Current Target Date: December 2025

Recommendation 1.3

Personnel

The Personnel Department should work with the City Administration to establish a method to regularly provide information on the hiring timeline to the Administration, such as through providing read-only access to NEOGOV or periodic custom reporting that meets the Administration's needs. The Personnel Department should participate in the creation of any tracking systems or processes necessary to allow the Administration to implement Recommendations 1.2 and 1.6. (Priority 2)

In Process – Past Due

This recommendation was originally reported as implemented by the department. However, after OCA review, we have determined it to be in process. As shown in Task 1, below, Personnel reported it has provided read-only access to NEOGOV to select City officials, which is a significant step toward implementation. However, as shown in Task 2, below, Personnel reported it is still working to develop a way to track key dates in the hiring timeline.

According to the department, the following tasks are necessary to achieve full implementation:

Task 1: Provide NEOGOV read access with appropriate security roles to select employees in City Administration to perform hiring analytics (e.g., PandA, HR).
Status: Employees in HR and PandA were granted NEOGOV read access in July 2023.

Task 2: Identify how to track interview results, conditional offer dates, and close out hiring process in OHC. Obtain input from City Administration and update training guides.
Status: In collaboration with Partners in Public Innovation, identified potential solutions and will be piloting with Outstation departments in September 2024.

Task 3: Continue to send Monthly Vacancy Report with status of requisitions and hiring process status for vacancies to the City Administration. Add data points as needed.

Status: Added a Summary tab to the Monthly Vacancy Report showing the status of all vacancies. For the Citywide Monthly Vacancy Report data is also broken down by Personnel Area.

Task 4: Provide the monthly Vacancy Rate for the City's budgeted/standard hour positions to requesters as needed.

Status: A Citywide ad hoc Spinifex report has been created in SAP to report vacancy rates.

Issue Date: July 18, 2023

Original Target Date: December 2023

Current Target Date: December 2023 Unknown

Recommendation 1.4

Human Resources

The City Administration should establish a policy to determine, at least annually, if there are administrative requirements or other barriers contributing to the length of time phases of the hiring process take, such as the time to submit a requisition or the complex nature of the applicant tracking system, and propose changes to City practices, Personnel Regulations, or Civil Service Rules to make the process more efficient and effective. (Priority 2)

In Process – Past Due

This recommendation is in process. According to the department, the City Administration currently has a contract with a consultant who is comprehensively reviewing the classified hiring process. As part of their scope, they will evaluate whether there are administrative requirements or other barriers contributing to the length of time the classified hiring process takes. The consultant's deliverables are due no later than January 2025; thereafter, City Administration will partner with the Personnel Department/Civil Service Commission to implement any necessary changes. Once implemented, the City Administration's central point of oversight and coordination noted in Recommendation 1.1 will continuously monitor the length of time for the hiring process to ensure it is optimized, as noted in Recommendation 1.2.

Issue Date: July 18, 2023

Original Target Date: Unknown

Current Target Date: December 2025

Recommendation 1.6*Human Resources*

The City Administration should facilitate sharing information across departments to allow hiring departments to expedite the hiring process, including but not limited to the following:

- a. Provide information to the Personnel Department so it can create a centralized bank of job analyses, job factors, and interview questions for all departments to access;
- b. Require departments to begin assembling the interview packet and interview panel once they submit the requisition to the Personnel Department, while they wait for the list of applicants;
- c. Require departments to record the results of their interviews and candidate ratings electronically in a centralized location;
- d. Report on the overall percent of candidates interviewed from applicant lists and the percent that fell into each category rating (highly qualified, qualified, and minimally qualified). As needed, break this percentage out by position or recruitment to demonstrate necessary changes to recruitments or identify recruitments that went well.
- e. Allow departments, if they wish, to see and consider other departments' candidate ratings (highly qualified, qualified, minimally qualified) when selecting who to interview for their vacant position;
- f. Require departments to close certifications in NEOGOV once the position has been filled. If the position is not filled within 2 years, the maximum amount of time an eligible list is viable, the Personnel Department should systematically close the requisition in NEOGOV;
- g. Coordinate joint interviews for positions shared by multiple departments, if the departments wish; and
- h. Train departments on existing processes that may expedite the hiring process, including joint interviews, sharing interview results across departments, and transfer process options. (Priority 2)

In Process – Not Due

This recommendation is in process. According to the department, the implementation of this recommendation is contingent upon the procurement of an enhanced Applicant Tracking System (ATS). The Personnel Department, in consultation with the Human Resources Department and IT, will be reopening and RFP to solicit bids from ATS vendors in the second half of calendar year 2024.

Issue Date: July 18, 2023

Original Target Date: December 2025

Current Target Date: December 2025

Recommendation 1.7*Personnel*

The Personnel Department should create a centralized bank of job analyses, job factors, and interview questions for all departments to access. The Personnel Department should obtain input from the City Administration on how to develop and maintain this bank so that it is useful to hiring departments. (Priority 2)

**In Process – Not Due**

This recommendation is in process. According to the department, the following tasks are necessary to achieve full implementation:

Task 1: Evaluate need for additional positions to create and maintain centralized item bank.

Status: Planned for October 2025.

Task 2: Procure software license to create online item bank.

Status: Planned for October 2025.

Task 3: Create procedures on how to populate the centralized item bank along with policies related to access by hiring departments.

Status: Planned for October 2025.

This requirement was included as part of the Applicant Tracking System RFP that is being prepared.

Issue Date: July 18, 2023

Original Target Date: December 2024

Current Target Date: ~~December 2024~~ October 2025

Recommendation 1.8*Personnel*

The Personnel Department should identify any changes necessary to better facilitate joint interviews across hiring departments. The Personnel Department should obtain input from the City Administration on what is difficult about the current process and design a process that considers the Administration's input. The Personnel Department should implement these changes or propose changes to the Personnel Regulations or Civil Service Rules to the Civil Service Commission and/or the City Council for their consideration, as necessary. (Priority 2)

Newly Implemented

This recommendation is implemented. The Personnel Department developed and posted on the City's intranet site a guide on the process for conducting joint interviews. The Personnel Department reported that it had received feedback from hiring departments in developing the guide.

Issue Date: July 18, 2023

Original Target Date: December 2023

Recommendation 2.2*Personnel*

The Personnel Department should work with the City Administration to streamline the documents it requires departments and applicants to fill out. At minimum, the Personnel Department should:

- a. Make all of its existing forms easily fillable for departments or fillable in an online applicant tracking system;
- b. Reduce duplicative fields across forms or design forms that prepopulate already filled out fields across different pages to reduce duplicated effort;
- c. Minimize the number of documents departments must fill out per candidate for the interview process; and
- d. Ensure all documents clearly state that they can be submitted electronically with electronic signatures. (Priority 2)

In Process – Not Due

This recommendation was originally reported as implemented by the department. However, after OCA review, we have determined it to be in process. The department reported that Task 3, below, is a pilot program and has not been implemented Citywide.

According to the department, the following tasks are necessary to achieve full implementation:

Task 1: Identify which conditional offer and hire forms are required for new hires to complete, including federally mandated forms such as the W-4 and I-9, as well as custom City forms.

Status: Completed July 2024 and checklists are located on the City Intranet. <https://citynet.sandiego.gov/sites/default/files/newemployeeprocesschecklist.pdf> <https://citynet.sandiego.gov/sites/default/files/cs1523.pdf>

Task 2: Make appropriate forms electronically fillable and use clear language so that forms can be submitted electronically with e-signatures.

Status: Webforms have been created for pre-hire documents to allow candidates to submit electronically to department payroll specialists so they may submit Online PCRs before the candidate's start date: Personal Data Form, State and Federal tax forms, and statement job not covered by social security. https://www.sandiego.gov/sites/default/files/2024-07/new_hire_packet.pdf

Task 3: Identify the required/critical parts/documents of the interview process that should be required by the Appointing Authority.

Status: The department identified required vs optional forms, which is being piloted with the Library Department, Public Utilities Department, and Outstation departments, which started December 2023.

Issue Date: July 18, 2023

Original Target Date: December 2024

Current Target Date: December 2024

Recommendation 2.3*Personnel*

The Personnel Department should work with the City Administration to develop a hiring process overview and step-by-step guide that depicts the overall hiring process and details what forms must be sent by which specific party at each phase in the hiring process. The Personnel Department should obtain confirmation that the City Administration's point of contact agrees that the process guide is clear, understandable, up to date, and easy for all City stakeholders to locate. The Personnel Department should continue to provide educational outreach to hiring departments on the process, as it currently does, but with the recommended process overview and step-by-step guide. (Priority 2)

Newly Implemented

This recommendation is implemented. The Personnel Department created a hiring process overview and step-by-step guide. The guide is available on the City's intranet site and the department reported that it received input and review on the guide from the Library Department.

Issue Date: July 18, 2023

Original Target Date: December 2023

Recommendation 2.4*Personnel*

For classified not-sworn positions, the Personnel Department should create a background check, medical check, and drug and alcohol screening process that requires fewer steps and paperwork to be completed by the candidate for hire. For classified not-sworn positions, the Personnel Department should, at minimum:

- a. Review current medical check requirements and confirm with the City Administration that existing requirements for each classification or position still align with City needs. The Personnel Department and the City Administration should consider if provisional hiring, contingent upon the applicant attesting they can perform the necessary job functions and demonstrating as such during the probationary period on the job, would sufficiently mitigate risk for most job classifications and eliminate the need for most medical checks required by the City but not required by stipulations set by outside funding or grants.
- b. Review current drug and alcohol screening requirements and confirm with the City Administration that existing requirements for each classification or position still align with City needs and conform with California Assembly Bill 2188.
- c. Review the forms candidates need to fill out related to criminal history and drug use history and confirm with the City Administration the forms and the content on the forms still align with City needs.
- d. Review the fingerprinting process for background checks and determine if there is a streamlined method for candidates outside of the San Diego area to be fingerprinted for background checks without having to travel to the Personnel Department's fingerprinting machine.

The Personnel Department should present its findings and conclusions from these reviews to the Civil Service Commission and provide the City Administration the opportunity to present comments on those findings and conclusions as well.

If changes to the Personnel Regulations or Civil Service Rules are required to implement these recommendations, Personnel should propose the appropriate changes to the Civil Service Commission and the City Council, as necessary. (Priority 2)

In Process – Past Due

This recommendation is in process. According to the department, the following tasks are necessary to achieve full implementation:

Task 1: Review the background screening process and forms for ways to expedite and simplify the hiring process while adhering to state and federal laws.

Status: A change to the conviction record form was implemented, simplifying the process for candidates. Completed July 2024.

Task 2: Work with City Administration and the Office of the City Attorney to review the medical and drug and alcohol screening process.

Status: There is a meeting scheduled with the City's medical provider in August 2024 to discuss the medical examinations currently performed.

Task 3: Present any recommended changes to the Civil Service Rules and Personnel Regulations to the Civil Service Commission and City Council.

Status: Planned for January 2025.

Issue Date: July 18, 2023

Original Target Date: July 2024

Current Target Date: ~~July 2024~~ ~~December 2024~~ January 2025

Fraud Hotline Report of Purchase Order Approvals


24-03
(AH) (GR)

While most of the City’s purchase order transactions are routine, unanticipated events create a need to process purchase orders outside of the normal course of business. One type of non-routine purchase order is referred to internally as a “confirming purchase order.” We initiated a [Fraud Hotline Report of Purchase Order Approvals](#) after a City employee expressed a concern that the confirming memorandum process is being abused. Our investigation concluded that:

Conclusion 1: Confirming purchase order memos were used 240 times in fiscal year 2022 to make purchases totaling over \$4 million. While this is a small percentage of the City’s total contracting volume, this process is not defined in the San Diego Municipal Code. As a result, no dollar limits are set and no public disclosure is required.

Conclusion 2: Staff errors and poor planning created the need for most confirming purchase orders. Some purchases appeared to violate the City Charter and SDMC requirements. For example, a vendor was paid approximately \$2 million for services after their contract with the City had expired.

Conclusion 3: Four prior OCA reports recommended contract administration training and better purchase order monitoring that would likely reduce the need for confirming purchase orders, however eight recommendations from those reports dating back to 2015 have not been fully implemented.

No.	Department	Recommendation Status	Resources Required	No Update Provided
1	Purchasing & Contracting	In Process – Past Due		

Recommendation 1

Purchasing & Contracting

We recommend that the Purchasing and Contracting Department Director propose an amendment to the San Diego Municipal Code to define procedures for confirming purchase orders, and provide public disclosure of the approved purchase orders, such as reports to the City Council and/or online disclosures. The development of this proposal should consider including dollar limits for confirming purchase orders. (Priority 2)

In Process – Past Due

This recommendation is in process. The department has not provided an update since the recommendation was issued. OCA will continue to follow up during the next reporting period.

Issue Date: September 6, 2023

Original Target Date: May 2024

Current Target Date: ~~May 2024~~ Unknown

2023 High Risk Re-Review of the 2016 Audit of the City’s Programs Responsible for Improving Pedestrian Safety

24-04
(NO) (AR)

Due to the continued risk experienced by pedestrians in San Diego, OCA conducted a [High-Risk Re-Review of the key recommendations set forth in the 2016 Performance Audit of the City’s Programs Responsible for Improving Pedestrian Safety](#). We found that the City has maintained implementation of most recommendations from the 2016 audit, but some efforts should be expanded or updated. Specifically, we organized our findings into four main topics:

Topic 1: Transportation

The City should update its systemic safety program and expand reporting to ensure efficient and equitable use of resources.

Topic 2: Communications

The City should update its pedestrian safety communications plan to better ensure inclusive public engagement and outreach.

Topic 3: Monitoring & Evaluation

The City should expand evaluations and improve its website to increase public transparency and build support for Vision Zero projects.

Topic 4: Oversight & Management

The City should create a central coordination mechanism for Vision Zero efforts.

No.	Department	Recommendation Status	Resources Required	No Update Provided
1.1	Transportation	Newly Implemented		
1.2	Transportation	Newly Implemented		
2.1	Chief Operating Officer	Newly Implemented		
3.1	Transportation	In Process – Not Due		
3.2	Transportation	In Process – Not Due		
3.3	Communications & Transportation	Newly Implemented		
4.1	Chief Operating Officer	In Process – Not Due		
4.2	Chief Operating Officer	Newly Implemented		

Recommendation 1.1*Transportation*

The Transportation Department should annually report out on efforts to improve pedestrian safety made through either the high-crash or systemic safety analysis. Reporting should be publicly available and should include, but not be limited to:

- a. The number of severe injuries and fatalities;
- b. The number of each type of treatment;
- c. Mapped locations of crashes and treatments; and
- d. Analysis of locations of crashes and treatments in relation to the City's Climate Equity Index. (Priority 1)

Newly Implemented

This recommendation is implemented. Transportation updated its high-crash analysis to include an analysis of Climate Equity Index (CEI) scores and subsequently updated its Vision Zero website to include the CEI layer. Additionally, there are links to last year's accomplishments through the FY25 Budget Document and to the Capital Improvements Project (CIP) map, which shows the location and type of transportation-related projects. Finally, Transportation committed to collaborating with other departments on any additional comprehensive mapping efforts of mobility and pedestrian-safety assets.

Issue Date: October 30, 2023

Original Target Date: June 2024

Recommendation 1.2*Transportation*

The Transportation Department should complete an updated systemic safety analysis that identifies probable locations and applicable countermeasures that will improve traffic safety. (Priority 1)

Newly Implemented

This recommendation is implemented. Transportation completed an updated systemic safety analysis identifying location traits where crashes, including fatal crashes, are more likely to occur. The report also analyzes applicable countermeasures and their relative effectiveness.

Issue Date: October 30, 2023

Original Target Date: June 2024

Recommendation 2.1*Chief Operating Officer*

The Chief Operating Officer should coordinate relevant departments to develop an inclusive public engagement and outreach plan around mobility generally, specifically to include pedestrian safety. The plan should include:

- An update of the Vision Zero Communications Plan;
- Collaboration between operational departments;
- Work with community-based organizations;
- Guidance on translation and interpretation services around Vision Zero; and
- A focus on project-specific information and benefits of past projects. (Priority 2)

Newly Implemented

This recommendation is implemented. Staff updated the Vision Zero Communications Plan for FY2025 and identified specific projects they will be highlighting through social and traditional media. Additionally, the plan highlighted education and outreach on traffic signal upgrades, traffic calming, sidewalk projects, and streetlights, and staff provided examples of past work. The plan and communications with City staff detailed work with community-based organization on mobility and pedestrian safety. It also spells out strategies to increase outreach to Communities of Concern through attending community meetings and collaborate with nonprofit grant recipients to provide educational materials at community events. Finally, the plan calls to ensure language access by providing materials in multiple languages.

Issue Date: October 30, 2023

Original Target Date: Dependent on the allocation of additional resources

Recommendation 3.1*Transportation*

The Transportation Department should develop a policy for evaluating the impacts of the high-crash and systemic safety analysis programs. The policy should include steps to evaluate program effectiveness on the number of crashes, severe injuries, and fatalities, as well as interim outcomes, such as changes in vehicle speed and near-misses. Results of the evaluations should be made publicly available. (Priority 2)

**In Process – Not Due**

This recommendation is in process. The Transportation Department did not provide an update for this recommendation. Additional FTE for program evaluation was not allocated in the FY25 Adopted Budget.

Issue Date: October 30, 2023

Original Target Date: Dependent upon funding for additional positions

Current Target Date: Dependent upon funding for additional positions

Recommendation 3.2*Transportation*

The Transportation Department should evaluate large pedestrian-related infrastructure projects for at least the effect on speeds, volumes, and crash data. It should also consider evaluating for the effect on corridor travel time—including transit travel time—and change in volume on adjacent streets. Additionally, these evaluations should be posted on the City's website. (Priority 2)

**In Process – Not Due**

This recommendation is in process. The Transportation Department did not provide an update for this recommendation. Additional FTE for infrastructure project evaluation was not allocated in the FY25 Adopted Budget.

Issue Date: October 30, 2023

Original Target Date: Dependent upon funding for additional positions

Current Target Date: Dependent upon funding for additional positions

Recommendation 3.3*Communications*

The Communications Department should work with the Transportation Department to update the City's website to better communicate efforts to achieve Vision Zero. Updates should include, but not be limited to:

- a. Mapped locations and treatments from Recommendation 1;
- b. Progress on identified goals and strategies; and
- c. Project-specific information, such as dates, current status, and locations. (Priority 3)

Newly Implemented

This recommendation is implemented. The City updated the Vision Zero website to include a link to the FY25 Budget which lists upcoming projects and accomplishments, including speed signs, traffic calming, complete streets, and smaller-scale projects like pedestrian countdown timers and flashing beacons. The update also added a link to the City's CIP Project Map, which includes project-specific information, such as asset type, project status, and construction start date. The website is also more visually appealing, incorporating pictures of mobility-related projects.

Issue Date: October 30, 2023

Original Target Date: June 2024

Recommendation 4.1*Chief Operating Officer*

The Chief Operating Officer should create or assign a Vision Zero coordinator, or equivalent position. Staff tasks should include:

- a. Sharing information and coordinating departments on traffic safety issues;
- b. Conducting public engagement and outreach; and
- c. Supporting departments in analyzing traffic safety data. (Priority 2)

? In Process – Not Due

This recommendation is in process. The Transportation Department did not provide an update for this recommendation. Additional FTE for Vision Zero was not allocated in the FY25 Adopted Budget.

Issue Date: October 30, 2023

Original Target Date: Dependent on the allocation of additional resources

Current Target Date: Dependent on the allocation of additional resources

Recommendation 4.2*Chief Operating Officer*

In line with the draft Complete Streets Policy, the Chief Operating Officer should form an interdepartmental mobility governance group to provide oversight and ensure departmental collaboration on pedestrian-safety related projects. (Priority 2)

Newly Implemented

This recommendation is implemented. The City has conducted at least three interdepartmental Mobility Governance Workshops that includes Directors of the departments involved in pedestrian safety efforts along with representatives from Government Affairs and the Mayor's Office. Items discussed include the Vision Zero Coordinator position, the Vision Zero Communications Plan, grant opportunities and funding, and Vision Zero data. Therefore, this recommendation is considered implemented due to the oversight and collaboration provided by these ongoing meetings.

Issue Date: October 30, 2023

Original Target Date: December 2024

Agreed-Upon Procedures Related to the Central Stores Physical Inventory – Fiscal Year 2023

24-05
(RG)

The San Diego Municipal Code requires an annual inventory count of the Purchasing & Contracting Department’s Central Stores physical inventory. The [Agreed-Upon Procedures Related to the Central Stores Physical Inventory report for Fiscal Year 2023](#), conducted by Macias Gini & O’Connell (MGO), resulted in one recommendation that was a repeat of Recommendation #1 from the [FY2020 Agreed-Upon Procedures Related to the Central Stores Physical Inventory](#) report.

No.	Department	Recommendation Status	Resources Required	No Update Provided
1	Purchasing & Contracting	In Process – Not Due		

Recommendation 1

Purchasing & Contracting

MGO recommends that the Purchasing and Contracting Department consider procuring handheld devices that are compatible with the SAP inventory record module, or interface records between the SAP inventory record module and the local application used at the Chollas Store location. Handheld devices can be used to scan the barcodes that already exist on each stock item tag and will allow storekeepers to update inventory records in real-time for their inventory cycle counts provides more accurate and timely information regarding inventory record maintenance.

In Process – Not Due

This recommendation is in process and is repetitive of Recommendation 1 from the FY2020 Agreed-Upon Procedures Related to the Central Stores Physical Inventory report. According to the department, the contract was awarded on July 22, 2024, and the initial phase of implementation is underway. The vendor has had onsite visits and performed final assessments of current processes and workflows and will be providing a refined and finalized implementation timeline shortly. The initial order of handheld devices and printers should be arriving in August or September 2024 and the process of device access to network and security will run in parallel with the process of software integration to the current inventory and warehouse management modules being utilized by Central Stores. DoIT’s ERP team and Enterprise Applications Manager have been involved in this project from the beginning stages and do not foresee any issues at this time. The target timing implementation and utilization is still by the end of this calendar year.

Issue Date: November 13, 2023

Original Target Date: Unknown

Current Target Date: December 2024

Performance Audit of the City’s Street Maintenance Program

24-07
(MJ)

The quality of the City’s street network has been and continues to be a top priority among City residents and Councilmembers each year. Decades of underinvestment have degraded the quality of the street network. In our [Performance Audit of the City’s Street Maintenance Program](#), we found:

Finding 1: The Transportation Department uses many best practices for prioritizing street maintenance; however, these practices should be reflected in a public and comprehensive 5-year pavement management plan to increase public transparency and accountability.

Finding 2: The pavement management plan should also capture the Transportation Department’s efforts to address unimproved streets and alleys.

Finding 3: To ensure an optimal and cost-effective pavement management plan, the City should conduct regular pavement condition assessments.

Finding 4: The City needs a long-term funding strategy for street maintenance as current funding is insufficient to achieve the City’s street condition goals.

Finding 5: The City has not been able to expend all available street maintenance resources, and should continue to develop strategies to increase capacity.

No.	Department	Recommendation Status	Resources Required	No Update Provided
1.1	Transportation	In Process – Not Due		
1.2	Transportation	Newly Implemented		
1.3	Transportation	Newly Implemented		
2.1	Transportation	In Process – Not Due		
3.1	Transportation	Newly Implemented		
4.1	Transportation	In Process – Not Due		
5.1	Transportation	In Process – Not Due		

Recommendation 1.1*Transportation*

The Transportation Department (Transportation), in consultation with the Mayor's Office, Chief Executive Office, and/or other relevant departments, should develop a comprehensive 5-year pavement management plan to provide public transparency over the City's street maintenance practices. Transportation should include the following reporting elements in the plan:

- a. Program overview;
- b. Street selection prioritization factors;
- c. Listing of planned projects over 5 years, including the type of maintenance that is planned (slurry, overlay, etc.) that is updated annually;
- d. Reasons why projects or segments were postponed or cancelled;
- e. Performance goals, including but not limited to, the number of miles needed to reach its target PCI goal, the number of miles planned and completed, trends over at least the last 3 years, and any explanations regarding deviations from the goal;
- f. Goals and performance trends on addressing equity; and
- g. Any other information Transportation deems essential.

The Transportation Department should update and present the plan to the Active Transportation and Infrastructure Committee and/or the City Council as part of its annual budget request. The pavement management plan should be presented alongside the funding strategy described in Recommendation 4.1. (Priority 1)

In Process – Not Due

This recommendation is in process. According to the department, the following tasks are necessary to achieve full implementation:

Task 1: The Transportation Department published the first ever Pavement Management Plan in January 2024 which included elements in this recommendation.
Status: Completed January 2024.

Task 2: The Transportation Department developed a Standard Operating Procedure in July 2024 which outlines the steps and information to be included in an annual update to the Pavement Management Plan.
Status: Completed July 2024 (include SOP as an attachment).

Task 3: The Transportation Department is in the process of updating the Pavement Management Plan to include all elements within this recommendation and will publish this update by December 2024. The completion of this work is dependent on overbudget funding for the Transportation Department.
Status: Planned completion of annual update is scheduled for December 2024.

Task 4: The Transportation Department will present the annual update to the Active Transportation & Infrastructure Committee by January 2025.
Status: Planned presentation of annual update is anticipated by January 2025.

Issue Date: February 12, 2024

Original Target Date: First Quarter of FY2026, to be updated annually thereafter

Current Target Date: First Quarter of FY2026, to be updated annually thereafter

Recommendation 1.2

Transportation

The Transportation Department should include a disclaimer on the Streets.SD website regarding reasons why street maintenance projects may be cancelled or postponed and provide contact information for residents to obtain additional information about why a specific street maintenance project or segment was cancelled or postponed. Additionally, Transportation should include its pavement management plan on its department website. (Priority 2)

Newly Implemented

This recommendation is implemented. Transportation's streets.sandiego.gov website shows a disclaimer to viewers that scheduled streets projects are subject to change based on funding availability, inclement weather, contracting delays, supply chain issues, and conflicts with other departments. The disclaimer also notes that street segments in the 5-year paving plan will be updated at least annually once funding is known, but also may be updated due to conflicts with other projects. The Transportation Department has also included contact information for projects that are in design or under construction on its website.

Issue Date: February 12, 2024

Original Target Date: July 2024

Recommendation 1.3

Transportation

The Transportation Department (Transportation) should develop a new Standard Operating Procedure that requires the development and completion of a 5-year pavement management plan. This procedure should also set forth the requirement for the plan to be presented annually to the Active Transportation and Infrastructure Committee and/or the City Council, and provide specific guidance regarding information that should be contained in the plan. The procedure should require that all the information listed in Recommendations 1.1 and 1.2 be included in the pavement management plan, in addition to any other information that Transportation believes is essential. (Priority 1)

Newly Implemented

This recommendation is implemented. Transportation has developed a standard operating procedure (SOP) that addresses most of the requirements listed in Recommendations 1.1 and 1.2 that should be included in its pavement management plan (PMP), including that the plan should be updated and presented annually to a Council Committee and/or City Council, and that the 5-Year paving plan should be published on Transportation's website.

Issue Date: February 12, 2024

Original Target Date: July 2024

Recommendation 2.1*Transportation*

The Transportation Department, in consultation with the Department of Race and Equity, the Mayor's Office, and other stakeholders, should develop a strategy on how to address unimproved streets and alleys, such as whether and how to bring them up to City standard, and include this strategy in the pavement management plan. For example, Transportation could include in its pavement management plan some of the following options and/or others to address unimproved streets and alleys:

- a. Develop an incremental plan to bring these streets up to City standard, such as targeting a certain number of miles or number of streets to complete each year;
- b. Create a dedicated funding source specifically to address unimproved streets and alleys; and
- c. Continue to treat unimproved streets and alleys as outside the City's network and address them as funding becomes available.

The Standard Operating Procedure recommended in Recommendation 1.3 should require that pavement management plan incorporate the City's strategy for unimproved streets and alleys. (Priority 1)

In Process – Not Due

This recommendation was originally reported as implemented by the department. However, after OCA review, we have determined it to be in process. Specifically, while our analysis of Transportation's FY2024 pavement management plan (PMP) noted its inclusion of equity factors into the street selection process for the improvement of unimproved streets and alleys and identification of several potential strategies to improve them, OCA will keep this recommendation open to review further progress towards a desired strategy in subsequent updates to the PMP. Transportation has addressed part of this recommendation by creating a standard operating procedure (SOP) that requires its annual PMP update to include Transportation's strategy, goals, performance trends, and budget requests for unimproved roads. The SOP requires the PMP to be annually updated and presented to a Council Committee and/or City Council.

Issue Date: February 12, 2024

Original Target Date: July 2024

Current Target Date: ~~July 2024~~ Unknown

Recommendation 3.1*Transportation*

The Transportation Department (Transportation) should include a goal in its pavement management plan, as referenced in Recommendation 1.1, to conduct pavement condition assessments at least every 4 years to ensure that it is using the most accurate and current information when selecting streets for maintenance. The Plan should also indicate when the last condition assessment was conducted and when the next assessment is scheduled to be completed. Additionally, Transportation's Standard Operating Procedure, as referenced in Recommendation 1.3, should include the intent to prioritize and initiate a funding request for the pavement condition assessment every 4 years as part of Transportation's budget request. (Priority 1)

Newly Implemented

This recommendation is implemented. In our analysis of Transportation's FY2024 pavement management plan (PMP), we found that Transportation has included a goal in its plan to request budget for a pavement condition assessment every 4 years. The plan included analysis of trends from the last three pavement condition assessments which were conducted in 2011, 2016, and 2023. Based on the most recent pavement condition assessment, Transportation has included in its plan a recommended funding scenario with street maintenance strategies designed to achieve its desired Pavement Condition Index score in the next 10 years. In alignment with this recommendation, Transportation has created a standard operating procedure that specifically states that the department will request a pavement condition assessment every 4 years.

Issue Date: February 12, 2024

Original Target Date: July 2024

Recommendation 4.1*Transportation*

The Transportation Department (Transportation) should develop a 5-year, long-term funding strategy to meet its present and future capital and operational needs for street maintenance. This long-term funding strategy should include the following scenarios that tie funding needs to expected service levels and resulting changes to the street network's overall condition index score:

- Scenario A: If funding levels stay the same, demonstrate how the street network's estimated average PCI will decline over five years and result in a backlog of deferred maintenance.
- Scenario B: Show how the street network's estimated average PCI score will change based on actual and potentially identified revenue sources (or increases) and identify resultant changes in the City's backlog of deferred maintenance.
- Scenario C: Show the financial investment that is needed to achieve the City's desired estimated average PCI score.

This funding strategy should be updated and presented annually to the Active Transportation and Infrastructure Committee and City Council in concert with Transportation's pavement management plan as specified in Recommendation 1.1.

Transportation should work with the City of San Diego's Department of Finance to review long-term funding options and include these options in the funding strategy, such as: continued / increased reliance on the General Fund and special revenue funds, general obligation bonds, additional revenue sources, and any other options that may significantly contribute to closing the existing funding gap.

The Standard Operating Procedure recommended in Recommendation 1.3 should require that this information be included in each annual pavement management plan. (Priority 1)

In Process – Not Due

This recommendation was originally reported as implemented by the department. However, after OCA review, we have determined it to be in process. Transportation's FY2024 pavement management plan (PMP) identifies several scenarios that show changes to the street network based on three street selection approaches, treatment type cost assumptions, and various funding levels. Based on discussion of these various approaches, Transportation's plan identifies a recommended strategy to achieve the City's Pavement Condition Index score of 70 in 10 years. The PMP also briefly discusses avenues for increasing funding or cost-savings measures, such as creating a new source of revenue, obtaining additional grant funding, and collaborating with other departments to streamline street maintenance efforts. While the information in the plan is a marked improvement, the City and Transportation still need to identify and pursue a strategy for funding street maintenance at desired levels. Therefore, OCA will keep open Recommendation 4.1 to review Transportation's future progress towards developing and implementing a 5-year, long-term funding strategy that identifies its funding scenarios and strategies towards implementing its desired funding scenario.

In alignment with the recommendation, Transportation has created a standard operating procedure that requires updating the funding scenarios specified in the recommendation, including any others that Transportation deems as needed, by the start of each fiscal year and incorporating these funding scenarios into the annual update to the PMP.

Issue Date: February 12, 2024

Original Target Date: July 2024

Current Target Date: July 2024 Unknown

Recommendation 5.1*Transportation*

The Transportation Department, in collaboration with the Engineering and Capital Projects Department and other City departments as applicable, should include in its pavement management plan as recommended in Recommendation 1.1, a discussion of all significant obstacles to completing targeted street repair mileage each year. This discussion should also include strategies being utilized to overcome these obstacles (to the extent they are within the City's control), increase the Street Maintenance Program's capacity to meet expected mileage goals, and their effectiveness in doing so. Discussion should also include measurable performance metrics where applicable (such as the vacancy rate and hiring timelines for program staff).

The discussion should include how the strategies are being utilized to address the following issues:

- a. Inconsistent and unpredictable street maintenance funding;
- b. Updates in the program's structure and requirements, such as the transfer of capital repair work to E&CP and new requirements to incorporate ADA improvements into street maintenance projects;
- c. Staff shortages and turnover;
- d. Limited street maintenance contractor pool, including analysis of bringing additional street maintenance operations in-house;
- e. Industry capacities and price escalations that can impact the annual mileage goals; and
- f. Any additional issues that limit capacity.

The Standard Operating Procedure in Recommendation 1.3 should require that this information be included in each annual Pavement Management Plan. (Priority 1)

In Process – Not Due

This recommendation was originally reported as implemented by the department. However, after OCA review, we have determined it to be in process. Transportation's FY2024 pavement management plan (PMP) includes a discussion on how inconsistent funding for the street maintenance program over time has led to a decline in the City's street network quality and how continued underfunding only increases future costs. The plan also explores limitations on capacity such as small contractor pool, regional shortages of skilled labor, increasingly scarce materials, and significant initial costs to set up an in-house paving operation. Alongside these limitations, Transportation explores potential strategies to overcome them, such as holding industry workshops to increase the contractor pool, using recycled materials, and requesting budget for another mill and pave team. OCA will keep open Recommendation 5.1 to review Transportation's future progress towards developing and implementing some of its strategies to increase funding and capacity, including reporting on the effectiveness of these strategies in increasing street maintenance capacity.

In alignment with the recommendation, Transportation has created a standard operating procedure that requires that the annual PMP update include discussion of any significant obstacles and strategies to address them.

Issue Date: February 12, 2024

Original Target Date: July 2024

Current Target Date: ~~July 2024~~ Unknown

Performance Audit of SDPD Overtime

24-08

(NK) (SP)

The City spent more than \$50 million on police overtime last year and has spent more than it budgeted on overtime for 10 of the last 11 fiscal years. Limiting officers’ overtime hours might reduce costs, but could mean fewer officers are available to address public safety needs. The San Diego Police Department (SDPD) faces tension between the cost of overtime and the struggle to hire and retain more officers so overtime is not as necessary. In our [Performance Audit of SDPD Overtime](#), we found:

Finding 1: To ensure officers are available to respond to the public, SDPD does not limit overtime, risking fatigued officers.

Finding 2: While SDPD overtime spending is in line with other police departments, more civilian positions could help reduce overtime costs and improve response times.

Finding 3: Overall, SDPD overtime tracking and authorization is accurate.

No.	Department	Recommendation Status	Resources Required	No Update Provided
1.1	SDPD	In Process – Not Due		
1.2	SDPD	In Process – Not Due		
1.3	SDPD	In Process – Not Due		
2.1	SDPD	In Process – Not Due		

Recommendation 1.1

SDPD

The San Diego Police Department (SDPD) should amend its applicable policies and procedures to require officers take an 8-hour break between shifts. SDPD should clearly define what constitutes a “shift,” and should clarify the specific situations that would merit an officer not taking an 8-hour break between shifts, such as officers approved to extend their current shift, a necessary court appearance, a call-back that has been approved in accordance with policy, or an emergency situation. (Priority 1)

In Process – Not Due

This recommendation is in process. According to SDPD, the following task is necessary to achieve full implementation:

Task: The San Diego Police Department (SDPD) has directed its Research, Analysis and Planning Unit (RAP) to identify, contact, and review information from law enforcement agencies that have daily and weekly limitations for their personnel. Following its review, RAP will draft language for inclusion in related policies and procedures and for adoption into the MOU with the San Diego Police Officers Association (SDPOA). This language will provide a definition for a “shift,” outline requirements for officers to take an 8-hour break between shifts and specify situations that would merit an officer not taking an 8-hour break between shifts. This will require engaging in the meet and confer process with the SDPOA.

Status: Once all procedures have been reviewed via the department’s internal process and an agreement is reached with the SDPOA, they will be implemented.

Issue Date: February 28, 2024

Original Target Date: December 2025

Current Target Date: December 2025

Recommendation 1.2

SDPD

We recognize the San Diego Police Department (SDPD) is working with limited staffing resources and overtime is necessary, but SDPD could prioritize its needs to ensure staffing levels are highest where the needs are greatest. To do so, we recommend:

- a. SDPD should prioritize its overtime allocation, potentially through a central overtime function. If additional resources are necessary to implement this recommendation, SDPD should present those needs to the City Council and its relevant committees.
- b. Once overtime allocation is prioritized, SDPD should review its applicable policies and procedures to determine if it should set a limit on the maximum number of hours officers can work in a day and a rolling week to ensure officer and public safety. To determine if a limit is necessary and the appropriate limit, SDPD should consider the available research on the increased risks of long shifts and repeated long shifts. However, due to the nature of public safety work, SDPD should also clarify in its policies and procedures the specific circumstances in which an officer would be allowed to work more hours than the policies allow. SDPD should present the results of its review and determination on whether or not to set a limit, and what the limit should be, to the appropriate City Council committee.
(Priority 2)

In Process – Not Due

This recommendation is in process. According to SDPD, the following task is necessary to achieve full implementation:

Task: SDPD is committed to prioritizing its overtime allocation, primarily in its Extension of Shift Category and its subcategories and has already identified and tasked personnel to implement this recommendation. SDPD needs dedicated staff and software programs, like those within the San Diego Fire Department (SDFD), to examine multiple data sources and determine how they can be integrated to facilitate and prioritize overtime decisions. SDPD has started examining work processes internally to move this recommendation forward.

Status: SDPD personnel are already very familiar with the short and long-term risks associated with extended duty shifts and are committed to finding a balance between meeting its obligation to provide public safety and ensuring the well-being of its employees. This balance will be informed and built upon by the work conducted to implement recommendation 1.1 from this Performance Audit. Developing and understanding the data needed to prioritize overtime, while also evaluating additional limitations and exceptions governing the number of hours that can be worked in a day and over a work week by personnel, is already underway. Currently, SDPD does not have access to historical data needed to prioritize overtime and will need to build new models and processes. Once tasks are completed and all procedures have been reviewed and updated, the department will engage in the meet-and-confer process with the SDPOA for potential implementation.

Issue Date: February 28, 2024

Original Target Date: December 2025

Current Target Date: December 2025

Recommendation 1.3

SDPD

The San Diego Police Department (SDPD) should operationalize Recommendations 1.1 and 1.2 by setting notifications in SAP and/or the payroll review process to ensure the total number of hours worked in a day and a rolling week does not exceed the maximums set by SDPD policies and procedures. The oversight in SAP and/or the payroll review process should also determine when officers have failed to take the required 8-hour consecutive time off between shifts. SDPD should amend its applicable policies and procedures to include who will monitor this notification and raise the issue to the relevant supervisors, including processes for addressing violations and a policy for exceptions. (Priority 2)



In Process – Not Due

This recommendation is in process. According to SDPD, the following task is necessary to achieve full implementation:

Task: The initial assessment from SDPD's subject matter experts in its Fiscal, Crime Analysis, and Special Events Unit have determined that oversight notifications, as described in this recommendation, will require operational and supervisory changes that must be addressed in department policies and procedures. This will trigger the meet and confer process with the SDPOA over changes in working conditions. From a technology consideration, oversight and notifications will require accurate information to be accessed, integrated into a new operating system, and reviewed by a unit charged with ensuring the recommendation is implemented.

Status: Personnel within SDPD's new Planning and Intelligence Unit, being implemented on August 3, 2024, have already been tasked with moving this recommendation forward. Members from RAP have identified three data sources that need to be integrated to produce the reports necessary for this recommendation to be largely fulfilled. CAD (contains calls for service/workload) and PD Enterprise (contains Lineup/OT Schedules) must be fully integrated into SAP to develop actionable information. Currently, SAP has not been integrated into the other systems and requires further analysis to move this recommendation forward. A third-party vendor offering specialized software, such as the one already used by the San Diego Fire Department, may be required to fully implement this recommendation. The department is looking at both internal and external solutions simultaneously.

Issue Date: February 28, 2024

Original Target Date: December 2025

Current Target Date: December 2025

Recommendation 2.1

SDPD

The San Diego Police Department should conduct an analysis on how many Police Investigative Service Officers or similar civilian positions would be necessary to maximize civilian and sworn resources and present this analysis to the appropriate City Council committee. (Priority 2)

In Process – Not Due

This recommendation is in process. According to SDPD, the following task is necessary to achieve full implementation:

Task: SDPD is currently reorganizing its organization, including how the department is structured and how duties are assigned, performed, and reported. The next phase of the reorganization will take place on August 3, 2024, when personnel will be placed into positions based on its new organizational chart and responsible for providing responses to requested information. After command personnel are in place within their new assignments, RAP will query them to determine how the addition of civilian positions could enhance department operations and duties performed by both sworn and civilians.

Status: Once the department determines the number of personnel needed and in what job classifications, SDPD will schedule a presentation before the City's Public Safety Committee.

Issue Date: February 28, 2024

Original Target Date: December 2024

Current Target Date: December 2024

Performance Audit of the San Diego Housing Commission’s Property Acquisition Process

24-09
(GT) (NT)

Due to City leadership’s prioritization of affordable housing and homelessness prevention efforts, the high risk that can accompany building acquisitions, and high-profile acquisition issues discussed below, we conducted a [Performance Audit of the San Diego Housing Commission’s Property Acquisition Process](#) and found:

Finding 1: The Housing Commission largely follows property acquisition best practices, but the agency used an appraisal that potentially overvalued a hotel property by \$6.7 million.

Finding 2: The Housing Commission should establish a documented acquisition strategy and an annual acquisition goal to improve transparency and to support both the agency and the City’s priority of expanding affordable and permanent supportive housing.

No.	Department	Recommendation Status	Resources Required	No Update Provided
1.1	San Diego Housing Commission	Newly Implemented		
1.2	San Diego Housing Commission	Newly Implemented		
2.1	San Diego Housing Commission	In Process – Not Due		
2.2	San Diego Housing Commission	Disagree (Audit Committee Requested Action)		

Recommendation 1.1

San Diego Housing Commission

The Housing Commission should update its policies and procedures related to appraisals to:

- a. Include a requirement stating that appraisal valuation dates must correspond to the date that the appraisal site inspection is performed. If circumstances require the Housing Commission to deviate from this best practice, the policy should require that the Housing Commission inform its Board of Commissioners and the Housing Authority as to why it has done so.
- b. Require that a copy of the third-party due diligence report and all appraisal reports be included as attachments in the Housing Commission’s Executive Summary, which is presented to the Housing Commission’s Board of Commissioners and the San Diego Housing Authority.
- c. Include a statement that requires the Housing Commission to follow up with contracted vendors if the entirety of the requests and services the Housing Commission requested were not provided in full prior to moving forward with any major property purchase. The statement should specify that the Housing Commission will not pay for services that are incomplete and also require the Housing Commission’s Executive Vice President of Real

Estate or above to sign off on all appraisal scope of work requests. This step should also be included in the agency's due diligence acquisition checklist. (Priority 2)

Newly Implemented

This recommendation is implemented. OCA reviewed the updated San Diego Housing Commission Administrative Regulation 219.000 and confirmed that it now includes all three of the additions described in this recommendation.

Issue Date: March 5, 2024

Original Target Date: July 2024

Recommendation 1.2

San Diego Housing Commission

As part of the Housing Commission's Procurement Optimization Project, which the agency anticipates will include the establishment and implementation of a contractor evaluation project, the Housing Commission should complete a vendor performance evaluation for CBRE documenting its performance in providing appraisals for Residence Inn Hotel Circle and Residence Inn Kearny Mesa. (Priority 2)

Newly Implemented

This recommendation is implemented. The San Diego Housing Commission provided a completed vendor performance evaluation for CBRE documenting its performance in providing appraisals for Residence Inn Hotel Circle and Residence Inn Kearny Mesa.

Issue Date: March 5, 2024

Original Target Date: TBD (Target date pending. According to the Housing Commission, the agency is in the process of a comprehensive procurement optimization project, which will incorporate a Contractor Performance Evaluation Program. Once the Contractor Evaluation Program is updated, the Housing Commission will conduct a contractor evaluation of CBRE.)

Recommendation 2.1

San Diego Housing Commission

As the Housing Commission updates its Strategic Plan, it should include a property acquisition strategic component that clarifies how property acquisitions fit into the agency's strategic priority of increasing affordable and permanent supportive housing options in the City. (Priority 2)

In Process – Not Due

This recommendation is in process. According to the San Diego Housing Commission, it issued a request for proposals to seek out a third party to assist with the creation of a new strategic plan. The deadline for proposals was July 31, 2024. The target implementation date is still TBD based on results for RFP results for Strategic Plan Consultant.

Issue Date: March 5, 2024

Original Target Date: TBD (Target date pending. According to the Housing Commission, as the agency updates its Strategic Plan, it will incorporate a written acquisition strategy.)

Current Target Date: TBD

Recommendation 2.2

San Diego Housing Commission

The Housing Commission should develop an annual performance metric specific to property acquisitions based on available funding for acquisitions in the upcoming fiscal year and include this metric in either its Annual Budget document or its Annual Report. If acquisition funding is not available for the upcoming fiscal year, a goal of zero is appropriate and logical. However, if funding becomes available in future years for acquisitions, a specific acquisition metric should be established. (Priority 2)

Disagree (Audit Committee Requested Action)

SDHC disagreed with the original recommendation but agreed to fulfil the Audit Committee's request of providing updates through the City Auditor's recommendation follow-up process on the alternative approach they plan to take on Recommendation 2.2, as outlined in their management response.

No consistent, reliable funding source has been identified for SDHC real estate acquisitions. Without an identified, consistent, and reliable funding source, SDHC cannot develop a meaningful annual performance policy or metrics specific to acquisitions. This is because if a consistent, reliable funding source were to become available through a bond measure or other theoretical funding stream, policymakers and/or voters almost certainly would identify and specify the priorities and the goals to be achieved with those funds. If SDHC were to administer these hypothetical funds, we would readily engage in a comprehensive process, as directed by policymakers and in collaboration with stakeholders, to develop policies and meaningful metrics related to the identified goals. These policies and metrics would need to align with any additional restrictions and metrics required by the funding source. Consideration of a variety of factors, such as federal, state, and local policy priorities and fluctuations in real estate and financial markets, would be necessary in the development of an acquisition policy and the related metrics.

SDHC further indicated that the strategy regarding acquisitions would be set forth in the forthcoming 3–5-year strategic plan, which is currently under development. OCA recommends that this item can be closed once the strategic plan is issued with the inclusion of the issue noted above.

Issue Date: March 5, 2024

Original Target Date: N/A

Current Target Date: N/A

2024 High Risk Re-Review of the 2013 Performance Audit of the City’s Pothole Repair Operations

24-11
(DK)

Due to the continued high risk experienced by the public and the City alike, we conducted a [High Risk Re-Review of the 2013 Performance Audit of the City’s Pothole Repair Operations](#). We found that Transportation has implemented most of the recommendations from the 2013 pothole repair audit, but some efforts should be expanded or updated. Specifically, we organized our findings into three main topics:

Topic 1: Maximizing Resources

To increase the daily number of pothole repairs and reduce average response times, Transportation should aim to implement mapping software for pothole assignments and assess specific aspects of current activities to maximize staff productivity, such as when patch trucks are out for maintenance.

Topic 2: Data Management

To more efficiently and accurately record pothole repairs, Transportation should provide crews with guidance on quantifying potholes, include IT controls to ensure all data is recorded, and require crews to only use paper forms in the field when necessary.

Topic 3: Monitoring Performance

To improve Transportation’s ability to monitor the performance of pothole operations, the department should implement an efficiency performance metric, evaluate the equity of operations across the City, and enter proactively repaired potholes in BlueWorx.

No.	Department	Recommendation Status	Resources Required	No Update Provided
1.1	Transportation	In Process – Not Due		
1.2	Transportation	In Process – Not Due		
1.3	Transportation	Newly Implemented		
1.4	Transportation	In Process – Not Due		
2.1	Transportation	In Process – Not Due		
2.2	Transportation	In Process – Not Due		
2.3	Transportation	In Process – Not Due		

No.	Department	Recommendation Status	Resources Required	No Update Provided
3.1	Transportation	In Process – Not Due		
3.2	Transportation	In Process – Not Due		
3.3	Transportation	In Process – Not Due		

Recommendation 1.1

Transportation

The Transportation Department (Transportation) should research and determine if a compatible geographic routing software is feasible to purchase and pilot, such as SAP’s Geo.explorer mapping function. If Transportation cannot find feasible software to purchase and pilot, it should document its efforts and evaluations. If a feasible software is found, Transportation should pilot the software with the intent to implement the use of geographic routing or mapping software to assist with the assignment of pothole requests. The software should allow the supervisor to see all outstanding pothole requests to help with assigning pothole requests geographically near each other. (Priority 2)



In Process – Not Due

This is a new recommendation that was issued within the last three months of the current reporting period and is not expected to be implemented.

Issue Date: April 29, 2024

Original Target Date: TBD (Complete feasibility research by September 2024. If feasible, procure software if necessary and conduct a pilot from October 2024 through September 30, 2025. The target implementation date is TBD depending upon resource allocation and the results from the pilot.)

Current Target Date: TBD

Recommendation 1.2

Transportation

If geographic routing or mapping software is implemented to assist with the assignment of pothole requests (Recommendation 1.1), the Transportation Department should:

- Update the Standard Operating Procedure to instruct the supervisor to assign pothole requests in geographic clusters; and
- Assess and increase crews’ daily pothole request goal. (Priority 2)



In Process – Not Due

This is a new recommendation that was issued within the last three months of the current reporting period and is not expected to be implemented.

Issue Date: April 29, 2024

Original Target Date: TBD (Dependent upon identification, funding, procurement, integration, and testing outcomes from Recommendation 1.1.)

Current Target Date: TBD

Recommendation 1.3

Transportation

If one or more additional patch trucks are not included in the proposed FY2025 Transportation Department (Transportation) budget, Transportation should highlight this need in its budget presentation to City Council and the Chief Operating Officer should consider the request in the May Revise. If the request for one or more additional patch trucks is not granted for FY2025, Transportation should repeat the budget request in the next budget cycle. Along with this budget request, Transportation should report the frequency patch trucks were out of service for repairs in the prior fiscal year(s) along with the efficiencies and additional productivity that can be gained with additional truck(s). (Priority 2)

Newly Implemented

This recommendation is implemented. City Council included the purchase of one additional pothole patch truck in its adoption of the City's FY2025 budget.

Issue Date: April 29, 2024

Original Target Date: April 2024 or May 2024 budget revision (initial request); and additional request will be made for FY2026 if patch trucks are not added for the FY2025 budget

Recommendation 1.4

Transportation

The Transportation Department should conduct a staffing analysis to determine how to maximize the productivity of available staff, such as when patch trucks are out for repairs, while staff is waiting for asphalt to be picked up, as well as for other staffing efficiencies, considering options such as staff conducting pre-inspections or repairing potholes with cold mix asphalt. (Priority 2)

In Process – Not Due

This is a new recommendation that was issued within the last three months of the current reporting period and is not expected to be implemented.

Issue Date: April 29, 2024

Original Target Date: First Quarter of FY2025

Current Target Date: First Quarter of FY2025

Recommendation 2.1*Transportation*

To improve consistency of data collection, the Transportation Department (Transportation) should update the Potholes Standard Operating Procedures (SOP) with criteria (definitions, descriptions, and/or photographs) to guide crews on how to quantify the estimated count of potholes repaired and the square footage of asphalt used (if this metric is kept). Transportation should also train all crews on the updated SOP. (Priority 2)

In Process – Not Due

This is a new recommendation that was issued within the last three months of the current reporting period and is not expected to be implemented.

Issue Date: April 29, 2024

Original Target Date: First Quarter of FY2025

Current Target Date: First Quarter of FY2025

Recommendation 2.2*Transportation*

The Transportation Department should include an IT control that will prevent crews from closing the online form in BlueWorx until all necessary data fields are selected and entered (i.e., date, request number, number of potholes repaired, square footage, and activity code). (Priority 2)

In Process – Not Due

This is a new recommendation that was issued within the last three months of the current reporting period and is not expected to be implemented.

Issue Date: April 29, 2024

Original Target Date: TBD (Transportation will work with Department of IT to determine a course of action for creating mandatory data field controls no later than the second quarter of FY2025; the final implementation date is TBD dependent upon Department of IT's ability to support it.)

Current Target Date: TBD

Recommendation 2.3*Transportation*

Once Transportation implements the IT control in Recommendation 2.2, Transportation should update the Standard Operating Procedures to instruct crews to only enter data into BlueWorx; train crews on the change; and keep paper forms in the patch trucks in case crews cannot connect to the network in the field. Additionally, the supervisor should continue with regular data reliability reviews, but should spot check SAP for completeness and irregularities rather than review every request entered by crews. (Priority 2)

In Process – Not Due

This is a new recommendation that was issued within the last three months of the current reporting period and is not expected to be implemented.

Issue Date: April 29, 2024

Original Target Date: TBD (Dependent upon the implementation outcome of Recommendation 2.2)

Current Target Date: TBD

Recommendation 3.1*Transportation*

The Transportation Department should independently, or with the assistance of the Performance and Analytics Department, establish a KPI or internal performance measure that encompasses assessing the efficiency of pothole operations, considering metrics such as the average number of potholes repaired per day compared to the internal goal; the percentage of sites that need additional repair work, or the average time between pothole repair and the pothole needing additional repair. (Priority 3)

In Process – Not Due

This is a new recommendation that was issued within the last three months of the current reporting period and is not expected to be implemented.

Issue Date: April 29, 2024

Original Target Date: First Quarter of FY2025

Current Target Date: First Quarter of FY2025

Recommendation 3.2*Transportation*

The Transportation Department (Transportation) should work with the Department of Race & Equity to assess the equity of pothole operations. Should inequities in operations exist, Transportation should determine how it will address potential inequities in pothole repair operations, include the approach to improve equity in the Pavement Management Plan, and present this plan to the Active Transportation and Infrastructure Committee. (Priority 3)

In Process – Not Due

This is a new recommendation that was issued within the last three months of the current reporting period and is not expected to be implemented.

Issue Date: April 29, 2024

Original Target Date: TBD (Transportation plans to meet with the Department of Race and Equity in the first quarter of FY2025 to evaluate potential improvements in pothole operations.)

Current Target Date: TBD

Recommendation 3.3*Transportation*

The Transportation Department should update the Standard Operating Procedure to require crews to enter proactively repaired potholes into BlueWorx, with an indicator in BlueWorx that notes the location was a proactively repaired pothole. (Priority 2)

In Process – Not Due

This is a new recommendation that was issued within the last three months of the current reporting period and is not expected to be implemented.

Issue Date: April 29, 2024

Original Target Date: According to Transportation, the practice has been trialed and implemented; the SOP will be updated in the first quarter of FY2025.

Current Target Date: First Quarter of FY2025



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