



Memorandum

TO: HONORABLE MAYOR
AND CITY COUNCIL

FROM: Jennifer A. Maguire

SUBJECT: SEE BELOW

DATE: November 16, 2022

**SUBJECT: ADOPTION OF STATEMENT OF POLICY AND QUESTIONS FOR THE
PROSPECTIVE DIRECTOR OF FINANCE**

RECOMMENDATION

Adopt a Statement of Policy and City Council Questions related to the selection of a prospective Director of Finance as described in this memorandum, in compliance with City Charter Section 411.1.

OUTCOME

The results of this action will be City Council input to me regarding the selection of a Director of Finance, in compliance with City Charter provisions.

BACKGROUND

In compliance with City Charter Section 411.1, the City Council has adopted a process for City Council confirmation of Department Director appointments. The process requires that the City Council, prior to meeting with the City Manager's recommended candidate for department head positions that are subject to the City Charter's requirements, adopt a Statement of Policy for the involved department, along with proposed questions for the City Council to present to the City Manager's recommended candidate for the appointment.

At my direction, staff is coordinating the nationwide recruitment efforts with the executive search firm, Alliance Resource Consulting, LLC, for the City's next Finance Director. In the next few weeks, the Administration will conduct an interview process for the position guided by the input provided by the City Council through its adoption of the attached policy and questions, as well as other stakeholder feedback. I will then present my recommended candidate for Director of Finance to the City Council for confirmation in a Closed Session meeting, along with the written answers to the questions adopted as part of this action. If the City Council confirms my recommended candidate, the appointment would be formally announced at that afternoon's City Council meeting.

ANALYSIS

The proposed Statement of Policy (Attachment 1) contains the broad goals, objectives, and aspirations for the department as reflected in the Finance Department's mission, core services, performance measures, and resource allocation as approved by the City Council as part of the 2022-2023 Adopted Budget.

The proposed City Council Questions (Attachment 2) reflect those adopted for recent Department Director hiring processes, as well as ones specific to this recruitment. It should be noted that the development of the City Council questions reflect input with meetings the Administration held with the Mayor and individual City Councilmembers, City Auditor, the City's external Auditor, Macias, Gini & O'Connell LLP, and department employees regarding the knowledge, skills, and abilities desired of the next Director of Finance, as well as the challenges and opportunities facing the Finance Department. The City Council may modify, add, or subtract from this list of suggested questions at the December 6, 2022, City Council meeting and, of course, the Mayor and City Council will be able to ask further questions of the recommended candidate during the Closed Session meeting.

CONCLUSION

The City Council's adoption of a Statement of Policy and City Council Questions for the Prospective Director of Finance, as described in this memorandum, is in compliance with City Charter Section 411.1 and is an important step in the evaluation and selection process for a new Finance Director. It is currently anticipated that a recommended candidate will be brought forward for City Council confirmation in January 2023.

EVALUATION AND FOLLOW-UP

No additional follow-up with the City Council on the Statement of Policy and Questions for the prospective Director of Finance is expected at this time. A recommended candidate is currently expected to be brought forward for City Council confirmation at a Closed Session meeting in January 2023, where further discussion will take place.

CLIMATE SMART SAN JOSE

The recommendation in this memorandum has no effect on Climate Smart San José energy, water, or mobility goals.

PUBLIC OUTREACH

This memorandum will be posted on the City's website for the December 6, 2022, City Council agenda. In addition, the Administration convened discussions with stakeholders to gather

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feedback on the knowledge, skills, and abilities that should be considered for the selection of the Director of Finance, as well as an understanding of the challenges and opportunities facing the Finance Department. Those stakeholders included the Mayor and City Councilmembers, City Auditor, the City's external Auditor, Macias, Gini & O'Connell LLP, and department employees.

COMMISSION RECOMMENDATION/INPUT

No commission recommendation or input is associated with this action.

CEQA

Not a Project, File No. PP17-010, City Organizational and Administrative Activities resulting in no changes to the physical environment.


JENNIFER A. MAGUIRE
City Manager

For questions, please contact Lee Wilcox, Assistant City Manager, at (408) 535-4873.

Attachment 1: Statement of Policy- Finance Department

Attachment 2: City Council Questions- Director of Finance

STATEMENT OF POLICY FINANCE DEPARTMENT

Department Mission

To manage, protect and report on City of San Jose financial resources to enhance the City's financial condition for residents, businesses, and investors.

Department Core Services

1. Disbursements

Facilitate timely and accurate payment of the City's financial obligations.

2. Financial Reporting

Provide accurate and meaningful reporting on the City's financial condition.

3. Purchasing and Risk Management

Purchase and provide quality products and services in a cost-effective manner and ensure insurance coverage for the City assets.

4. Revenue Management

Bill and collect City resources to enhance the City's financial condition.

5. Debt and Treasury Management

Provide cost-effective financing, investment, and cash collection of the City's resources to maintain and enhance the City's financial condition.

Department Performance Goals

Department performance goals are reflected in the Finance Department's performance measures and its resource allocation in the 2022-2023 Adopted Budget. The Department's Service Delivery Framework is also outlined in the Adopted Budget.

The Finance Department also plays an important role in supporting the City's Enterprise Priorities which can be found here <https://www.sanjoseca.gov/your-government/departments/office-of-the-city-manager/enterprise-priorities> .

**CITY COUNCIL QUESTIONS
DIRECTOR OF FINANCE**

1. Please describe your education, experience, and accomplishments, and explain how they have prepared you for this position.
2. What drives you to seek this position?
3. The Statement of Policy for the department contains the broad goals, objectives, and aspirations for the Finance Department as reflected in the 2022-2023 Adopted Budget and the City's Enterprise Priorities. Please explain, in general terms, how you would approach achieving these goals.
4. What are the most important challenges you see for San José's financial direction and the Department over the next five years? Please describe your approach to addressing them, including what actions you would prioritize in your first 12 months.
5. This position requires that the Director of Finance navigate relationships with both internal and external stakeholders. Who do you see as the Department's primary customers? Please describe an example of a significant project you have handled where multiple stakeholders were involved with competing or conflicting goals, and how you helped achieve a satisfactory resolution.
6. The success of the City of San José's Enterprise Priorities and Core Services requires financial assistance to support needed outcomes. Provide a strong example of your leadership at the scale expected in a large, complex organization. Include aspects of how you developed and sustained key relationships, managed priorities and change across groups, administered resources, ensured performance, and delivered on shared outcomes your organization defined as important.
7. Provide insight into how you have built and sustained strong teams. What are the practices you use to hire, develop, actively coach and manage performance, and maintain a high service and high-performance culture? Share how you measure your success as a leader of people.
8. Describe your experience in modernizing and implementing new financial systems.
9. The City is one of the highest rated large cities in California and the nation which is the result of decades of demonstrating the commitment of policymakers to disciplined fiscal policies and management's capacity to implement these decisions over multiple administrations. Describe your experience in developing financing strategies, issuing debt and managing a large complex debt portfolio including the types of financing, and your role. Describe your experience in working with financing team participants including rating agencies and in delivering presentations and responding to inquiries.

CITY COUNCIL QUESTIONS
DIRECTOR OF FINANCE (Cont'd.)

10. Among other financial responsibilities, the Director of Finance is responsible for advising on matters related to the City's financial condition, protecting the financial integrity of the City, and protecting against loss. How would you communicate recommended actions to stakeholders in a balanced and honest manner to ensure well informed decisions are made?
11. Financial leaders can play a critical role as strategic partners in developing and implementing solutions to address complex community challenges. As the City's finance leader, what role would you play in advancing racial equity and in what ways can you support City Departments to enhance their ability to make informed decisions with an equity lens?
12. What is your plan for maintaining good communication with the Mayor and City Council and the City Manager? What is your approach to communicating well with department employees, customers, and peer City departments? How do you develop credibility when establishing working relationships?
13. The City has launched a Customer Service Vision and Standards initiative aimed at improving person-to-person experiences with City residents and businesses as well as staff-to-staff experiences across City departments. As the Director of Finance how will participate in this initiative and how will you approach and prioritize future recommendations?
14. In a complex organization like the City, we have many competing priorities and not enough resources to accomplish all that our community, employees, and policy leader's desire. Describe how you manage priority setting and manage expectations to achieve a clear work plan and quality, timely results. How have you used constraints to breed resourcefulness, novel approaches, and self-sufficiency?
15. What else should the City Council know about you?