



# Memorandum

**TO:** Honorable Mayor and City Council

**FROM:** Joe Rois,  
City Auditor

**SUBJECT:** Government Accountability Measures    **DATE:** November 19, 2020

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## SUPPLEMENTAL

### REASON FOR SUPPLEMENTAL

The recommendations included in this memorandum provide proposed actions and provide alternatives to address accountability and transparency objectives for the City Auditor's Office referenced in Councilmember Diep's Government Accountability Measures memorandum discussed by the Rules and Open Government Committee on August 19, 2020.

### RECOMMENDATION

Accept the proposed actions to address Councilmember Diep's recommendations around Government Accountability Measures that were discussed at the Rules and Open Government Committee on August 19, 2020.

- a) Amend City Administrative Policy Manual 6.1.2 *Audit Review and Follow-Up Procedures* to include language that the annual work plan include performance audits of three key departments that are constituent facing to identify cost savings and process efficiencies, and that such audits should reoccur at least every four years.
- b) Incorporate potential cost savings or process efficiencies in the scope of work for the audit currently on the City Auditor's fiscal year 2020-21 work plan related to Police staffing, expenditures, and workload.

### BACKGROUND

Councilmember Diep, in a memorandum dated August 13, 2020 and heard at the August 19, 2020 meeting of the City Council's Rules and Open Government Committee, made a series of recommendations to assist City Hall save money and eliminate wasteful spending, as well as create a more accountable and transparent City Hall to better serve our residents. Among his recommendations were to:

4. Direct the City Auditor to commence regular performance audits of three key departments that are constituent facing – such as Police, Fire, Planning, Housing, Transportation, Public Works, Environmental Services, and Parks - every year henceforth, to identify cost savings and process efficiencies, with results put on the Council agenda for public hearing and review:
  - a. Audits should reoccur every four years;
  - b. Amend the City Auditor's 2020-2021 workplan to include an audit of our Police Department, focusing specifically on identifying cost savings and process efficiencies.

## ANALYSIS

City Administrative Policy Manual 6.1.2 *Audit Review and Follow-Up Procedures* establishes guidelines for coordinating departmental audit reviews between the City Auditor and City departments and implementing audit recommendations to the satisfaction of the City Manager, the City Council, and the City Auditor. It also describes the City Auditor's City Charter authority for conducting performance audits in the City. Included within these guidelines are the steps taken by the City Auditor to develop and propose an annual audit work plan for approval, as well as adding new audit projects to the work plan during the year. These steps include:

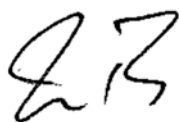
1. Request suggestions for audit subjects from City Councilmembers, the City Manager, and Senior Staff.
2. Prepare a proposed audit work plan incorporating a risk assessment of City Departments and programs, and suggestions from others including members of the public.
3. Submit the proposed work plan to the Rules Committee for discussion and approval.

To address part 4. a) of Councilmember Diep's recommendation, City Administrative Policy 6.1.2 could be amended to incorporate Councilmember Diep's direction to include three constituent facing departments each year with a focus on cost savings and process efficiencies, as well as the direction that such departments be subject to an audit at least once every four years. I want to note that this will memorialize what is generally the normal practice. Because of our risk assessment process and through suggestions from Councilmembers, we typically audit the large constituent facing departments at least once every four years.

Part b) of Councilmember Diep's memorandum requests amending the City Auditor's work plan to include an audit of our Police Department, focusing specifically on cost savings and process efficiencies. The City Auditor's current FY 2020-21 work plan was approved on August 5, 2020.<sup>1</sup> The current work plan includes two Police Department-related audit projects:

- Police staffing, expenditures, and workload – Review and compare Police Department staffing over time, including allocation of staff by bureau or division, vacancies, and use of overtime, as well as an analysis of the 1.2 million calls for police service, budgetary allocations, and progress toward civilianization.
- Police Department protocols around community advocate referrals – Assess protocols for and timeliness of community advocate referrals for victims of sexual assault, domestic violence, child/sexual abuse, and human trafficking.

As discussed at the Rules Committee on August 19, I would recommend incorporating Councilmember Diep's direction into the current audit of Police, staffing, expenditures, and workload as this audit already includes analyses of the use of overtime and progress toward civilianization, both of which may have cost considerations.



Joe Rois  
City Auditor

<sup>1</sup> It can be found at <https://www.sanjoseca.gov/your-government/appointees/city-auditor/annual-work-plans>.