



Status of Open Audit Recommendations as of December 31, 2025

An update by the City Auditor
Issued March 2026

<http://www.sanjoseca.gov/auditor>

March 24, 2025, City Council item 3.5

Presented by:

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Summary of Results

145 Recommendations

36 new recommendations made since last update

57 implemented or closed since last update

63 partly implemented, **25** not implemented

88% implemented / closed over the last 10 years

Departments Implemented 57 Recommendations

Highlights of implemented recommendations in this period:

- ✓ **Animal Care & Services (ACS):** Implemented or closed the remaining recommendations from the 2024 audit of ACS, including completing shelter capacity assessments; updating guidance around the daily care of animals, supervisory responsibilities, and data entry; and addressing other issues identified in the audit.
- ✓ **Council Policy I-18:** The Administration proposed, and Council approved, updates the Operating Budget and Capital Improvement Program Policy to clarify guidelines on cost recovery, considerations of ratepayer impacts, and reserves and fund balance.
- ✓ **Public Works:** updated City Policy I.8.1 to require departments to monitor fleet utilization and clarify guidelines for take-home vehicles.

Departments Implemented 57 Recommendations

Highlights of implemented recommendations in this period (continued):

- ✓ **Housing:** streamlined its performance measures and aligned them more consistently across reporting platforms.
- ✓ **Parks, Recreation and Neighborhood Services (PRNS):** executed and updated agreements with the remaining school districts served by the San José Youth Empowerment Alliance.
- ✓ **Retirement Services (ORS):** established purchase orders with its remaining vendors to eliminate the use of nonstandard payment methods.
- ✓ **City Clerk's Office:** improved its performance management system and updated its Form 700 procedures to address non-filers and the assessment of late fines.

Twelve Priority Recommendations

Potential Budget Savings / Revenue Generation:

- Update time tracking guidelines and review cost recovery calculations for environmental review fees (Environmental Review for New Developments, 2022) – *New priority added*
- Renegotiate revenue sharing terms of the Integration Agreement with Valley Water (South Bay Water Recycling, 2016) – *New priority added*
- Clarify maintenance responsibilities at interim housing sites between service providers and the City (Homelessness Coordination, 2025) – *New priority added*

Operational Efficiency:

- Identify vacant lands within the City's real estate portfolio and report on their intended use annually (Real Estate Services, 2021)
- Finalize and publish guidelines on the City's CEQA requirements and processes for environmental consultants (Environmental Review for New Developments, 2022)
- Contract with outside service providers for spay and neuter services (Animal Care and Services, 2024)

Twelve Priority Recommendations (...continued)

Improved Service Delivery:

- Increase language translations of vital documents and include translation options on Sjpermits.org (Residential Building Permits, 2023)
- Update Animal Care and Services' manual to align with Association of Shelter Veterinarians Guidelines (Animal Care and Services, 2024)
- Incorporate all languages spoken by 5 percent or more of the population into the SJ311 website and mobile application. (Access and Use of Neighborhood Blight Programs, 2024)

Citywide Security / Risk Mitigation:

- Re-assess procurement policies to align the City's risk strategy with timely procurements (Procurement, 2025) – *New priority added*
- Separate critical duties for management of the central supply of controlled substances (Fire Inventory Controls Over Controlled Substances, 2025) – *New priority added*
- Update policies to formalize central supply oversight (Fire Inventory Controls Over Controlled Substances, 2025) – *New priority added*

Online Interactive Dashboards

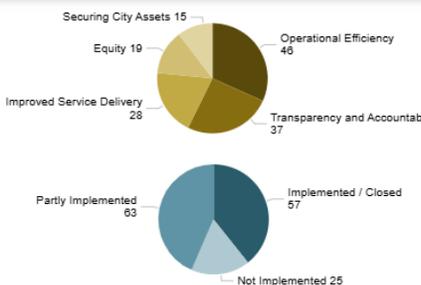


Status of Audit Recommendations as of December 2025

145 Reset

Priority
12

Monetary Benefit
8



Primary Department	Count	Year Published	Target Year
Public Works (PW)	37	2025	2026
Planning, Building, Code Enforcement (PBCE)	25	2024	44
Housing Department (HSG)	22	2023	8
Department of Transportation (DOT)	9	2022	15
Finance Department (FIN)	9	2021	7
Fire Department (FIRE)	8	2020	9
Environmental Services Department (ESD)	6	2019	11
Office of Economic Development (OEDCA)	6	2018	2
Office of the City Manager (CMO)	6	2017	1
Parks, Recreation and Neighborhood Services (PRNS)	6	2016	2
Police Department (PD)	6	2014	2
Office of the City Clerk (CLERK)	2	2013	2
Human Resources (HR)	1	2012	6
Information Technology Department (ITD)	1		
Retirement Services (ORS)	1		

Search Report Number (eraser to clear)

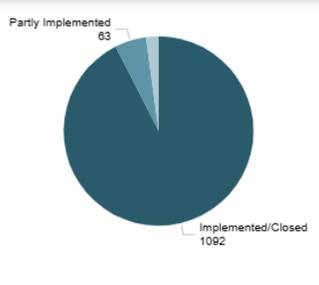
Search Recommendation Text (eraser to clear)

Report #	Recommendation	Dept(s)	Current Status	Target Date	Status Update	Monetary Benefit (Potential)	Report Link
#12-04 22	The Police Department should: (a) calculate the cost of bringing all coordination into SEU and the related impact on employers' fees, and (b) assess the impact on the hourly rate charged to employers, as well as employer fees, if coordination were brought into SEU and employees were paid at an overtime rate. Given that information, the Department should seriously consider three options moving forward: (1) phasing into SEU the coordination of additional pay jobs, (2) bringing all coordination into SEU, (3) bringing all coordination into SEU and also paying employees on overtime through the City.	PD	Partly Implemented	Dec-2026	The Police Department conducted an analysis of the costs associated with the Secondary Employment Unit (SEU) and has developed an implementation proposal that includes an amendment to Section 8.16.090 of the San José Municipal Code. This amendment would authorize administrative fees to recover costs associated with the administration of the Secondary Employment Program that are not currently recovered through the secondary employment fees. Finally, the Department has also recommended bringing all coordination duties into the SEU and adding staff to the Unit. The Budget Office is in the process of reviewing the feasibility of the proposal.		https://www.sanjoseca.gov/Home/ShowDocument?Id=33788
#12-04 28	The Police Department should: (a) calculate the comprehensive cost of the secondary employment program (personnel, administrative costs, etc.), (b) compare those costs to the revenue generated by related fees.	PD	Partly Implemented	Dec-2026	As discussed in recommendation #1204-22, the Police Department conducted an analysis of the costs associated with the Secondary Employment Unit and has developed an implementation proposal that includes an amendment to Section 8.16.090 of the San José Municipal	1200000	https://www.sanjoseca.gov/Home/ShowDocument?Id=33788

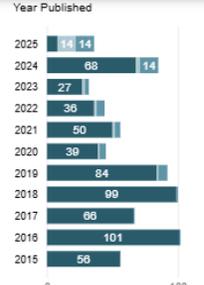


Summary of All Recommendations 2010 to Present

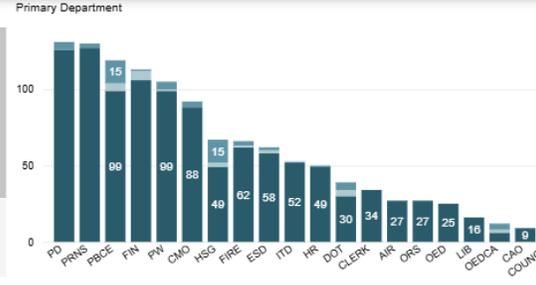
1180 Reset



Year Published



Primary Department



03 - Report

07 - Recommendation

Report #	Recommendation	Dept(s)	Status	Status Update (as of)	Link	ID
#10-02 1	Use its semi-annually updated list to reconcile its actual staffing to the staffing authorized in the City's Adopted Operating Budget. Vacancies and other relevant information should be added to the list to allow for reconciliation to the Budget data. This will allow the Department to more accurately track its sworn-civilian mix.	PD	Implemented	Auditor Update as of December 2011: The Department has updated its position management process to include the tracking of relevant information as recommended. The Department advises that this process will be carried over into the AFR/RMS project as implementation occurs. In addition, the Department's Fiscal Unit created a report which can be reconciled to the staffing authorized in the City's Adopted Operating Budget. This report also includes vacancies and other relevant information which would allow the Department to more accurately track its pool of sworn and non-sworn personnel.	http://www.sanjoseca.gov/Home/ShowDocument?Id=33700	100
#10-02 2	Adopt a civilianization policy based on that of the International Association of Chiefs of Police or other best practices the Police Department identifies.	PD	Implemented	Auditor Update as of December 2016: The Department had developed and adopted a civilianization policy based on the IACP model provided in the audit.	http://www.sanjoseca.gov/Home/ShowDocument?Id=33700	100
#10-02 3	Seek to increase the number of positions allowed to be civilianized in the Memorandum of Agreement with the SJPOA.	CMO	Implemented	Auditor Update as of June 2011: The Office of Employee Relations advises that an agreement was reached with the SJPOA in June 2011 that allows for the civilianization or contracting out of 20 positions. In the FY 2011-12 budget, 15 positions were civilianized and 1 position (the Police Artia) was contracted out. The 15 sworn positions that were eliminated were replaced with 17	http://www.sanjoseca.gov/Home/ShowDocument?Id=33700	100

<https://www.sanjoseca.gov/your-government/appointees/city-auditor/audit-recommendations>