

Compliance



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Description

The Compliance Department provides compliance and enforcement support for both internal and external stakeholders in the following areas: City wage laws and labor standards, the occupational safety and health of City staff, City responses to internal and external audits, and compliance with external agency regulations including Title 6 requirements. The Department also houses the Administrative Hearings program that provides appeals services to City departments. This program ensures that due process is maintained from the initial notice of hearing to the final decision.

Enforcement of the City's Living Wage, Prevailing Wage, and Minimum Wage and Earned Sick Leave Ordinances are provided by the Compliance Department's Office of Labor Standards and Enforcement (OLSE). OLSE staff ensure compliance with City wage ordinances by responding to complaints; conducting site visits and investigations; and, for those City contracts subject to Living and Prevailing Wage Ordinance requirements, conducting payroll monitoring.

Compliance Department's Occupational Safety and Health (OSH) team provides City departments with a central resource on safety standards and regulations, departmental safety plans, workplace ergonomics, and guidance on the implementation of safety protocols. This group provides support to safety teams in other City departments and operates as the safety team for those departments without in-house safety staff. OSH staff also work with the Risk Management department to support the City's Safety and Risk Oversight Committee.

The vision is:

To increase the quality of life for residents and City staff by enforcing labor and federal non-discrimination standards and creating an internal citywide culture of safety management.

The mission is:

To serve our constituents through compliance with operational and fiscal best practices, City wage law, and employee workplace safety.

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Goals and Objectives

Goal 1: *Support regional prosperity through wage and labor standards enforcement.*

- Collaborate with regional agencies and organizations to provide efficient and comprehensive wage and labor standard services.
- Conduct data-driven, proactive labor compliance investigations.
- Respond quickly and thoroughly to resident complaints and to violations discovered through wage monitoring.
- Conduct education and outreach with the community to ensure workers are aware of their rights and that employers understand wage requirements and meet their obligations.

Goal 2: *Implement, maintain, and improve City workplace safety practices.*

- Facilitate City compliance with federal, State, and local safety regulations.
- Improve employee safety programs.

Goal 3: *Provide excellent customer service.*

- Seek feedback from internal and external stakeholders to identify areas of improvement.
- Respond timely to requests for service and support.

Goal 4: *Promote the City's non-discrimination climate and ensure compliance with federal Title 6 requirements.*

- Collaborate with City departments to ensure federal non-discrimination requirements are implemented across programs and services.
- Respond quickly to any formal complaints and process them according to established procedures.
- Develop and provide trainings for City employees to ensure all are aware of Title VI requirements as well as the program, structure, and resources available to ensure compliance.

Budget Equity Impact Statement

Equity Highlights

Examples from the current fiscal year.

- Created the City's first full Title 6 annual report and updated Title 6 program information for the public, including providing the information in five different languages.
- As of January 2024, Compliance Department's minimum and living wage programs in the Office of Labor Standards and Enforcement recovered a combined total of over \$85,000 in remedies for workers.
- Conducted outreach and education on the City's new minimum wage to 45 employee-based organizations, ten employer-based groups, the 1,000 subscribers to the minimum wage listserv, payroll and staffing companies, over 22,000 City vendors and contractors, and via 100,000 informational inserts in five languages that accompanied every City of San Diego Business Tax certificate.

Budget Equity Lens Summary

Ongoing Operations

Is there an opportunity to adjust the department's ongoing operations to address a disparity?

Yes

1. Redirecting any Fiscal Year 2024 projected budgetary savings in non-personnel expenses to Minimum Wage outreach efforts which, at a minimum, include both English and Spanish language efforts.
2. Collaborating with City departments that provide services to San Diego businesses and contractors to provide information on complying with wage compliance laws.

Budget Adjustment(s)

Do the Budget Adjustments address a disparity?

Yes

Compliance Department budget requests that address a disparity include the addition of a position to support the City's centralized safety team, and personnel and non-personnel expenses that will support the City's newly negotiated Project Labor Agreement (PLA). The addition of a position to support the City's centralized safety team, if approved, directly benefits those City employees working in departments that do not have their own in-house safety staff and ensures that a safe workplace is available for all employees. With this addition, departments without in-house safety staff will receive additional safety communications and a safer work environment. The addition of personnel and non-personnel expenses to support the City's newly negotiated PLA will increase union participation in City Capital Improvement Program project work. Increased union participation is meant to equate to increased access to higher-paying, better-benefitted positions for workers while benefitting the City and its residents by ensuring there are no work stoppages on critical infrastructure projects. Compliance Department PLA program staff, with the support of a consultant, will work to monitor the PLA and ensure that all requirements for workers, City staff, contractors, and Trades Council representatives are met.

Key Performance Indicators

Performance Indicator	Definition	Baseline	FY2024 Performance	Goal
Continuous Improvement ¹	The number of process or program improvements that have been implemented based on customer feedback.	N/A	N/A	4
Outreach	The number of outreach events held for City departments, San Diego employers and residents.	33	28	28
Investigations & Site Visits	The number of proactive investigations (investigations initiated by the department), employer site visits, and City department occupational health and safety (OHS) visits.	184	172	172

¹ In the last year, several Compliance programs independently connected with customers to ask about process improvements and, where feasible, took action based upon customer response. Based upon solicitations and staff bandwidth, initial estimates identify that about half of our programs could implement at least one process improvement per year.

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Department Summary

	FY2023 Actual	FY2024 Budget	FY2025 Proposed	FY2024-2025 Change
FTE Positions (Budgeted)	34.00	36.00	41.00	5.00
Personnel Expenditures	\$ 4,250,072	\$ 5,351,517	\$ 6,507,006	\$ 1,155,489
Non-Personnel Expenditures	258,770	334,592	803,801	469,209
Total Department Expenditures	\$ 4,508,841	\$ 5,686,109	\$ 7,310,807	\$ 1,624,698
Total Department Revenue	\$ 452,666	\$ 360,000	\$ 1,676,666	\$ 1,316,666

General Fund

Department Expenditures

	FY2023 Actual	FY2024 Budget	FY2025 Proposed	FY2024-2025 Change
Compliance	\$ 4,508,841	\$ 5,686,109	\$ 7,310,807	\$ 1,624,698
Total	\$ 4,508,841	\$ 5,686,109	\$ 7,310,807	\$ 1,624,698

Department Personnel

	FY2023 Budget	FY2024 Budget	FY2025 Proposed	FY2024-2025 Change
Compliance	34.00	36.00	41.00	5.00
Total	34.00	36.00	41.00	5.00

Significant Budget Adjustments

	FTE	Expenditures	Revenue
Support for Project Labor Agreement Addition of 5.00 FTE positions, associated revenue, and one-time non-personnel expenditures to support the new Project Labor Agreement for the City's Capital Improvement Program.	5.00	\$ 1,194,866	\$ 676,666
Salary and Benefit Adjustments Adjustments to reflect savings resulting from vacant positions for any period of the fiscal year, retirement contributions, retiree health contributions, and labor negotiations.	0.00	558,356	-
Support for Information Technology Adjustment to expenditure allocations according to an annual review of information technology funding requirements.	0.00	58,698	-
Non-Discretionary Adjustment Adjustment to expenditure allocations that are determined outside of the department's direct control. These allocations are generally based on prior year expenditure trends and examples of these include utilities, insurance, and rent.	0.00	230	-
One-Time Additions and Annualizations Adjustment to reflect one-time revenues and expenditures, and the annualization of revenues and expenditures, implemented in Fiscal Year 2024.	0.00	(2,100)	-

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Significant Budget Adjustments

	FTE	Expenditures	Revenue
Executive Approval to Fill Vacancies Addition of estimated savings associated with the implementation of the Executive Approval to Fill Vacancies process.	0.00	(71,630)	-
Operational Efficiency Reduction of personnel expenditures due to an anticipated delay in hiring for any vacancies that may occur in Fiscal Year 2025.	0.00	(113,722)	-
CIP Prevailing Wage Monitoring Adjustment to reflect revised revenue for reimbursable Prevailing Wage monitoring.	0.00	-	640,000
Total	5.00	\$ 1,624,698	\$ 1,316,666

Expenditures by Category

	FY2023 Actual	FY2024 Budget	FY2025 Proposed	FY2024-2025 Change
PERSONNEL				
Personnel Cost	\$ 2,680,549	\$ 3,631,175	\$ 4,457,014	\$ 825,839
Fringe Benefits	1,569,523	1,720,342	2,049,992	329,650
PERSONNEL SUBTOTAL	4,250,072	5,351,517	6,507,006	1,155,489
NON-PERSONNEL				
Supplies	\$ 9,282	\$ 13,856	\$ 13,856	-
Contracts & Services	214,565	127,902	529,272	401,370
<i>External Contracts & Services</i>	178,432	73,140	473,540	400,400
<i>Internal Contracts & Services</i>	36,133	54,762	55,732	970
Information Technology	26,123	190,975	258,213	67,238
Energy and Utilities	2,869	659	1,260	601
Other	5,930	1,200	1,200	-
NON-PERSONNEL SUBTOTAL	258,770	334,592	803,801	469,209
Total	\$ 4,508,841	\$ 5,686,109	\$ 7,310,807	\$ 1,624,698

Revenues by Category

	FY2023 Actual	FY2024 Budget	FY2025 Proposed	FY2024-2025 Change
Charges for Services	\$ 439,605	\$ 360,000	\$ 1,676,666	\$ 1,316,666
Fines Forfeitures and Penalties	10,000	-	-	-
Other Revenue	3,060	-	-	-
Total	\$ 452,666	\$ 360,000	\$ 1,676,666	\$ 1,316,666

Personnel Expenditures

Job Number	Job Title / Wages	FY2023 Budget	FY2024 Budget	FY2025 Proposed	Salary Range	Total
FTE, Salaries, and Wages						
20000012	Administrative Aide 1	1.00	1.00	1.00	\$ 55,036 - 66,266	\$ 63,531
20000024	Administrative Aide 2	1.00	1.00	1.00	63,360 - 76,360	63,360
20000041	Assistant Management Analyst	0.00	1.00	0.00	66,179 - 80,424	-
21000845	Associate Compliance Officer	0.00	0.00	2.00	98,820 - 119,423	197,640
20000145	Associate Engineer-Civil	2.00	2.00	1.00	108,826 - 131,374	131,374

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Personnel Expenditures

Job Number	Job Title / Wages	FY2023 Budget	FY2024 Budget	FY2025 Proposed	Salary Range	Total
20000119	Associate Management Analyst	12.00	11.00	12.00	80,424 - 97,203	1,086,246
20001101	Department Director	1.00	1.00	1.00	96,395 - 365,173	228,987
20001168	Deputy Director	1.00	1.00	1.00	72,886 - 268,057	194,324
20001234	Program Coordinator	3.00	4.00	4.00	36,814 - 214,004	576,488
20001222	Program Manager	4.00	5.00	6.00	72,886 - 268,057	968,616
20001042	Safety and Training Manager	0.00	0.00	1.00	92,310 - 111,878	100,062
20000847	Safety Officer	3.00	3.00	3.00	80,086 - 96,743	290,229
20000854	Safety Representative 2	2.00	2.00	1.00	69,787 - 84,407	69,787
20000890	Senior Civil Engineer	1.00	1.00	0.00	125,388 - 151,584	-
21000846	Senior Compliance Officer	0.00	0.00	3.00	113,983 - 137,776	341,949
20000015	Senior Management Analyst	2.00	2.00	2.00	88,289 - 106,773	210,283
21000847	Supervising Compliance Officer	0.00	0.00	2.00	128,184 - 155,320	260,763
20000970	Supervising Management Analyst	1.00	1.00	0.00	94,669 - 114,682	-
	Adjust Budget To Approved Levels					(113,722)
	Bilingual - Regular Budgeted Personnel Expenditure Savings					8,736
	Overtime Budgeted					(266,037)
	Termination Pay Annual Leave					3,400
	Vacation Pay In Lieu					24,936
						16,062
FTE, Salaries, and Wages Subtotal		34.00	36.00	41.00		\$ 4,457,014

	FY2023 Actual	FY2024 Budget	FY2025 Proposed	FY2024-2025 Change
Fringe Benefits				
Employee Offset Savings	\$ 104,610	\$ 16,740	\$ 15,544	\$ (1,196)
Flexible Benefits	330,198	367,666	495,794	128,128
Insurance	1,280	-	-	-
Long-Term Disability	13,424	12,531	16,846	4,315
Medicare	41,863	52,369	66,670	14,301
Other Post-Employment Benefits	160,745	199,115	161,850	(37,265)
Retiree Medical Trust	4,495	6,935	8,740	1,805
Retirement 401 Plan	16,599	24,765	36,471	11,706
Retirement ADC	733,459	861,934	1,083,674	221,740
Retirement DROP	2,450	2,755	2,965	210
Risk Management Administration	39,427	45,045	54,171	9,126
Supplemental Pension Savings Plan	77,975	79,421	58,954	(20,467)
Unemployment Insurance	3,423	4,112	4,775	663
Workers' Compensation	39,574	46,954	43,538	(3,416)
Fringe Benefits Subtotal	\$ 1,569,523	\$ 1,720,342	\$ 2,049,992	\$ 329,650
Total Personnel Expenditures			\$ 6,507,006	



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