

Audit Recommendation Follow-Up Report

APRIL 2025

Status Update as of December 31, 2024

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CITY OF SAN DIEGO



OFFICE of the CITY AUDITOR



April 9, 2025

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

Recommendation Follow-Up Report – Status Update as of December 31, 2024

Attached is the Office of the City Auditor's Recommendation Follow-Up Report, which provides the status of open recommendations as of December 31, 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 April 23, 2025 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 Heather Ferbert
 Matthew Vespi, Chief Financial Officer
 Rolando Charvel, Department of Finance Director and City Comptroller
 Deputy Chief Operating Officers
 Department Directors
 Christiana Gauger, Chief Compliance Officer
 Charles Modica, Independent Budget Analyst

Audit Recommendation Follow-Up Report

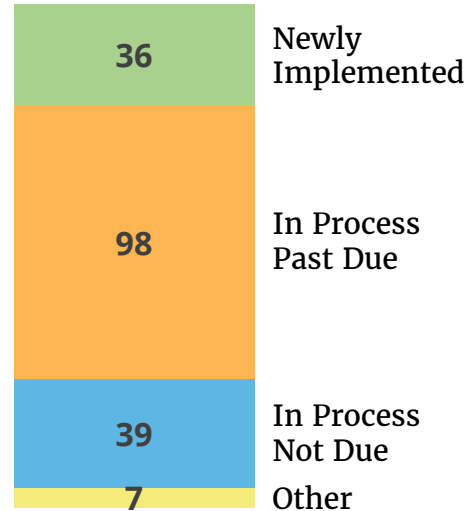
Status Update as of December 31, 2024

Implementation Status

We don't just point out problems, we identify and recommend solutions. The City's implementation of our recommendations has resulted in significant financial benefits to the City, substantial improvements in the delivery of critical City services, increased oversight of City programs, and has increased the City's transparency and accountability to those it serves.

For transparency and oversight, we follow up on the implementation status of our audit and investigative recommendations every six months and present the results to the Audit Committee. For this follow-up period, OCA reviewed the status of 180 open recommendations across 43 audit and investigative reports. Based on auditor review of evidence, OCA determined that the City **implemented 36 recommendations** from 18 audit and investigative reports during this follow-up period.

Implementation Status



Impact of Newly Implemented Recommendations

Newly Implemented recommendations will help improve various City programs and processes.

For example, some newly implemented recommendations will help:

- **Protect taxpayers by improving the City's major building acquisition process:** Economic Development proposed and City Council approved a comprehensive update to Council Policy 700-32, which will help ensure that sufficient due diligence is conducted and best practices are followed when acquiring buildings, to reduce the risk of failed acquisitions that have cost taxpayers hundreds of millions of dollars.
- **Improve Climate Action Plan implementation:** The City strengthened oversight mechanisms to ensure City departments stay on track to implement Climate Action Plan goals and better inform key decisionmakers, such as the Mayor, City Council, and the public of implementation progress.
- **Strengthen management and oversight of City property:** Economic Development proposed, and City Council approved comprehensive updates to Council Policies 700-10 and 700-12, which establish requirements for a comprehensive Portfolio Management Plan to guide the City's real estate portfolio decisions and help ensure that leases of City property are in the best interests of the City and taxpayers.
- **Improve water billing accuracy:** Public Utilities has now implemented all our recommendations from the 2018 water billing audit. In addition to 9 previously implemented recommendations, Public Utilities now periodically assesses the strength of billing controls, which will help identify and correct systematic issues that could lead to water billing errors.
- **Enhance the Get It Done customer experience:** The Performance and Analytics Department and various City departments (i.e., the Environmental Services Department, Transportation Department Street Division, SDPD Neighborhood Policing Division, and SDPD Parking Division) provided updated trainings to staff to help ensure customers receive accurate status information through the Get It Done application.
- **Optimize pothole repairs:** Transportation implemented several recommendations that will significantly improve the program's efficiency and productivity within existing budget. Specific improvements include mapping, reassigning staff to more productive tasks, and developing a metric to track and monitor the program's efficiency.
- **Improve brush management of City-owned land to help prevent wildfires:** Management has established quarterly brush management coordination meetings between major departments including Fire-Rescue, Parks and Recreation, Transportation, and Public Utilities to help ensure that departments are aware of and are completing their brush management responsibilities.

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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.

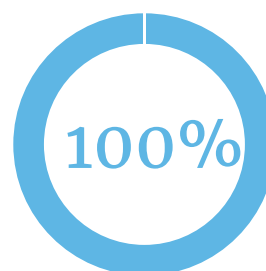
We greatly appreciate the Administration's efforts to implement audit and investigative recommendations to improve City operations and mitigate the risks identified during our audits and investigations.

As of our last recommendation follow-up report for the period ending June 30, 2024, there were 147 open recommendations.³ Since then, we have issued three performance audit reports, one investigations, and one agreed-upon procedures review, which added 33 new recommendations with 100 percent agreement, for a total of 180 outstanding recommendations for the period ending December 31, 2024, as shown below.

33 new recommendations to improve efficiency, effectiveness, and equity of City operations issued June 1, 2024 through December 31, 2024

City Management agreed with **100%** of new recommendations

Recommendation Agreement



37 Recommendations Resolved for Period Ending December 31, 2024

180 Outstanding Recommendations

- 36** Implemented
- 98** In Process – Past Due
- 39** In Process – Not Due
 - 1** Partially Implemented – No Further Action
 - 1** In Process (Pending Audit Committee Action)
 - 1** In Process (Proposed Alternative)
 - 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 December 31, 2024](#)

³ One recommendation from the Agreed-Upon Procedures to the Central Stores Physical Inventory for Fiscal Year 2023 was removed from the count of open recommendations because it was a repeat of Recommendation 1 from the Fiscal Year 2020 report.

As shown in **Exhibit 1**, 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

Screenshots of the Dashboard for the Current Report Period Ending December 31, 2024



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

12/31/2024
Reporting Period Ending

43
Total Reports Issued

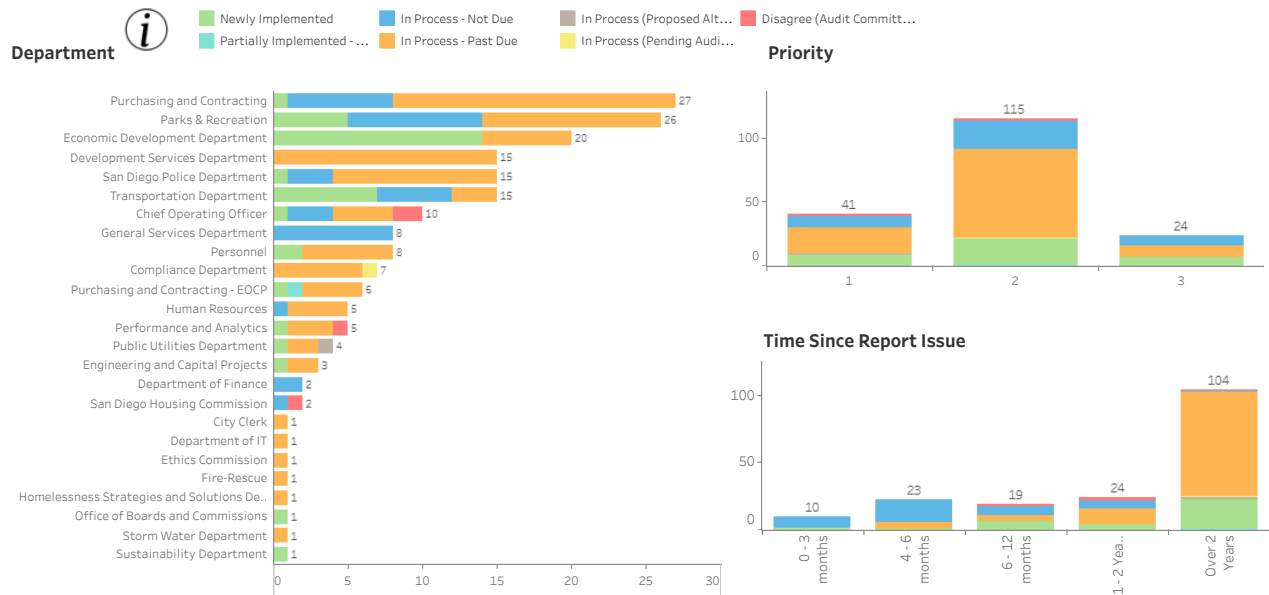
180
Total Active Recommendations

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

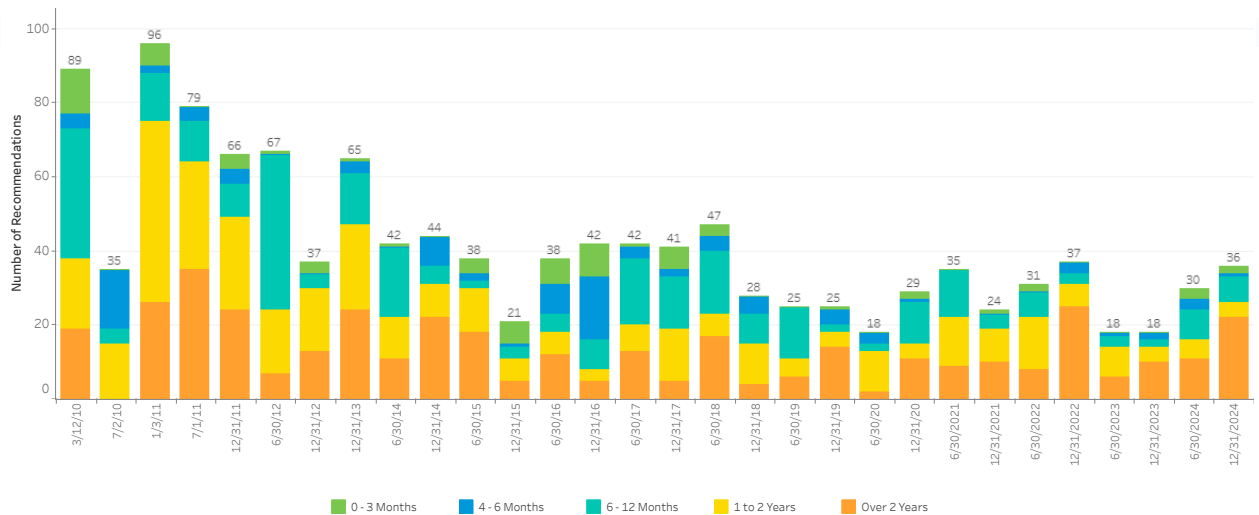
Year of Report Issuance (Calendar Year)	Department	Recommendation Priority	Recommendation Status	Time Since Report Issue	Audit Report Title
(All)	(All)	(All)	(All)	(All)	(All)

43 Reports in Selected Filters

180 Active Recommendations in Selected Filters



Time to Implementation



Number of Recommendations
Implemented since 3/12/2010:

1,243

Current Reporting Period Ending:

12/31/2024

Number of Active Recommendations
during Current Report Period:

180

Implementation Status of Recommendations

This report reflects the status of all Office of the City Auditor open audit recommendations as of December 31, 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 no longer applicable;

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

In Process (Pending Audit Committee Action): OCA is requesting direction from the Audit Committee on the recommendation during this follow-up cycle;

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

Partially Implemented – No Further Action: Management has completed some elements of the recommendation, but has not fully addressed the risk and does not plan to take any further action.

The following icons are used throughout this report to indicate the **37** recommendations for which the department reported that it requires additional resources and the **2** 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 180 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			27
17-013	Performance Audit of the San Diego Convention Center		1			30
18-023	Performance Audit of the Storm Water Division		1			32
19-002	Performance Audit of the Real Estate Assets Department's Portfolio Management Practices	1	1			34
19-003	Performance Audit of the Public Utilities Department's Water Billing Operations	1				37
20-002	Performance Audit of Public Utilities Department's Advanced Metering Infrastructure Implementation				1	39
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			45
20-009	Performance Audit of the City's Efforts to Address Homelessness		1			50

Report #	Report Title	Newly Implemented	In Process Past Due	In Process Not Due	Other	Page #
20-010	Hotline Investigation of Gifts Received by a City Employee		1			52
20-011	Performance Audit of the City's Strategic Human Capital Management		1			55
20-013	IT Performance Audit of Citywide Data Classification and Sensitive Data Encryption		1			58
21-001	Follow-Up Performance Audit of the Public Utilities Department's Industrial Wastewater Control Program		2			60
21-002	Agreed-Upon Procedures Related to the Central Stores Physical Inventory - Fiscal Year 2020		2			62
21-004	Performance Audit of San Diego Police Department's Data Analysis	1				64
21-005	Performance Audit of the Purchasing and Contracting Department's Small Local Business Enterprise Program	1	4		1	10 & 66
21-006	Performance Audit of Strategic Human Capital Management II: Employee Performance Management	1	1			71
21-009	Performance Audit of the City's Climate Action Plan	1				74
22-002	Performance Audit of the City's Major Building Acquisition Process	7	1		1	13 & 76
22-005	Performance Audit of Equity in Recreation Programming	1	11	1		84
22-007	Performance Audit of the City's Lease Management and Renewal Process	4	4			101
22-008	Performance Audit of Workplace Safety and Workers' Compensation		6			107
22-009	Performance Audit of the Development Services Department's Code Enforcement Division		10			114
23-001	Performance Audit of SDPD's Use and Management of Body Cameras		6			123
23-002	Performance Audit of Mission Bay and San Diego Regional Parks Improvement Funds, Fiscal Year 2021	2				128

Report #	Report Title	Newly Implemented	In Process Past Due	In Process Not Due	Other	Page #
23-004	Performance Audit of the City's Get It Done Application and Service Requests Management	1	2		1	130
23-005	Performance Audit of the City's Towing Program		4			135
23-08	Hotline Report of Unsafe Driving by City Employees		1		2	141
23-09	Performance Audit of the City's Capital Improvement Project Approval Process	1	2			144
24-01	Performance Audit of the City's Brush Management on City-Owned Land	2	3	2		147
24-02	Performance Audit of the City's Classified Employee Hiring Process	1	5	1		154
24-03	Fraud Hotline Report of Purchase Order Approvals		1			162
24-04	Re-Review of the 2016 Audit of the City's Programs Responsible for Improving Pedestrian Safety			3		164
24-07	Performance Audit of the City's Street Maintenance Program		3	1		167
24-08	Performance Audit of SDPD Overtime		1	3		173
24-09	Performance Audit of the San Diego Housing Commission's Property Acquisition Process			1	1	176
24-11	2024 High Risk Re-Review of the 2013 Performance Audit of the City's Pothole Repair Operations	7		2		179
25-01	Performance Audit of Facility Maintenance			10		185
25-02	Performance Audit of the City's Contract Management Process	1	5	7		194
25-05	Fraud Hotline Report of Boat Storage Permits	2		8		201
Grand Total		36 (20%)	98 (54%)	39 (22%)	7 (4%)	

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; (d) Management took partial action to implement the recommendation and plans to take no further action; and/or (e) 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 December 31, 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

OCA 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) Management has **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; (d) Management took **partial action** to implement the recommendation and **plans to take no further action**; and/or (e) it is determined to be **Not Applicable (N/A)** any longer and should be dropped.

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	Partially Implemented – No Further Action		
4	Purchasing & Contracting	In Process – Past Due		
5	Purchasing & Contracting	In Process – Past Due		
6	Purchasing & Contracting	Previously Implemented (June 2022)		
7	Purchasing & Contracting	Newly Implemented		
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		

*Recommendations 4, 5, 7, 9, and 12 are discussed in Section B of this report.

The Purchasing and Contracting Department's Equal Opportunity Contracting Division (EOC) has previously implemented Recommendations 1, 2, 6, 8, 10, and 11. For Recommendation 3, EOC reported that the recommendation would require significant staff time and would not be cost beneficial to the City. Instead, EOC says it intends to make a budget request for a new disparity study that would include the availability assessment. Additionally, the availability information from the 2020 disparity study was reported to City Council and is available to the public.

Requested Action:

Management has indicated that no further action would be taken to implement Recommendation 3, beyond making a budget request for a new disparity study. Management has taken actions to partially address the risk, by ensuring the results of the 2020 disparity study are available to City Council and the public. Therefore, **we propose that Recommendation 3 be closed with a status of Partially Implemented – No Further Action.**

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)

Department Reported: Partially Implemented – No Further Action

OCA Request: Partially Implemented – No Further Action

We recommended that EOC compare the amount awarded in each contract type for each race/gender group to the race/gender makeup of the contractors available in the region and include that information in its annual SLBE reports. EOC could use the disparity study's analysis of availability in the region to do this comparison. EOC reported that the recommendation would require significant staff time and would not be cost beneficial to the City. Instead, EOC says it intends to make a budget request for a new disparity study that would include the availability assessment. Additionally, the availability information from the 2020 disparity study was reported to City Council and is available to the public. The department has not fully addressed the risk, because the annual reports on the SLBE program do not include a discussion of

the use of contractors to the availability of contractors and a key goal of the program is increased contracting with businesses owned by women and people of color. However, the department has taken some actions to address the risk, such as making the results of the 2020 disparity study public, and does not plan to take any further action. Therefore, we recommend Audit Committee accept this recommendation as Partially Implemented - No Further Action.

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 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	Newly Implemented		
2	Economic Development	Newly Implemented		
3	Economic Development	In Process – Past Due		
4	Economic Development	Newly Implemented		
5	Economic Development	Newly Implemented		
6	Economic Development	Newly Implemented		
7	Compliance	In Process (Pending Audit Committee Action)		
8	Economic Development	Newly Implemented		
9	Independent Budget Analyst	Previously Implemented (June 2022)		

No.	Department	Recommendation Status*	Resources Required	No Update Provided
10	Economic Development	Newly Implemented		

*Recommendations 1, 2, 3, 4, 5, 6, 8, and 10 are discussed in Section B of this report.

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.

In March 2023, we reported that Recommendation 7 had been partially implemented. The City Attorney's Office pursued alternative methods to reduce the risk that City staff may not accurately represent and inform City Council of all material facts or significant developments relating to real estate acquisitions. Specifically, the City Attorney's Office said they requested City staff provide an attestation as to the accuracy and completeness of the information with each Staff Report to City Council. However, the City Administration did not agree to this. As another alternative, the City Attorney's Office began including the following language to resolutions and ordinances that come before City Council, as applicable:

"WHEREAS, the Office of the City Attorney has drafted this [resolution/ordinance] based on the information provided by City staff, with the understanding that this information is complete, true, and accurate."

At the time, we reported that the new language is an improvement, but likely does not address the risk as fully as attestations or penalties. We asked Audit Committee to vote to either close the recommendation as Partially Implemented - No Further Action or to keep the recommendation open and request the IBA continue to pursue alternative methods to address the remaining risk. The Audit Committee voted to keep the recommendation open and request the IBA continue to pursue alternative methods to address the remaining risk.

In March 2024, the IBA published and presented a report to the Audit Committee 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:

- 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.
- 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.
- Develop and offer enhanced staff training related to City Charter Section 32.1 as referenced in Option #4 of IBA Report 24-05.

At the March 12, 2025 Audit Committee meeting, Compliance reported that Management will not implement Item A, requesting it create language for staff attestation on staff reports to City Council.

Compliance reported that Management is in the process of implementing Item B by having the Human Resources Department update AR 95.60 and the City's Employee Code of Conduct and the Personnel Department update the Personnel Manual.

Compliance reported that once Item B has been implemented, the Human Resources Department and Personnel Department will implement Item C by offering training to affected City staff.

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)

Department Reported: Partially Implemented – No Further Action

OCA Request: Option 1 or Option 2

Option 1:

Keep the recommendation open as In Process – Not Due until Items B And C are implemented, then close the recommendation as Partially Implemented – No Further Action.

The Administration has taken steps to partially implement the recommendation. As mentioned, the City Attorney's Office added language to ordinances to remind City Council that it assumes the information staff provided is accurate. Additionally, the Administration reported it plans to train staff and include in the employee handbooks the fact that the City Charter requires them to inform City Council of all material facts related to the item presented to City Council. However, these actions do not fully address the risk found in the audit: that City staff presented inaccurate material information to City Council when staff had the accurate information, violating Charter Section 32.1, and would not face any consequences for doing so if they were directed to do so by their superiors, given that any consequences for presenting inaccurate information are determined by staff's superiors.

These steps do partially address the risk intended to be addressed by Recommendation 7. Therefore, under this option, OCA would continue to request updates on the progress of implementing Items B and C and report that progress as part of the Recommendation Follow-Up Report, so that the Audit Committee and the public would continue to be informed of the steps taken to address the risk identified.

Option 2:**Report the dispute to City Council and keep the recommendation open as In Process – Not Due.**

According to City Charter Section 39.1, the Audit Committee has oversight responsibility regarding the City's internal controls. If the Audit Committee determines that the risk posed by the finding has not been and will not be sufficiently addressed by the City Management's controls, the Audit Committee could report the dispute to City Council.

Issue Date: June 22, 2021

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

Current Target Date: March 2025

Section B

Recommendation Implementation Status by Report

This section includes all newly implemented and in process recommendations as of December 31, 2024, 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	Newly Implemented		

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)

Newly Implemented

This recommendation is implemented. As part of its comprehensive updates to Council Policies, the department 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. This specific policy was recommended for approval to move forward for consideration by City Council. Following the consolidation of the former Department of Real Estate and Airport Management into the Economic Development Department,

the department included some additional minor updates to the draft Council Policy which required review and coordination with the City Attorney. In October 2024, this policy along with the two other Council Policies were presented to the Land Use & Housing Committee who voted unanimously to recommend Council approval of the policy. Next, it was brought to City Council on February 3, 2025 along with Council Policy 700-10 and 700-32. City Council approved the Council Policy updates unanimously.

The non-profit policy in Council Policy 700-12 has been revised to establish clear eligibility criteria for the leasing of City-owned property to non-profit entities in good standing. Policy, Section 3, Page 2 states, "When the City Council determines that a proposed lease transaction will confer public benefits, the City may charge the lessee one of the following amounts, in lieu of market rent: (a) a nominal fee, in an amount determined by the department, with respect to any CDBG-restricted property leased to a nonprofit organization that primarily provides services to low-income persons; or (b) an administrative cost recovery fee, to be paid annually based on percentage increases in the Consumer Price Index, with respect to any other City property leased to a nonprofit organization for the provision of public services."

Issue Date: December 20, 2012

Original Target Date: June 2013

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. P&C has worked with IT to develop three reports that will assist internal staff and external departments keep track of target value. The next step is to create the written process which will be completed in 30 days. A meeting will be set to demonstrate the reporting mechanism with the OCA. The department considers this partially implemented.

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~~ ~~March 2025~~

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. According to P&C, the department will review and provide the reports that have been developed to assist with appropriate contract monitoring. Further, in December 2024, the department provided read-only rights to all City employees to view contractual documents within the system. P&C can review with OCA the required documents schedule for information within Ariba.

Issue Date: April 25, 2015

Original Target Date: TBD 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 March-2025

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. According to P&C, the following tasks are necessary to achieve full implementation:

Task 1: Complete Contract Administration Guide.

Status: Estimated in February 2025.

Task 2: Train staff.

Status: Estimated in June 2025.

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~~ ~~June 2025~~

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. P&C met with OCA to discuss the recommendation. According to P&C, the following tasks are necessary to achieve full implementation:

Task 1: Complete Contract Administration Guide.

Status: Estimated in February 2025.

Task 2: Train staff.

Status: Estimated in June 2025.

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 June 2025

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. P&C met with OCA to discuss the recommendation. According to P&C, the following tasks are necessary to achieve full implementation:

Task 1: Develop Contractor Evaluation Form.

Status: Complete.

Task 2: Train staff.

Status: Estimated June 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. P&C met with OCA to discuss recommendations. P&C has developed a contractor evaluation guide and plans on training staff in the near future. Additionally, P&C is working on procedures for vendor debarment.

According to P&C, the following tasks are necessary to achieve full implementation:

Task 1: Complete Contract Administration Guide and Contractor Evaluation Form.

Status: Estimated in February 2025.

Task 2: Complete vendor debarment.

Status: Estimated in April 2025.

Task: 3: Complete CAO Review.

Status: Estimated completion date unknown.

Task: 4: Train Staff.

Status: Estimated completion date unknown.

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 May 2025

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. P&C met with OCA to discuss implementation of the recommendation. P&C has developed a report that connects purchase orders to contracts and has input guidance on purchase order entry into the Contract Administration Guide. However, P&C does not have the staff to run monthly reports to fix unconnected purchase orders. OCA will monitor the implementation of the Contract Administration Guide and discuss next steps with P&C during the next recommendation follow-up cycle.

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 March 2025

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. P&C met with OCA to discuss implementation of the recommendation. P&C is including guidance for contract administrators around the responsibility of checking invoice prices against signed contract prices. Training on the Contract Administration Guide is expected to begin in June 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 June 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 litigation surrounding Measure C has not yet been resolved. On August 30, 2024, the judge in the trial court proceedings issued the order and judgment in the Measure C trial in favor of the City on all issues, which declares Measure C to have been duly enacted by the voters and the City to have the authority and an obligation to impose and collect the TOT. However, on September 26, 2024, opponents of the Measure appealed the trial court judgment. A motion to expedite the appellate case has been granted, and briefing will be completed by February 2025, with a decision expected in the summer of 2025.

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, 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.

Status: On hold pending budget availability.

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	Newly Implemented		

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 City Council adopted revisions to Council Policy 700-10 in February 2025 to address administration and processes for the lease and sale of City-owned properties. The policy requires that the Economic Development Department (EDD) or other designees review any City property not currently being used for, or no longer meeting, municipal purposes and determine the appropriate use of the City property. If a City property is not needed for any City use within the foreseeable future, the City may identify and designate the City property as available for sale or lease if the disposition will reduce City operational impacts or achieve a public purpose. Additionally, the policy requires EDD to complete a Real Property Management Plan every two years, which will involve coordination with various stakeholders and include strategies for the management of all City properties.

Furthermore, the department has procured and selected a consultant for new real estate administration software and anticipates launch near the end of the fiscal year. Upon implementation for this new software, the department will be able to track, monitor, and report data in a more efficient manner. While the updated Council Policy 700-10 addresses part of this recommendation, OCA will keep the recommendation open to review whether EDD's new system meets the rest of it.

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~~ June 2025

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)

Newly Implemented

This recommendation is implemented. The City Council adopted revisions to Council Policy 700-10 in February 2025 that implement this recommendation. The updated policy states that the Economic Development Department (EDD) should review, update, and present to the City Council for proposed approval during a public meeting, a Real Property Management Plan every two years, contingent upon available budget resources. The updated policy outlines major elements that should be included in the plan, such as an inventory of all City properties and properties occupied by the City; a disposition plan for any surplus properties; and strategies for the management of all City properties, including properties occupied but not owned by the City. The updating of the plan will include feedback from asset-owning departments. The most current, City Council-approved version of the Real Property Management Plan should be available on EDD's website.

Issue Date: July 23, 2018

Original Target Date: January 2019

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	Newly Implemented		
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)

Newly Implemented

This recommendation is implemented. PUD provided evidence that implausibles reports are generated on a weekly basis to show the daily number resolved by day as well as a running total of unresolved. These weekly reports are then summarized on a monthly basis to show the average resolved implausibles. According to PUD, these reports are analyzed to implement process improvements, such as needed SAP enhancements or changing the criteria for triggering an implausible. PUD provided a copy of the analysis with a written explanation for each implausible type. PUD also analyzes total customers rebilled per month. PUD presented an analysis of this information at the September 2024 IROC meeting. According to PUD, it will also present this analysis at the Environment Committee in April 2025. Additionally, PUD included the KPI "Percentage of customer billing statements issued accurately and on time" in the FY2025 budget, which covers the accuracy of the billing process. PUD is not posting the metrics and results of its analysis of the billing environment on its public website, stating that it believes posting the implausible report on the website without context will cause confusion. The public reporting of the results of the analysis, combined with the publicly reported KPI in the budget, meet the intent of the recommendation.

Issue Date: July 26, 2018

Original Target Date: April 2019

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 (June 2024)		
7	Public Utilities	Previously Implemented (December 2021)		
8	Public Utilities	Not Implemented – N/A (June 2024)		
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 (June 2024)		
12	Public Utilities	Not Implemented – N/A (June 2024)		

No.	Department	Recommendation Status	Resources Required	No Update Provided
13	Public Utilities	Not Implemented – N/A (June 2024)		

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)

This recommendation is in process. According to Public Utilities, the department drafted and released 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 and 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; and
- 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 PUD's functional needs. Public Utilities worked 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.

Following the RFP process, PUD estimates that a selected vendor could be brought forward for City Council consideration/approval by January 2026 and pre-deployment could begin by July 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.

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~~ ~~July 2026~~

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. According to the department, staff is on track to complete this recommendation within the current date specified.

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~~ July 2025

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 August 2025, pending final authorization.

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~~ August 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. According to the department, this recommendation is in process and will be completed within the specified time frame.

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 July 2025~~

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. According to the department, this recommendation is in process and will be completed within the specified time frame.

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 July 2025~~

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), it contracted with a consultant to assist with the User Fee study, which established a new hourly rate. The study was completed and approved by Council in May 2024, and the new fee increases were effective as of July 1, 2024. According to DSD, it will be launching a pilot program 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. DSD's financial staff has met internally with the different DSD divisions to gather the business process requirements, and the subject matter expert will begin drafting the workflow needed to establish the pay-as-you-go approach. DSD plans to implement and begin testing the pay-as-you-go approach in April 2025. According to DSD, eliminating deposit accounts would remove the waiting period for payroll postings and fiscal month-end close reports, which can take two or more months and will likely nullify the recommendations for this audit. If no significant issues are encountered during the pilot, then full implementation of the pay-as-you-go approach should be implemented in the first quarter of Fiscal Year 2026.

Issue Date: February 7, 2020

Original Target Date: May 2020

Current Target Date: May 2020 June 2021 April 2022 March 2024
~~December 2024~~ September 2025

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), it contracted with a consultant to assist with the User Fee study, which established a new hourly rate. The study was completed and approved by Council in May 2024, and the new fee increases were effective as of July 1, 2024. According to DSD, it will be launching a pilot program 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. DSD's financial staff has met internally with the different DSD divisions to gather the business process

requirements, and the subject matter expert will begin drafting the workflow needed to establish the pay-as-you-go approach. DSD plans to implement and begin testing the pay-as-you-go approach in April 2025. According to DSD, eliminating deposit accounts would remove the waiting period for payroll postings and fiscal month-end close reports, which can take two or more months and will likely nullify the recommendations for this audit. If no significant issues are encountered during the pilot, then full implementation of the pay-as-you-go approach should be implemented in the first quarter of Fiscal Year 2026.

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~~ September 2025

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), it contracted with a consultant to assist with the User Fee study, which established a new hourly rate. The study was completed and approved by Council in May 2024, and the new fee increases were effective as of July 1, 2024. According to DSD, it will be launching a pilot program 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. DSD's financial staff has met internally with the different DSD divisions to gather the business process requirements, and the subject matter expert will begin drafting the workflow needed to establish the pay-as-you-go approach. DSD plans to implement and begin testing the pay-as-you-go approach in April 2025. According to DSD, eliminating deposit accounts would remove the waiting period for payroll postings and fiscal month-end close reports, which can take two or more months and will likely nullify the recommendations for this audit. If no significant issues are encountered during the pilot, then full implementation of the pay-as-you-go approach should be implemented in the first quarter of Fiscal Year 2026.

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~~ September 2025

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), it contracted with a consultant to assist with the User Fee study, which established a new hourly rate. The study was completed and approved by Council in May 2024, and the new fee increases were effective as of July 1, 2024. According to DSD, it will be launching a pilot program 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. DSD's financial staff has met internally with the different DSD divisions to gather the business process requirements, and the subject matter expert will begin drafting the workflow needed to establish the pay-as-you-go approach. DSD plans to implement and begin testing the pay-as-you-go approach in April 2025. According to DSD, eliminating deposit accounts would remove the waiting period for payroll postings and fiscal month-end close reports, which can take two or more months and will likely nullify the recommendations for this audit. If no significant issues are encountered during the pilot, then full implementation of the pay-as-you-go approach should be implemented in the first quarter of Fiscal Year 2026.

Issue Date: February 7, 2020

Original Target Date: November 2020

Current Target Date: ~~November 2020~~ ~~June 2021~~ ~~Unknown~~ ~~December 2023~~
~~December 2024~~ September 2025

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), it contracted with a consultant to assist with the User Fee study, which established a new hourly rate. The study was completed and approved by Council in May 2024, and the new fee increases were effective as of July 1, 2024. According to DSD, it will be launching a pilot program 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. DSD's financial staff has met internally with the different DSD divisions to gather the business process requirements, and the subject matter expert will begin drafting the workflow needed to establish the pay-as-you-go approach. DSD plans to implement and begin testing the pay-as-you-go approach in April 2025. According to DSD, eliminating deposit accounts would remove the waiting period for payroll postings and fiscal month-end close reports, which can take two or more months and will likely nullify the recommendations for this audit. If no significant issues are encountered during the pilot, then full implementation of the pay-as-you-go approach should be implemented in the first quarter of Fiscal Year 2026.

Issue Date: February 7, 2020

Original Target Date: September 2020

Current Target Date: ~~September 2020~~ ~~June 2021~~ ~~Unknown~~ ~~December 2023~~
~~December 2024~~ September 2025

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 it continues to rely on HHAP rounds 1–5 to sustain current programming as well as City General Fund. It is anticipated the application for HHAP 6 will be released in the coming months. The results of the 2020 Ballot Measure C as a funding source have not yet been finalized. Once outcomes of the 2020 Ballot Measures have been determined, HSSD can initiate the development of a long-term funding strategy to meet its present and future homelessness needs identified in the Community Action Plan on Homelessness, as recommended by this audit.

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. Since the last update, the recommendation was redirected to the Ethics Commission as it is best positioned to bring SDMC amendments forward, working with the City Attorney's Office. According to the Ethics Commission, staff have since been working diligently to draft the strikeout language for the SDMC amendments that will need to be adopted, after a meet and confer process, to implement the recommendation. (This involves more amendments than identified in the Audit Report.) Although legislative work can proceed, with target

dates for drafting in the first half of 2025, implementation of the program will be on hold due to the projected structural deficit in the General Fund, the hiring freeze, and potential FY2026 budget reductions. As previously noted, the Ethics Commission 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, plus an Executive Director. 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.

Additionally, new Charter section 41.3, approved by City voters in November 2024, states that the Ethics Commission is to receive "sufficient" funding to operate the programs within its jurisdiction. Any new program must be fully funded by the City's General Fund. Revised target dates recognize that the City's FY2026 budget will not have adequate funding to expand the Commission's programs and staff. The dates also reflect the timing of a leadership transition in the department. A new Executive Director will take over this work as of March 19, 2025, upon the current Executive Director's retirement.

According to the Ethics Commission, the following tasks are necessary to achieve full implementation (Revised dates follow):

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: February 28, 2025

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: February 28, 2025

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: April 30, 2025 (Deadline provides time for contingency that the board may request additional work from staff.)

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; Ethics Commission is not involved in this step.

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 Ethics 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 and addressing key risk areas highlighted in the audit; 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
April 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	Previously Implemented (June 2024)		
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 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, a draft Administrative Regulation has been completed and is currently in the review process as detailed in Administrative Regulation 1, section 4.2.2 (Preliminary Review). No change to the Target Completion date of April 2025.

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: In progress. (December 2025 expected date.) Final negotiations have concluded. The next step is obtaining approval by the Participating Agencies' governing bodies.

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, which is dependent on their docketing process.

Status: In progress. (July 2026 expected date.)

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 July 2026

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, moving the budget to the Metro Fund is dependent on Participating Agencies approving revised agreements in Recommendation #4.

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. The [Agreed-Upon Procedures Related to the Central Stores Physical Inventory report for Fiscal Year 2023](#) resulted in one recommendation that was a repeat of Recommendation #1 from the FY2020 report.

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

Note: A repeat of Recommendation 1 was issued for the Agreed-Upon Procedures Related to the Central Stores Physical Inventory Fiscal Year 2023 report.

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, it was discovered that wireless access points were required in various locations of the central stores warehouse for scanner functionality. That, along with discussions with the Department of IT regarding barcoding measures for inventory, have created a slight delay with the initial completion date. Barcoding and implementation are back on track and once complete, the stores program manager will work to update policies incorporating the new software and processes.

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 June 2025

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. According to the department, it was discovered that wireless access points were required in various locations of the central stores warehouse for scanner functionality. That, along with discussions with the Department of IT regarding barcoding measures for inventory, have created a slight delay with the initial completion date. Barcoding and implementation are back on track and once complete, the stores program manager will work to update policies incorporating the new software and processes.

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~~ June 2025

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	Newly Implemented		
3	SDPD	Previously Implemented (December 2020)		
4	SDPD	Previously Implemented (June 2024)		
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)

Newly Implemented

This recommendation is implemented. The majority of this recommendation was implemented in the recommendation follow-up period ending June 30, 2021. At that time, SDPD updated training procedures and developed trainings for officers using SDPD's report management system. The trainings covered reporting of all known offenses in the reportable fields, as required by the recommendation.

The final remaining task to implement this recommendation was to update Department Procedure 6.04—which establishes guidelines for proper crime reporting and routing—to cover current practices. This procedure was updated on August 21, 2024.

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	Partially Implemented – No Further Action*		
4	Purchasing & Contracting	In Process – Past Due		
5	Purchasing & Contracting	In Process – Past Due		
6	Purchasing & Contracting	Previously Implemented (June 2022)		
7	Purchasing & Contracting	Newly Implemented		
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 is discussed in Section A of this report.

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 designated the Department of Race and Equity (now part of the Human Resources Department) as the oversight body for the Small Local Business Enterprise program, but has not provided documentation showing that the oversight body has conducted the oversight it is 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 need additional time to develop a comprehensive 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)

Newly Implemented

This recommendation is implemented. Instead of implementing a specific goal for goods and services contracts, the department has implemented an overall aspirational goal for all contracts, including goods and services contracts, of 15 percent. The department reports that this goal is included in all contract solicitations. This is an alternative method of addressing the risk, as the 15 percent overall goal encompasses goods and services contracts.

Issue Date: November 24, 2020

Original Target Date: January 2022

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. According to the department, EOC is in the process of creating a new centralized data tracking system to capture construction, professional services, goods and services contract awards. Once completed, staff will work to draft written policies for data tracking.

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	Previously Implemented (June 2024)		
6	Human Resources	Previously Implemented (June 2024)		
7	Human Resources	Previously Implemented (June 2024)		
8	Human Resources	Previously Implemented (June 2024)		

No.	Department	Recommendation Status	Resources Required	No Update Provided
9	Human Resources	Previously Implemented (December 2022)		
10	Personnel	Newly Implemented		
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.

- 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.
- 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: Validate report data for inaccurate or missing data.

Status: Running bi-weekly reports to search for missing or new data errors.

Task 3: Personnel to provide HR completion rates report to be included in the City's Annual Workforce Report.

Status: Planned for March 2025.

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~~ April 2025

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)

Newly Implemented

The recommendation is implemented. The Personnel Department is now tracking the completion rate of new supervisors who take the EPR Program course and included a new KPI for this completion rate in its FY2025 Adopted Budget. The KPI has a completion rate goal of 60 percent.

In October 2024, the City's Chief Financial Officer sent an email to all Mayoral Department Directors informing them that effective October 1, 2024, all supervisors that supervise Classified unrepresented employees and employees represented by MEA, Local 127, POA, and Local 911, will be required to complete the Employee Performance Review Program (EPRP) Training within one year of becoming a supervisor. The email further explains that over the next 12 months, the Personnel Department will offer additional EPRP Trainings on a voluntary basis for current supervisors who have not completed the training and that the Personnel Department will provide a report to department heads monthly identifying new supervisors who have not attended the training.

Personnel's efforts to implement a requirement that departmental appointing authorities require all new supervisors take the EPR Program course within one year of becoming a supervisor, as well as develop a mechanism to monitor and report compliance with this requirement, has thoroughly fulfilled all aspects of this recommendation and therefore this recommendation is now considered implemented.

Issue Date: November 25, 2020

Original Target Date: December 2021

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	Newly Implemented		
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)

Newly Implemented

This recommendation is implemented. In December 2024, the City implemented the new Administrative Regulation (A.R.) 2.00 - Climate Action Plan (CAP) Implementation Oversight and Reporting Procedures. The A.R. applies to all CAP implementing City departments, and requires that these departments annually complete Work Plans, as a component of their annual budget and resource planning, to identify CAP strategy(ies), Measure(s), and Action(s), or supporting action(s) that the department is responsible for and plans to implement in the upcoming fiscal year, and to submit them to SuMo for review. The A.R. also requires directors from CAP implementing departments to appoint a CAP liaison and sets responsibility for the liaisons to attend bi-monthly Sustainability Roundtable meetings, provide annual updates to the CAP Work Plan virtual dashboard, and to ensure CAP implementation efforts take place within their respective department. Additionally, the A.R. requires SuMo to review each departmental Work Plan and request to present the CAP Annual Report to the full City Council. Lastly, although the A.R. does not require CAP implementing City departments to annually request to docket their CAP annual Work Plans for presentation to the full City Council, in addition to SuMo's review of each departmental Work Plan, the CAP Annual Reports incorporate information provided by CAP implementing departments, which SuMo is required to request to present to the full City Council. This approach strengthens the City's oversight mechanisms and accountability to ensure CAP implementing departments stay on track to implement CAP strategy(ies), Measure(s), and Action(s), or supporting action(s).

Issue Date: February 18, 2021

Original Target Date: December 2022

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	Newly Implemented		
2	Economic Development	Newly Implemented		
3	Economic Development	In Process – Past Due		
4	Economic Development	Newly Implemented		
5	Economic Development	Newly Implemented		
6	Economic Development	Newly Implemented		
7	Compliance	In Process (Pending Audit Committee Action)*		
8	Economic Development	Newly Implemented		
9	Independent Budget Analyst	Previously Implemented (June 2022)		
10	Economic Development	Newly Implemented		

*Recommendation 7 is discussed in Section A.

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)

Newly Implemented

This recommendation is implemented. In February 2025, City Council approved a comprehensive update to Council Policy 700-32 which addresses the City's property acquisition practices. The updated policy identifies that the staff report for a proposed property acquisition will identify the property's proposed use; tenant improvements and associated costs; financial/economic analysis; confirmation from the Department of Finance that adequate funds are available to the City for the proposed acquisition; and independent building assessment. Council Policy 700-32 also requires the Economic Development Department (EDD) to complete a due diligence checklist for which the Office of the Independent Budget Analyst will review prior to recommending that the City Council approve a proposed acquisition. The policy requires, consistent with our recommendation, that the due diligence checklist contain items such as a written report on a proposed property's title condition; a timely appraisal; a site evaluation; an independent building condition assessment; and the City Attorney's Office's review of the legal risks associated with the property acquisition. EDD has developed the checklist and OCA verified that it contains the aforementioned items. Lastly, the policy identifies that EDD will follow the protocols established by the Council President on how to docket the proposed acquisition for the applicable Council Committee or direct docket the item for full City Council. EDD will clearly identify the reasons for the proposed action item in the written staff report.

OCA reviewed a recently proposed acquisition in FY2025 and found that EDD used the due diligence checklist and completed each step or explained why certain steps were determined to be unnecessary. EDD also presented its checklist alongside its staff report to City Council. The staff report also met the requirements of the Council Policy 700-32 in that it included an explanation for the proposed use of the property; a financial/economic analysis; environmental analysis; and tenant improvement costs. We also found that the Independent Budget Analyst's Office reviewed the proposed transaction.

Issue Date: July 22, 2021

Original Target Date: July 2022

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)

Newly Implemented

This recommendation is implemented. The City Council adopted revisions to Council Policy 700-32 in February 2025 that implement the recommendation. The updated Council Policy establishes the Economic Development Department (EDD) as the lead department that will be responsible for all acquisitions by the City and that it will coordinate with the Office of the City Attorney on any acquisitions. Additionally, when the proposed acquisition of a property improved with an existing building is considered, the updated Council Policy defines what EDD will disclose in the written staff report to the City Council regarding said property, including its proposed use; tenant improvements and associated costs; financial/economic analysis; and confirmation with the City's Department of Finance that adequate funds are available to the City for the proposed acquisition. Furthermore, the updated Council Policy requires that the EDD complete, and the Independent Budget Analyst review, a due diligence checklist before recommending that the City Council approve a proposed acquisition. Lastly, it requires that the EDD disclose in its staff report to City Council the outcome of the department's investigations of the property based on the due diligence checklist. To ensure review by the City Attorney's Office, the due diligence checklist requires it to provide a written legal analysis to the City Council for any proposed major building acquisition if the acquired real property has a market value at or above \$5 million or if the rent of a lease acquisition paid over the term

of the lease has a market value at or above \$5 million. OCA will confirm during the Recommendation Follow Up review of Recommendation 1 of this report that Council Policy 700-32 is followed in practice.

Issue Date: July 22, 2021

Original Target Date: July 2022

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. In February 2025, City Council approved an update to Council Policy 700-10, which outlines what should be included in the Economic Development Department's (EDD) Real Property Management Plan. The updated policy states that EDD should review, update, and present its Real Property Management Plan to the City Council for approval every two years, contingent upon available budget resources. The plan's purpose is to enable City leadership, policy makers, and the public to have a better understanding of the City's real estate portfolio needs and how City properties can be best utilized to benefit the long-term City operations and the residents and businesses in San Diego. The updated policy outlines major elements that should be included in the plan, such as an inventory of all City properties and properties occupied by the City; a disposition plan for any surplus properties; and strategies for the management of all City properties, including properties occupied but not owned by the City. The updating of the plan will include feedback from asset-owning departments. The most current, City Council-approved version of the Real Property Management Plan should be available on EDD's website. As the plan itself has not yet been published, approved by City Council, and posted to EDD's website, OCA will keep this recommendation open to ensure that the forthcoming Real Property Management Plan includes an office space plan and the elements identified in the updated Council Policy 700-10, and that the plan is presented to City Council.

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)

Newly Implemented

This recommendation is implemented. The City Council adopted revisions to Council Policy 700-10 in February 2025 that implement this recommendation. The updated Council Policy requires the Economic Development Department (EDD) to confirm that any City-retained broker has completed and updated all required disclosures, including the filing of a Form 700 Statement of Economic Interests. In addition, before any contract for brokerage services is signed, EDD will confirm that the broker has submitted a completed paper Form 700 for EDD's review to ensure that the broker has no conflict of interest or appearance of impropriety with respect to the pertinent transaction. CP 700-10 also requires that whenever the City has retained a broker, EDD's staff report to the City Council will disclose the compensation structure and the amount payable to the broker. These updates to the Council Policy and requirements for City-retained brokers will ensure that brokers do not have a conflict of interest or the appearance of impropriety.

Issue Date: July 22, 2021

Original Target Date: February 2023

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)

Newly Implemented

This recommendation is implemented. The City Council adopted revisions to Council Policy 700-32 in February 2025 that implement the recommendation. The updated Council Policy states that when the Economic Development Department (EDD) recommends that City Council approve a proposed acquisition with respect to improved or unimproved land, the written staff report to the City Council will disclose the outcome of EDD's investigations of the property based on the due diligence checklist. The policy also states that the due diligence checklist will be completed prior to the City's acquisition of the property and it will be reviewed by the Independent Budget Analyst. The due diligence checklist addresses items a through e of this recommendation. Specifically, the checklist requires an independent appraisal; building, environmental, and asbestos assessments; and a test fit.

Issue Date: July 22, 2021

Original Target Date: July 2022

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)

Newly Implemented

This recommendation is implemented. The City Council adopted revisions to Council Policy 700-32 in February 2025 that implement the recommendation.

Issue Date: July 22, 2021

Original Target Date: July 2022

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)

Newly Implemented

This recommendation is implemented. The City Council adopted revisions to Council Policy 700-32 in February 2025 that implement the recommendation.

Issue Date: July 22, 2021

Original Target Date: July 2022

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)

Newly Implemented

This recommendation is implemented. The City Council adopted revisions to Council Policy 700-32 in February 2025 that implement the recommendation.

Issue Date: July 22, 2021

Original Target Date: July 2022

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	Newly Implemented		
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	Previously Implemented (June 2024)		
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 to achieve full implementation:

Task 1: Request budget for consultants and positions to develop and implement community survey. Parks and Recreation requested budget in FY2024 and FY2025 to cover the costs of hiring consultants to conduct a community needs assessment. In FY2024 and FY2025 only \$50,000 was appropriated for recreation program equity audit expenses. The community needs assessment consultant cost is \$150,000, of which the department is absorbing the cost above the available budget.

Status: Complete, although no additional funding has been received to support this contract.

Task 2: Acquire a consultant to develop, implement and summarize community needs assessment.

Status: Complete. A contract was issued in December 2024 for a Community Needs Assessment consultant. The assessment will launch in February 2025 with projected completion in March 2026.

Task 3: Analyze community needs data and implement programming to meet community needs.

Status: Not started.

Task 4: Upon receipt of the final community needs assessment report, the department will request budget for FY2027 to implement programmatic and marketing recommendations.

Status: In progress.

Task 5: Conduct follow up community needs assessment in 2031.

Status: Not started.

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 did not request additional PE or NPE for the FY2026 budget due to the projected budget deficit identified in the Five-Year Budget Outlook. 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 issued a contract in December 2024 for a consultant to conduct the community needs assessment, even though funds remain short for the effort. The consultant effort is underway and projected completion of the community needs assessment is March 2026. Once the budget allows, the department will request an additional 6.0 FTE, including 1.0 Marketing Program Manager, 1.0 Supervising Management Analyst, 1.0 Associate Management Analyst, 1.0 Administrative Aide, and 2.0 Recreation Specialist, along with \$1.7 million in NPE to support the implementation of the Community Recreation Needs Assessment results and Equity Audit recommendations.

Issue Date: November 10, 2021

Original Target Date: September 2022

Current Target Date: ~~September 2022~~ ~~December 2024~~ ~~December 2025~~
March 2026

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 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.

Status: Complete.

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

Status: Complete.

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.

Status: In progress. The department issued a contract in December 2024 for a consultant to conduct the community needs assessment, even though funds remain short for the effort. Projected completion of the community needs assessment is March 2026.

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

Status: Not started, contingent on completion of task 3. 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.

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.

Status: Not started, contingent on completion of tasks 3 and 4.

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 did not request additional PE or NPE for the FY2026 budget due to the projected budget deficit identified in the Five-Year Budget Outlook. Once the budget allows, the department will request an additional 6.0 FTE, including 1.0 Marketing Program Manager, 1.0 Supervising Management Analyst, 1.0 Associate Management Analyst, 1.0 Administrative Aide, and 2.0 Recreation Specialist, along with \$1.7 million in NPE to support the implementation of the Community Recreation Needs Assessment results and Equity Audit recommendations.

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 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.

Status: Not started yet. NPE of \$350,000 requested in FY2026 budget to hire consultant for cost-of-service study.

Task 2: Upon completion of the FY2026 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.

Status: Not started yet, contingent on completion of task 1. Anticipate fee schedule updates to take effect in July 2027.

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.

Status: Not started yet, contingent on completion of tasks 1 and 2. Anticipate fee schedule updates to take effect in July 2027.

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.

Status: Not started yet, contingent on completion of tasks 1 through 3. Anticipate completion by July 2027.

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

Status: Not started yet, contingent on completion of tasks 1 through 4. Anticipate completion by July 2027.

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 July 2027

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 to achieve full implementation:

Task 1: Request budget for consultants and positions to develop and implement community survey. Parks and Recreation requested budget in FY2024 and FY2025 to cover the costs of hiring consultants to conduct a community needs assessment. In FY2024 and FY2025, only \$50,000 was appropriated for recreation program equity audit expenses. The community needs assessment consultant cost is \$150,000, in which the department will absorb costs above the \$50,000 available budget for this contract.

Status: Complete. Community Needs Assessment will begin in February 2025 with anticipated completion in March 2026.

Task 2: Acquire a consultant to develop, implement, and summarize community needs assessment. A contract was issued in December 2024 for a Community Needs Assessment consultant. The assessment will launch in February 2025 with projected completion in March 2026.

Status: In progress.

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 FY2027 to implement programmatic and marketing recommendations.

Status: In progress, completion contingent on tasks 1 and 2.

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.

Status: Not started yet. Contingent on completion of tasks 1 through 3.

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.

Status: Not started yet. Contingent on completion of tasks 1 through 4.

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 did not request additional PE or NPE for the FY2026 budget due to the projected budget deficit identified in the Five-Year Budget Outlook. Once the budget allows, the department will request an additional 6.0 FTE, including 1.0 Marketing Program Manager, 1.0 Supervising Management Analyst, 1.0 Associate Management Analyst, 1.0 Administrative Aide, and 2.0 Recreation Specialist, along with \$1.7 million in NPE to support the implementation of the Community Recreation Needs Assessment results and Equity Audit recommendations. The department issued a contract in December 2024 for a consultant to conduct the community needs assessment, even though funds remain short for the effort. The assessment is currently underway and is projected to be complete in March 2026. Upon completion of the assessment, the department will develop a resource allocation model for City Council review and approval in anticipation of the FY2027 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 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. Five positions were added in the budget for Fiscal Years 2023 and 2024, while five others remain unfunded.

Status: In progress.

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

Status: In progress. The department hired five positions to support the Audit of Equity in Recreation Programming.

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

Status: Complete.

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

Status: Not started. The Department Instruction is currently under review. Upon completion of the Meet and Confer process, this task will begin.

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

Status: Not started. Upon implementation resulting from task 4, this step will be implemented and remain an on-going process in the department.

In summary, the department requested staff positions in fiscal years 2023, 2024, and 2025 to support efforts to complete this recommendation but did not request additional PE or NPE for the FY2026 budget due to the projected budget deficit identified in the Five-Year Budget Outlook. Once the budget allows, the department will request an additional 6.0 FTE, including 1.0 Marketing Program Manager,

1.0 Supervising Management Analyst, 1.0 Associate Management Analyst, 1.0 Administrative Aide, and 2.0 Recreation Specialist, along with \$1.7 million in NPE to support the implementation of the Community Recreation Needs Assessment results and Equity Audit recommendations. 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~~ April 2025

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)

Newly Implemented

This recommendation is implemented. While Recommendations 4 and 5 are not implemented, Parks and Recreation put together a strategy and policy for serving areas in Communities of Concern by reducing impediments to program participation. The department also developed and put into effect policies governing the use of the Opportunity Fund including a scoring system that provides more funds for underfunded recreation centers, as well as those in communities of concern. Finally, Parks and Rec reported out on the impacts of the fund allocation model showing the impact to recreation centers receiving funds. For example, Mountain View Recreation Center went from a pre-fund budget allocation of \$3,300 to a post-fund proposed budget of \$84,000. Due to the establishment of policies surrounding governance, and the successful implementation of the Opportunity Fund, this recommendation is implemented.

Issue Date: November 10, 2021

Original Target Date: June 2023

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 to achieve full implementation:

Task 1: Request budget for a consultant and positions to develop and implement a robust marketing plan.

Status: In progress. Parks and Recreation requested budget in FY2024 and FY2025 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.

Status: Not started. 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.

Status: Not started. This task is contingent upon completion of task 1 and 2.

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 not request additional PE or NPE for the FY2026 budget due to the projected budget deficit identified in the Five-Year Budget Outlook. Once the budget allows, the department will request an additional 6.0 FTE, including 1.0 Marketing Program Manager, 1.0 Supervising Management Analyst, 1.0 Associate Management Analyst, 1.0 Administrative Aide, and 2.0 Recreation Specialist, along with \$1.7 million in NPE to support the implementation of the Community Recreation Needs Assessment results and Equity Audit recommendations. 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 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. Status: In progress. Parks and Recreation requested PE and NPE in budget year 2023, 2024, 2025 to support efforts related to the Audit of Equity in Recreation Programming. No additional funding was received to support the development and implementation of a marketing plan, which is integral to this recommendation. The department did not request additional PE or NPE for the FY2026 budget due to the projected budget deficit identified in the Five-Year Budget Outlook. Once the budget allows, the department will request an additional 6.0 FTE, including 1.0 Marketing Program Manager, 1.0 Supervising Management Analyst, 1.0 Associate Management Analyst, 1.0 Administrative Aide, and 2.0 Recreation Specialist, along with \$1.7 million in NPE to support the implementation of the Community Recreation Needs Assessment results and Equity Audit recommendations.

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.

Status: In progress. The department is developing a Request for Proposal to identify an alternate online registration and permitting software that is compatible with demographic collection and reporting.

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

Status: Not started. This task is contingent upon implementation of audit Recommendation 5, and tasks 1 and 2 of this recommendation.

Task 4: Utilize data to tailor marketing efforts in accordance with the marketing plan. Status: Not started. This task is contingent upon implementation of audit Recommendation 5, and tasks 1 through 3 of this recommendation.

In summary, the department continues to lack adequate budget and positions to support the implementation of new marketing efforts outlined in this audit. The current online registration software lacks the ability to adequately collect and report on demographic details of customer enrollment. With that, the department will issue a request for proposal to identify a new provider that can meet this requirement. In the interim, the department has partnered with the Performance and Analytics Department to develop a program survey that 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 to achieve full implementation:

Task 1: Update fee waiver process to allow applicants to apply once annually for entire family.

Status: Complete. In December 2022, Parks and Recreation established a revised Fee Waiver Application process that included an application in both English and Spanish (alternative languages available upon request), 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.

Status: In progress. The current online registration software does not allow for this process. The department is developing an RFP to identify an alternate online registration and permitting software that is compatible with online fee waiver enrollments.

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 does not allow for this process. The department is developing a request for proposal to identify an alternate online registration and permitting software that is compatible with online fee waiver enrollments. Additionally, the department is seeking a vendor to provide fee waiver application clearance electronically and securely.

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 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.

Status: Not started. The timeline to complete this recommendation will correspond with the timing for Recommendations 3, 4, and 6.

Task 2: Develop a report outlining findings and recommendations for a new Fee Waiver Program.

Status: Not started. The timeline to complete this recommendation will correspond with the timing for Recommendations 3, 4, and 6.

In summary, the department did not request additional PE or NPE for the FY2026 budget due to the projected budget deficit identified in the Five-Year Budget Outlook.

Once the budget allows, the department will request an additional 6.0 FTE, including 1.0 Marketing Program Manager, 1.0 Supervising Management Analyst, 1.0 Associate Management Analyst, 1.0 Administrative Aide, and 2.0 Recreation Specialist, along with \$1.7 million in NPE to support the implementation of the Community Recreation Needs Assessment results and Equity Audit recommendations. 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 on to 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 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. Status: In progress. The department hired a consultant in December 2024 to conduct a Community Needs Assessment, which includes identifying communication needs of each service area. Results from the assessment will inform the development of a communication plan.

Task 2: Train department staff on Communication Plan and implement plan. Status: Not started. This item is contingent upon completion of audit Recommendation 1 and task 1 of this recommendation.

In summary, the department acquired a consultant in December 2024 to conduct a Community Recreation Needs Assessment, which includes identifying communication needs of each service area, even though funds remain short for the effort. The assessment is currently underway, with projected completion in March 2026. 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 to achieve full implementation:

Task 1: Acquire contracts for translation and interpretation services.

Status: Complete. 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.

Status: The Community Recreation Needs Assessment (CRNA) is in progress and is anticipated to be completed in March 2026. It 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.

Status: In progress. The department has begun to conduct benchmarking for the Language Access Plan and will utilize recommendations from the CRNA to complete the 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 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 FY2023, FY2024, and FY2025. The department did not request additional PE or NPE for the FY2026 budget due to the projected budget deficit identified in the Five-Year Budget Outlook. Once the budget allows, the department will request an additional 6.0 FTE, including 1.0 Marketing Program Manager, 1.0 Supervising Management Analyst, 1.0 Associate Management Analyst, 1.0 Administrative Aide, and 2.0 Recreation Specialist, along with \$1.7 million in NPE to support the implementation of the Community Recreation Needs Assessment results and Equity Audit recommendations.

Issue Date: November 10, 2021

Original Target Date: June 2023

Current Target Date: June 2023 June 2025 June 2026

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 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 FY2023 and FY2024, the department received five new positions out of ten to support on-going efforts to improve recreational program offerings.

Status: Complete.

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.

Status: Complete.

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, an 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.

Status: In progress.

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 Department Instruction is in meet and confer with an anticipated implementation of February 2025.

Status: In progress.

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 (DI) formalizing the use of the online recreation software. The DI is in meet and confer with an anticipated implementation of February 2025. The department continues to explore online recreation software providers that meet the needs and City requirements. An 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	Newly Implemented		
4	Economic Development	Previously Implemented (June 2024)		
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)		
12	Economic Development	Newly Implemented		

No.	Department	Recommendation Status	Resources Required	No Update Provided
13	Economic Development	Newly Implemented		
14	Economic Development	Newly Implemented		

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 has begun the process of prioritization and moving forward with its strategy as it has over the last year with various leases brought forward to Council in the next year. With that said, staff have already started working on renewing leases that have been in holdover with a focus on revenue generating leases. EDD is also driving additional software development at the same time that will support EDD in addressing holdovers. Most recommendations are on track for implementation by the end of the fiscal year.

Issue Date: February 9, 2022

Original Target Date: February 2023

Current Target Date: February 2023 December 2023 February 2024 Unknown
June 2025

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)

Newly Implemented

This recommendation is implemented. The department has developed an updated holdover financial disincentive clause that is being applied to new short and long-term revenue generating leases and provided several examples. 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 percent of the monthly rent owed under the lease for the month immediately prior to the commencement of the holdover tenancy.

Issue Date: February 9, 2022

Original Target Date: Immediately

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 focused its efforts on comprehensively updating the three key Council Policies applicable to the Real Estate Division. This included 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. These Council Policies were adopted in February 2025. 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. Additionally, the department

has procured and selected a consultant for new real estate administration software and anticipates launch near the end of the fiscal year. 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 June 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. 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. A draft Revised Council Policy 700-10 was brought forward for consideration by the Land Use and Housing Committee in October 2023. This specific policy was recommended for approval to move forward for consideration by the City Council. Following the consolidation of the former Department of Real Estate and Airport Management into the Economic Development Department, the department included some additional minor updates to the draft Council Policy, which required review and coordination with the City Attorney. In October 2024, this policy, along with the two other Council Policies, were presented to the Land Use & Housing Committee, which voted unanimously to recommend Council approval of the policy. The City Council unanimously approved updates to Council Policy 700-10, along with Council Policy 700-12 and 700-32, on February 3, 2025. Once the Real Property Management Plan is presented to the City Council, per the updated Council Policy 700-10, the department will consider this recommendation implemented.

Issue Date: February 9, 2022

Original Target Date: July 2022

Current Target Date: ~~July 2022~~ ~~July 2024~~ ~~December 2024~~ February 2025

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)

Newly Implemented

This recommendation is implemented. The department provided sufficient and appropriate evidence that staff are required to use the Notes feature in the Jobs Module to record lease management tasks status updates. The department also provided sufficient evidence that REPortfolio has the capability to create task/checklist imports available for property agents that can also act as a checklist for each of the following lease management practices: inspections, insurance updates, appraisals, rent adjustments, and other recurring obligations/tasks under the lease.

Issue Date: February 9, 2022

Original Target Date: February 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)

Newly Implemented

This recommendation is implemented. The department provided sufficient and appropriate evidence that trainings took place on January 31, 2023 and on February 22, 2024. Topics covered included tasks in REPortfolio, such as EDRS and how it is linked to REPortfolio, as well as the Site Module, Agreements Module, Jobs Module and the reporting functionalities. According to the department, follow up trainings will also be scheduled on recurring and as needed basis.

Issue Date: February 9, 2022

Original Target Date: February 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)

Newly Implemented

This recommendation is implemented. The Economic Development Department and the Office of the City Attorney both reported that since the audit, they have worked together to develop master lease and agreement templates, including both standard lease provisions and additional or alternative lease provisions. According to the City Attorney's Office, these lease forms are updated as the attorneys become aware of changes in the law or City policy or as suggested by transaction experience. This approach is consistent with the 2022 audit recommendation.

Issue Date: February 9, 2022

Original Target Date: February 2023

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, implementation of this recommendation is delayed due to the projected structural budget deficit in the General Fund. To address this deficit, the City is implementing budget deficit mitigation measures that include: potential revenue increases, a Citywide hiring freeze, departmental reductions in non-essential discretionary spending, and potential FY2026 budget reductions.

More than half of Compliance Department's Safety team positions are currently vacant and are expected to remain vacant through the end of the fiscal year due to the current hiring freeze. Implementing this recommendation has been put on hold while staff prioritize meeting regulatory required programmatic deadlines. In the new fiscal year, staff will reassess the implementation steps previously reported in prior status update notes and provide a new implementation timeline.

Issue Date: May 9, 2022

Original Target Date: December 2023

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

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 Citywide Safety survey was pushed out to all City departments on January 10, 2025. The survey will close in February 2025 and survey results will be made available to Compliance OSH and department management. Compliance will then work to analyze the data and work with departments to recommend mitigation efforts.

The department states that implementation of the second half of this recommendation (data analysis) will likely be delayed due to the projected structural budget deficit in the General Fund. To address this deficit, the City is implementing budget deficit mitigation measures that include: potential revenue increases, a Citywide hiring freeze, departmental reductions in non-essential discretionary spending, and potential FY2026 budget reductions.

More than half of Compliance Department's Safety team positions are currently vacant and are expected to remain vacant through the end of the fiscal year due to the current hiring freeze. Implementing the remainder of this recommendation has been put on hold while staff prioritize meeting regulatory required deadlines.

Issue Date: May 9, 2022

Original Target Date: October 2022

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

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 its 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 its 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.

The above notes outline the steps that need to be taken to put a safety technology solution in place. In addition, Compliance OSH staff will be: 1) creating a process document for City departments; 2) creating and disseminating training to City staff; 3) doing a review of data (when solution implemented) and associated benchmarking; and 4) reporting out on the data. Timelines for this work will be created upon selection of a vendor.

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, implementation of this recommendation is delayed due to the projected structural budget deficit in the General Fund. To address this deficit, the City is implementing budget deficit mitigation measures that include: potential revenue increases, a Citywide hiring freeze, departmental reductions in non-essential discretionary spending, and potential FY2026 budget reductions.

More than half of Compliance Department's Safety team positions are currently vacant and are expected to remain vacant through the end of the fiscal year due to the current hiring freeze. Implementing this recommendation has been put on hold while staff prioritize meeting regulatory required programmatic deadlines.

Update on next steps to implement this recommendation, estimated to take about 12 months once staff bandwidth is identified: a draft incident investigation program has been created. Next steps for a Citywide rollout include: 1) soliciting feedback on the draft from other department safety personnel; 2) incorporate feedback into the draft program and associated training; 3) City Attorney review of draft program and associated training; 4) REO review of draft program and associated training; and 5) Citywide communication and rollout of new reporting program.

Issue Date: May 9, 2022

Original Target Date: July 2023

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

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, implementation of this recommendation is delayed due to the projected structural budget deficit in the General Fund. To address this deficit, the City is implementing budget deficit mitigation measures that include: potential revenue increases, a Citywide hiring freeze, departmental reductions in non-essential discretionary spending, and potential FY2026 budget reductions.

More than half of Compliance Department's Safety team positions are currently vacant and are expected to remain vacant through the end of the fiscal year due to the current hiring freeze.

Implementing this recommendation has been put on hold while staff prioritize meeting regulatory required programmatic deadlines. Update on next steps to implement this recommendation include: a draft updated form has been created. Next steps for a Citywide rollout include: 1) soliciting feedback on the draft from other department safety personnel; 2) incorporate feedback into the form and associated training; 3) City Attorney review of draft program and associated training; 4) REO review of draft program and associated training; and 5) Citywide communication and rollout of new reporting program. Note, the original management response had indicated that additional resources would be needed to implement this recommendation. Since that response, management had been looking for ways to implement this recommendation absent additional resources (resources had been requested in prior budgets but not approved.) Depending upon the outcome of the FY2026 budget process, implementing this recommendation may again be contingent upon an addition of resources.

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~~ Unknown

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. OCA met with the department to discuss implementation progress. According to the department, the case closure checklist is being drafted but additional staff may be required to implement the recommendation as originally intended. Due to budget constraints, the Building and Land Use Enforcement (BLUE) division may be moving additional violations, including low-priority cases listed here, to Alternative Compliance. OCA will continue to follow up with the department regarding the status of the low-priority cases.

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. OCA met with the department to discuss recommendation implementation status. According to the department, all Development Services Department Divisions developed new KPIs following the new City of San Diego parameters. The KPIs in the FY2025 budget implemented the audit's recommendation to use a larger data set to show the Building and Land Use Enforcement (BLUE) division's responsiveness to priority complaints. OCA will continue to follow up regarding staffing imbalances and the effect on case load.

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: 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.

BLUE hired a provisional position to assist with implementing this recommendation in October 2024. The Case Closure Checklist is being drafted.

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. OCA met with the department to discuss recommendation implementation status. According to the department, the following tasks are necessary to achieve full implementation:

Task 1: Hire Program Manager.
Status: Not complete.

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.

BLUE hired a provisional position to assist with implementing this recommendation in October 2024. The Case Closure Checklist is being drafted.

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. OCA met with the department to discuss recommendation implementation status. Due to budget constraints, the Building and Land Use Enforcement (BLUE) division is exploring options to use existing staff to implement recommendations. BLUE hired a provisional position to assist with implementing this recommendation in October 2024. The Procedures Manual has been updated and is being reviewed in its first draft form. Once reviewed and finalized, BLUE will train staff to make these entries into Accela.

Task 1: Hire Program Manager.

Status: This will not be completed at this time due to budget restrictions.

Task 2: Establish a written procedure detailing accurate entry requirements in Accela.

Status: In progress.

Task 3: Establish a policy requiring daily monitoring of Accela Tasks by CED investigative staff.

Status: In progress.

Task 4: Train staff and implement.

Status: Not complete.

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. OCA met with the department to discuss recommendation implementation status. Due to budget constraints, the Building and Land Use Enforcement (BLUE) division is working with DSD IT to identify changes it can make with existing staff. According to the department, the following tasks are necessary to achieve full implementation:

Task 1: Hire Program Manager.

Status: Not complete.

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.

Task 5: Train the BLUE Management Team on the Audit Procedure and implement it.

Status: Not complete.

BLUE hired a provisional position to assist with implementing this recommendation in October 2024. The Case Closure Checklist is being drafted.

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. OCA met with the department to discuss recommendation implementation status. According to the department, the following tasks are necessary to achieve full implementation:

Task 1: Hire Program Manager.

Status: This will not be completed at this time due to budget restrictions.

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) will use existing staff to work with DSD IT to create reports that provide all recommended information. This is scheduled to begin after doing further work on Recommendations 3 and 4.

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. OCA met with the department to discuss recommendation implementation status. Due to budget constraints, the Building and Land Use Enforcement (BLUE) division is now working with existing staff to try and implement recommendations. According to the department, the following tasks are needed to achieve full implementation:

Task 1: BLUE hired a provisional position to assist with implementing this recommendation in October 2024.

Task 2: The Procedures Manual has been updated and is being reviewed in its first draft form.

Task 3: Once reviewed and finalized, BLUE will train Seniors to more accurately review caseloads and activities to ensure productivity and evaluate performance.

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. OCA met with the department to discuss recommendation implementation status. The Building and Land Use Enforcement (BLUE) division has updated its annual KPIs that more accurately measure initial response time, but needs to document procedures to ensure KPI reporting remains accurate. OCA will follow up during the next reporting cycle to ensure proper documentation is created.

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. OCA met with the department to discuss recommendation implementation status. Due to budget constraints, the Building and Land Use Enforcement (BLUE) division is working with existing staff to implement recommendations. BLUE hired a provisional position to assist with implementing this recommendation in October 2024. The Case Closure Checklist has been drafted and is being reviewed. According to the department, the following tasks are necessary to achieve full implementation:

Task 1: Hire Program Manager.

Status: This will not be completed at this time due to budget restrictions.

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.

Task 5: Train the BLUE Management Team on the Audit Procedure and implement it.

Status: Not complete.

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.

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~~
March 2025

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.

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~~
March 2025

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.

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~~
March 2025

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.

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~~
March 2025

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.

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~~
March 2025

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.

Issue Date: July 20, 2022

Original Target Date: July 2023

Current Target Date: ~~July 2023~~ ~~June 2024~~ ~~October 2024~~ March 2025

Performance Audit of Mission Bay and San Diego Regional Parks Improvement Funds, Fiscal Year 2021

23-002
(KE)

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	Previously Implemented (June 2024)		
4	Economic Development	Previously Implemented (June 2024)		
5	Economic Development	Newly Implemented		
6	Office of Boards and Commissions	Previously Implemented (June 2023)		
7	Office of Boards and Commissions	Newly Implemented		
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 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)

Newly Implemented

This recommendation is implemented. The Economic Development Department Real Estate Division is now including the following lease language requiring facility condition inspections for in-water improvements to ensure that docks, piers, or marinas are being properly maintained: In Lease Year 2, Tenant will cause the In-Water Improvements to be inspected by a consultant with the qualifications described in ASCE Manual 130 Waterfront Facilities Inspection and Assessment ("Inspector") selected by Tenant and approved by Landlord in writing and cause the Inspector to prepare a written report containing all of the Inspector's findings about the conditions of the In-Water Improvements ("Inspection Report"), all at Tenant's sole cost and expense. Tenant will deliver the Inspection Report to Landlord within ninety (90) days after the first day of Lease Year 2, along with a letter addressed to Landlord from the Inspector that prepared the Inspection Report authorizing Landlord to rely on the Inspection Report as though Landlord contracted with the Inspector for preparation of the Inspection Report.

Issue Date: August 2, 2022

Original Target Date: July 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)

Newly Implemented

This recommendation is implemented. The committees that oversee the Mission Bay and San Diego Regional Parks Improvement Funds are both fully staffed. As of February 2025, all eleven members of the Parks and Recreation Board are serving under active terms, and the Mission Bay Park Committee has ten members with active terms with only one serving under an expired term. The Director of Appointments is currently vetting candidates to replace the one member with an expired term.

Issue Date: August 2, 2022

Original Target Date: November 2022

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	Newly Implemented		
5	Performance & Analytics	Previously Implemented (June 2024)		
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 was originally reported as implemented by the department. However, after OCA review, we have determined it to be in process.

The department has implemented some elements of the recommendation; however, others remain in process. 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. According to the department, it also collected and internally logged target completion times and it is working with departments to identify the best mechanism for sharing target/goal details in a way that is not confusing to customers. Once the target completion times for parking, missed collections, graffiti, and homeless outreach/encampment requests are included in the Get It Done service request submittal screen, this recommendation will be implemented.

Issue Date: October 6, 2022

Original Target Date: December 2023

Current Target Date: ~~December 2023~~ June 2024 January 2025 Unknown

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

According to the department, it has made substantial improvements to “parking” and Transportation Department Right-of-Way code enforcement Get It Done reports. The department noted that based on existing available resources, it is able to target 1–2 Get It Done services for improvement per fiscal year as comprehensive improvement projects. It also noted that as outlined in the Customer Experience Strategy, ideally PandA would have Performance Coaches assigned to specific departments to work with departments on improving Get It Done services on an on-going basis. Lastly, the department noted that with current budget constraints, it is effectively able to address this recommendation, but on a longer timeframe and with less capacity to address more Get It Done report types.

Once the department identifies, prioritizes, and documents which Get It Done services could feasibly include progress updated to customers and documents timelines that indicate when Panda intends on rolling out progress updates for the service requests that could feasibly include progress updates to customers, this recommendation will be implemented.

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)

Newly Implemented

This recommendation is implemented. In 2023 and 2024 the Environmental Services Department (ESD) conducted trainings for ESD staff on the use of the communication codes for Get It Done. Similarly, in 2024, the Transportation Department Street Division (including pave and mill, street lights, street signals, and graffiti field crew teams), SDPD Neighborhood Policing Division, and SDPD Parking Division conducted trainings for their staff on the use of the communication codes for Get It Done.

Issue Date: October 6, 2022

Original Target Date: June 2023

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

This recommendation is in process pending presentation of the Customer Experience Strategy to the City Council as requested by the Audit Committee 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. During this recommendation follow-up period, the department indicated that, “based on the current budget situation, department work priority is centered around process improvements, revenue generation, and cost-saving customer/user experience projects. Active work on the Customer Experience Strategy is being postponed until more resources become available and no further updates are available.”

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:

- Program overview to include Tow Administration Unit activities, such as training, inspections conducted, and operational changes or upgrades.
- Reporting of key program status and statistics:
 - Total number of tows and vehicles sold via lien sales, broken out by tow reason;
 - Response times for licensed tow providers;
 - Number of vehicles towed/impounded by location per year;
 - 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

The San Diego Police Department (SDPD) originally reported this recommendation as implemented. However, after OCA review, we have determined it to be 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 to present 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.

In November 2024, SDPD presented its report on the Towing Program's activities to the Public Safety Committee in advance of the City's user fee presentation, consistent with our recommendation. And while the report meets many of the provisions outlined in the recommendation, including an overview of the Towing Program, key program statistics, and a financial overview, the report contained some errors in the statistics. Additionally, the periods for which the towing data is reported, by calendar year, does not align with the period in which the Towing Program's costs and revenues are reported, by fiscal year. Therefore, the financial data is not fully representative of all the towing activity presented in the report. Lastly, SDPD reported that the Towing Program is cost neutral; however, this differs from OCA's estimated \$1.5 million General Fund subsidy for FY2023 that was presented in the FY2022 audit report. SDPD's reported General Fund subsidy due to waivers and unrecovered fees totaling approximately \$207,000 from CY2022 through CY2024 does not appear to account for the total amount of fees owed (accrued), the program's administrative costs, losses on lien sales, and losses due to below-cost fees. Given that the proposed Tow Impound Cost Recovery and Franchise Fee increases for FY2023 were not approved, the City's General Fund subsidy is likely higher than given in SDPD's staff report. This recommendation will be implemented once a corrected report is presented.

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. SDPD did not provide an update for this recommendation during this reporting period. In the last follow-up cycle, SDPD reported the following tasks as 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.

Issue Date: November 14, 2022

Original Target Date: July 2023

Current Target Date: ~~July 2023~~ ~~May 2024~~ ~~October 2024~~ May 2025

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. Councilmember Whitburn's office indicated that the status of this recommendation remains unchanged.

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. SDPD presented its report to the Public Safety Committee in November 2024.

As of the current follow-up cycle, the following tasks are necessary to achieve full implementation:

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. SDPD did not provide an update for this recommendation during this reporting period. In the last follow-up cycle, SDPD reported the following steps as 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.

Issue Date: November 14, 2022

Original Target Date: Implemented

Current Target Date: ~~Unknown~~ ~~May 2024~~ ~~March 2025~~ May 2025

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	Previously Implemented (June 2024)		
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, and indicated they would take alternative action to address the risk. 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, the current status is:

Compliance disagreed with this recommendation and therefore it will not be implemented. Compliance is implementing a vehicle telematics program, but this implementation is delayed due to the projected structural budget deficit in the General Fund. To address this deficit, the City is implementing budget deficit mitigation measures that include: potential revenue increases, a Citywide hiring freeze, departmental reductions in non-essential discretionary spending, and potential FY2026 budget reductions. More than half of Compliance Department’s Safety team positions are currently vacant and are expected to remain vacant through the end of the fiscal year due to the current hiring freeze. Implementing this program is ongoing but at a slower pace while staff prioritize meeting regulatory required programmatic deadlines. Steps that Compliance’s OSH program is taking to implement the program include: 1) drafting a program overview (near completion) and draft data dashboards (completed); 2) meeting with departments to get feedback on drafts (user departments as well as Performance and Analytics to consult on automating dashboards); 3) providing program overview to the City Attorney’s Office for review; 4) providing a program overview to the REOs for review; 5) piloting the program with select departments; and 6) creating additional training and rolling out program to all departments.

Issue Date: April 17, 2023

Original Target Date: Disagree

Current Target Date: Unknown

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. Implementation of this recommendation has been delayed due to the projected structural budget deficit in the General Fund. To address this deficit, the City is implementing budget deficit mitigation measures that include: potential revenue increases, a Citywide hiring freeze, departmental reductions in non-essential discretionary spending, and potential FY2026 budget reductions.

More than half of Compliance Department’s Safety team positions are currently vacant and are expected to remain vacant through the end of the fiscal year due to

the current hiring freeze. Implementing this recommendation has been slowed while staff prioritize meeting regulatory required programmatic deadlines. Department management is working on a draft memo and is targeting completion in March 2025.

Issue Date: April 17, 2023

Original Target Date: December 2023

Current Target Date: ~~December 2023~~ ~~May 2024~~ ~~September 2024~~ March 2025

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 stated that it would 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 was anticipated to be completed in early 2025. Compliance reported that it plans to do a cost-benefit analysis after gathering approximately one year's worth of data on driving safety after program rollout.

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	Newly Implemented		
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. A new process narrative has been published that documents the necessary procedures and responsibilities to initiate a new Capital Improvement Program (CIP) project. The process narrative establishes specific responsibilities of the Asset Managing Departments, Engineering & Capital Projects Department, the Department of Finance, and other Capital Improvements Program Review and Advisory Committee (CIPRAC) members when reviewing new CIP projects for approval. The process narrative also lists required criteria for a P project to convert to an S or L project, such as: 1) a defined scope of work; 2) a reasonable cost estimate based on the scope of work; 3) a high-level implementation timeline; 4) full funding for the design phase; and 5) identifying the need for land acquisition, if applicable. While the recommendation specifies amending or creating a new Council Policy, this process narrative sufficiently specifies the roles and requirements when initiating a CIP project. However, to ensure City Council is made aware of the formalized CIP initiation process, E&CP will include this process narrative as part of its presentation of the Mid-Year State of the CIP Report to the Budget Review committee in May.

Issue Date: June 1, 2023

Original Target Date: June 2024

Current Target Date: June 2024 ~~December 2024~~ June 2025

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)

Newly Implemented

This recommendation is implemented. A CIP Timeline and Logistics Guidance document is now available on the public CIP website. The reference provides high-level estimations of the timelines for common CIP projects such as: utility pipelines, parks (new and existing), facilities, and transportation projects. The document also explains the necessary steps within those timelines.

Issue Date: June 1, 2023

Original Target Date: June 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. Part of the Department of Finance's presentation at the Active Transportation and Infrastructure Committee of the FY2025 CIP Mid-Year Appropriation Adjustments Report, proposed closing several CIP projects due to infeasibility or unaffordability due to the state of the City's budget. The Committee accepted and forwarded the report to City Council, except for one project that the Committee requested to remain open. This recommendation will remain open until the report is presented to City Council.

Issue Date: June 1, 2023

Original Target Date: June 2024

Current Target Date: June 2024 February 2025 June 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	Newly Implemented		
2.4	Parks & Recreation	Newly Implemented		
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. Fire-Rescue provided an update while the Administrative Regulation is being developed. In the update, Fire stated that in coordination with Parks and Recreation, it has completed the task of identifying and maintaining information on the location of lands managed by the City, and that Fire-Rescue and Parks and Rec continue to meet quarterly with relevant City departments.

Fire also stated that it “will be able to establish policies, procedures and periodic work plans when we have an Admin Regulation to base it from. We also need the additional staff to create, oversee, and manage this new program. Our current staff are focused on private-owned land. We have established the framework to import existing data and build new data in a PowerBI report. The report and software will be maintained by an Information Systems Analyst II (ISA II). A program manager will be able to share it publicly and report the outcomes to the City Council and Chief Operating Officer... New personnel requested in the brush audit will be able to conduct site verification inspections (spot checks) to report work has been performed.”

Issue Date: July 17, 2023

Original Target Date: June 2025

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

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 provided an update note outlining the progress it has made on the various aspects of this recommendation. According to the department, the following tasks are necessary to achieve full implementation:

Task 1: Complete the resource analysis.

Status: Fire-Rescue revised its resource analysis and staffing needs based on improvements, progress and collaboration with other City departments. Listed in order of priority: (1) Information Systems Analyst II (ISA II) – Position Title Wildfire Risk Analyst, (1) Program Manager, (1) New Proposed Classification: Wildfire Prevention Specialist Supervisor, and (2) New Proposed Classification: Wildfire Prevention Specialist.

Task 2: Provide evidence to show that Fire-Rescue presented the resource analysis to the appropriate Committee.

Status: It was presented at the Audit Committee meeting on September 18, 2024, and will be presented at the next available Public Safety Committee as well.

Task 3: Provide evidence to show that Fire-Rescue made a commensurate request for additional resources during the City's budget process.

Status: Fire-Rescue provided the Division's FY26 Budget Adjustment Request.

Issue Date: July 17, 2023

Original Target Date: June 2024

Current Target Date: June 2024 Unknown July 2026

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-imbursement 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. Due to the Five-Year Budget Outlook, Fire-Rescue is unable to request the needed funding to implement this recommendation for FY26. When we are able to request funding, we will include 2.00 FTE Biologist III and 1.00 FTE GIS Analyst II positions and needed budget to implement the audit recommendations.

Status: A draft service level agreement with Transportation has been prepared and is undergoing department review. Completion of the SLA will occur by July 2025.

Due to the Five-Year Budget Outlook, Fire-Rescue is unable to request the needed funding to move this program forward. Future funding would 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 and 33 acres annually on Economic Development (READ) parcels. Until Parks and Recreation receives full funding via the budget process, the Transportation Department, Economic Development, 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. Although additional funding isn't anticipated in the FY26 budget, the Open Space Division has continued to work on the preparation of a draft Service Level Agreement (SLA) with the Transportation Department. The SLA draft is under discussion between the two departments and is anticipated to be ready for signature once full funding is received via the annual budget process.

Issue Date: July 17, 2023

Original Target Date: June 2025

Current Target Date: June 2025 Unknown

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. The City appears to have made strong progress in the consideration of operational consolidation and coordination. According to the update note from Parks and Recreation:

All departments continue to meet on a quarterly basis to determine required acreage and method to achieve this recommendation. Completion of identified acreage will be completed by June of 2025.

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.

The update note outlined which departments have chosen to consolidate their responsibilities with Parks and Recreation's Brush Management program, and which intend to maintain their independent responsibilities.

Further, according to Parks and Recreation, the Open Space Division has continued to work on the preparation of a draft Service Level Agreement (SLA) with the Transportation Department. The SLA draft is under discussion between the two departments and is anticipated to be ready for signature when full funding and implementation occurs. 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)

Newly Implemented

This recommendation is implemented. This recommendation required evidence of coordination meetings involving at least Parks and Recreation, Transportation, Fire-Rescue, and Public Utilities being held over at least four consecutive quarters.

During this reporting period, OCA staff reviewed the Brush Management Quarterly Meeting Agendas and Records of Attendance for meetings which occurred on December 11, 2023; March 11, 2024; June 10, 2024; and September 9, 2024. This evidence showed that the applicable departments were in attendance and that brush management topics such as City department property ownership updates, budget requests, training and mapping were discussed.

Issue Date: July 17, 2023

Original Target Date: June 2025

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)

Newly Implemented

This recommendation is implemented. Parks and Recreation provided evidence of its contractor evaluations for more than four required quarters, one email to Transportation requesting input, and three quarters of Transportation's contractor evaluations. OCA verified the evaluations were for the appropriate brush management contractor, Aztec Landscaping, and were approved by Parks and Transportation Department staff. Additionally, the evaluations were completed using the Purchasing and Contracting Department's standard contract compliance plan template. Therefore, the intent of the recommendation for department's using brush management contractors to follow the Purchasing and Contracting Department's guidance to evaluate contractor's work has been fulfilled.

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: Due to the Five-Year Budget Outlook, Parks and Recreation is unable to request the needed funding.

Status: The Parks and Recreation Department will docket this item for future budget requests.

Due to the Five-Year Budget Outlook, the department is unable to request the required funding to incorporate additional acreage. 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. To assist in anticipating future budget requests, and utilizing the current Parks and Recreation Brush Management Contract, the department 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 428 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 428 acres to the Parks and Recreation programs, increases its program by nearly 30 percent. Based on current Parks and Recreation staffing levels, the department identified two additional Biologist III positions 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. Due to the Five-Year Budget Outlook, the department is unable to request the needed funding to incorporate additional acreage as part of the FY2026 Budget process.

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	Previously Implemented (June 2024)		
1.2	Human Resources	In Process – Past Due		
1.3	Personnel	Newly Implemented		
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 – Past Due		
1.8	Personnel	Previously Implemented (June 2024)		
2.1	Personnel	Previously Implemented (December 2023)		
2.2	Personnel	In Process – Past Due		
2.3	Personnel	Previously Implemented (June 2024)		
2.4	Personnel	In Process – Past Due		

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, Human Resources (HR) and Department of IT sat on the evaluation panel for a prior Classified ATS RFP, which was subsequently terminated without award. However, HR was not involved with the drafting of, nor the evaluation panel for, Personnel's most recent Classified ATS RFP. HR is unsure whether Department of IT participated. HR is aware that Personnel opened an ATS RFP on December 10th and it closed on January 8th. Personnel was set to have a committee meeting on this topic on February 3rd and February 7th to review bids and have a mandatory demonstration from the top three. The committee includes a hiring manager from an operating department (ESD) and two technical advisors from Department of IT and one technical advisor from PPI, the hiring process consultant retained by HR. Both PPI and Department of IT were involved in drafting the RFP. The timeline for this is still tentative.

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)

Newly Implemented

This recommendation is implemented. To achieve full implementation, the department completed the following tasks and provided supporting documentation to OCA:

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: A new hiring manager guide has been created to teach hiring departments how to track interview and offer dates in NEOGOV with a one certification to one interview process change. Trainings on the new process have been conducted in December 2024 and January 2025.

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

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 Human Resources Department, the RFP was awarded to Partners in Public Innovation. The bulk of the contractor's work scope is nearly complete. The department granted an extension through April for the contractor to complete their final deliverables (due to the project starting later than anticipated), and anticipates receiving them shortly.

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, Human Resources (HR) and Department of IT sat on the evaluation panel for a prior Classified ATS RFP, which was subsequently terminated without award. However, HR was not involved with the drafting of, nor the evaluation panel for, Personnel's most recent Classified ATS RFP. HR is unsure whether Department of IT participated. HR is aware that Personnel opened an ATS RFP on December 10th and it closed on January 8th. Personnel was set to have a committee meeting on this topic on February 3rd and February 7th to review bids and have a mandatory demonstration from the top three. The committee includes a hiring manager from an operating department (ESD) and two technical advisors from Department of IT and one technical advisor from PPI, the hiring process consultant retained by HR. Both PPI and Department of IT were involved in drafting the RFP. The timeline for this is still tentative.

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 – Past Due

This recommendation is in process. According to Personnel, it is on track to meet tasks and target deadline listed below:

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. Planned for October 2025.

Issue Date: July 18, 2023

Original Target Date: December 2024

Current Target Date: ~~December 2024~~ October 2025

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 – Past Due

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

Personnel stated that this recommendation was implemented, but the New Hire Packet still requires that candidates print paper copies of forms; the updated New Hire Checklist does not provide for electronic signatures; and although the department reports that the number of required forms has decreased from 27 to 7, the interview training, interview packet, and forms themselves have not been updated to clarify which forms are still required and which are optional.

Issue Date: July 18, 2023

Original Target Date: December 2024

Current Target Date: ~~December 2024~~ Unknown

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 was originally reported as implemented by the department. However, after OCA review, we have determined it to be in process. Personnel has made progress on all subsections of this recommendation.

The administrative regulation to change the fingerprinting requirement is still in process and being reviewed by the City Attorney's Office as of March 5, 2025. At that time, the draft still needs to be sent out for review to all relevant department heads.

The department has supplied additional evidence for subsections of this recommendation, including:

- Evidence that all not-sworn classifications/positions that currently require a medical test before hiring were reviewed and determined to still need one;
- Evidence that Personnel considered provisional hiring contingent upon the applicant attestation to mitigate risk for most job classifications and eliminate the need for most medical checks; and
- Evidence that Personnel reviewed the existing requirements for pre-hiring drug and alcohol screening and determined if they are still necessary for all positions/classifications.

After completing all subsections of this recommendation, the recommendation requires the department to present findings to the Civil Service Commission, which has yet to occur.

Issue Date: July 18, 2023

Original Target Date: July 2024

Current Target Date: ~~July 2024~~ ~~December 2024~~ ~~January 2025~~ Unknown

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. According to the Purchasing & Contracting Department (P&C), it has redlined the San Diego Municipal Code (SDMC) to incorporate changes to help meet this recommendation. It was intended to take this item in December 2024; however, P&C later learned that Engineering & Capital Projects intended to make changes to sections of the same division within SDMC. The departments were asked to take one action forward to avoid multiple changes to the

same division within a short period of time. It is expected this will be presented to Committee and Council in February/March 2025. P&C will provide a draft copy to OCA for review.

Issue Date: September 6, 2023

Original Target Date: May 2024

Current Target Date: May 2024 Unknown June 2025

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	Previously Implemented (June 2024)		
1.2	Transportation	Previously Implemented (June 2024)		
2.1	Chief Operating Officer	Previously Implemented (June 2024)		
3.1	Transportation	In Process – Not Due		
3.2	Transportation	In Process – Not Due		
3.3	Communications & Transportation	Previously Implemented (June 2024)		
4.1	Chief Operating Officer	In Process – Not Due		
4.2	Chief Operating Officer	Previously Implemented (June 2024)		

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. According to the Transportation Department, it updated directive number 1 regarding the annual high crash evaluation. The results of which are now published on the Vision Zero website. Further, the latest systemic safety report was also published to the Vision Zero website. However, as additional resources will be necessary to conduct additional post improvement installation analysis and fully address this recommendation, the request for additional resources was made in FY2025, but not approved. Due to the current budget deficit the City is facing for the FY2026 budget, requests for new positions will not be submitted. This response will remain in process until additional resources are allocated.

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. According to the Transportation Department, it reports out improvement findings when required by grant funding but does not have resources to accomplish additional post improvement evaluations; therefore, additional resources will be necessary to complete them and fully address this recommendation. The request for additional resources (staff) was made in FY2025 but not approved. Due to the current budget deficit the City is facing for the FY2026 budget, requests for new positions will not be submitted. This recommendation will remain in process until additional resources are allocated.

Issue Date: October 30, 2023

Original Target Date: Dependent upon funding for additional positions

Current Target Date: Dependent upon funding for additional positions

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 stated that per its original response, since FY2019, the Transportation Department has a filled Program Manager position who oversees the Vision Zero program and coordinates with other City departments. The need for additional resources to accomplish the Vision Zero goals outlined in this recommendation, including additional programming, additional data collection, website updates, and additional outreach, remains an unfunded need. Given the current budget deficit the City is facing for the FY2026 budget, requests for new positions will not be submitted.

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

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	Previously Implemented (June 2024)		
1.3	Transportation	Previously Implemented (June 2024)		
2.1	Transportation	In Process – Past Due		
3.1	Transportation	Previously Implemented (June 2024)		
4.1	Transportation	In Process – Past Due		
5.1	Transportation	In Process – Past 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. The Transportation Department is preparing an update to the Pavement Management Plan. According to the department, the following tasks are necessary to achieve full implementation:

Task 1: Update the Pavement Management Plan to include all elements within this recommendation.

Status: Planned completion in FY2025.

Task 2: The Transportation Department will present the Pavement Management Plan update to the Active Transportation & Infrastructure Committee.

Status: Planned completion in FY2025.

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 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 – Past Due

This recommendation is in process. The recommendation was originally reported as implemented in July 2024. After further discussion with the Office of the City Auditor, this item will remain open until an unimproved streets goal is included in the update to the Pavement Management Plan. According to the department, the following tasks are necessary to achieve full implementation:

Task 1: Update the Pavement Management Plan to include a strategy to address unimproved streets.

Status: Planned completion in FY2025.

Task 2: The Transportation Department will present the Pavement Management Plan update to the Active Transportation & Infrastructure Committee.

Status: Planned completion in FY2025.

Issue Date: February 12, 2024

Original Target Date: July 2024

Current Target Date: ~~July 2024~~ Unknown June 2025

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 – Past Due

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

In January 2025, the Transportation Department provided an update regarding the City's November 2024 tax measure that would have added a 1 percent sales tax measure to support reducing the funding gap for the paving program. However, this item did not receive enough votes to pass. Transportation stated that it will continue to request funding for the paving program through the annual CIP process. While this update is a report on Transportation's efforts toward reducing the funding gap for its paving program, it does not constitute a long-term funding plan that meets the spirit of the recommendation. Transportation anticipates updating its Pavement Management Plan this fiscal year and should include its long-term funding plan and strategies to implement this plan in its new update.

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. This recommendation will be implemented once the elements noted above are included in the plan.

Issue Date: February 12, 2024

Original Target Date: July 2024

Current Target Date: ~~July 2024~~ Unknown June 2025

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 – Past Due

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

In January 2025, Transportation stated that it has completed several items related to increasing its program's capacity, including reducing the department's vacancy rate to 7 percent, increasing the department's capacity to perform more paving work using City crews by hiring a new in-house paving team, and hosting industry workshops with contractors to notify them of the paving opportunities within the City of San Diego. These are all strategies documented within Transportation's Pavement

Management Plan. Transportation also noted in its update that the City pursued a November 2024 sales tax increase measure to support reducing the funding gap for the paving program; however, this item did not receive enough votes to pass. To consider this recommendation as implemented, Transportation should include these updates and any others in its forthcoming updated Pavement Management Plan, expected to be published sometime this fiscal year.

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 June 2025

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 – Past 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, its Research, Analysis, and Planning Unit has concluded its research related to work limitations, and suggested policy changes were provided to the Chief’s office to consider; this will also trigger meeting and conferring with the SDPOA.

Issue Date: February 28, 2024

Original Target Date: December 2025

Current Target Date: December 2025 March 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, a plan has been developed by the Chief’s office to prioritize overtime spending and issues that impact working conditions and necessitate meeting and conferring with the SDPOA are ongoing.

Issue Date: February 28, 2024

Original Target Date: December 2025

Current Target Date: ~~December 2025~~ March 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, it is still evaluating staffing software and its costs to determine what software best fits its needs and can accommodate any changes in policy and procedures. Funding would be needed to acquire any selected software.

Issue Date: February 28, 2024

Original Target Date: December 2025

Current Target Date: ~~December 2025~~ March 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 – Past Due

This recommendation is in process. According to SDPD, the Research, Analysis, and Planning Unit / Crime Analysis has completed an analysis of the department's civilian hiring needs and is awaiting fiscal data to determine the costs associated with implementing this recommendation. Once completed, a presentation will be made to the Public Safety Committee.

Issue Date: February 28, 2024

Original Target Date: December 2024

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

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	Previously Implemented (June 2024)		
1.2	San Diego Housing Commission	Previously Implemented (June 2024)		
2.1	San Diego Housing Commission	In Process – Not Due		
2.2	San Diego Housing Commission	Disagree (Audit Committee Requested Action)		

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 (SDHC), it has selected a consultant to help it create a new Strategic Plan and the contract has been executed. The initial kickoff meeting was scheduled for January 13, 2025, during which a preliminary schedule and timeline for completion was to be discussed. According to SDHC, the implementation date is TBD based on results of the initial kickoff meeting with the consultant and the establishment of the timeline for delivery of a new Strategic Plan for review and ultimately final approval.

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)

The San Diego Housing Commission (SDHC) disagreed with the original recommendation but agreed to fulfill the Audit Committee's request of providing updates through the City Auditor's recommendation follow-up process on the alternative approach it plans to take on Recommendation 2.2 as outlined in its management response.

In the previous round of recommendation follow-up, the following was agreed upon as sufficient evidence to mark this recommendation as implemented: "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."

According to SDHC, its previously submitted response remains applicable: "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."

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	Newly Implemented		
1.2	Transportation	Newly Implemented		
1.3	Transportation	Previously Implemented (June 2024)		
1.4	Transportation	Newly Implemented		
2.1	Transportation	Newly Implemented		
2.2	Transportation	In Process – Not Due		
2.3	Transportation	Newly Implemented		
3.1	Transportation	Newly Implemented		

No.	Department	Recommendation Status	Resources Required	No Update Provided
3.2	Transportation	In Process – Not Due		
3.3	Transportation	Newly Implemented		

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)

Newly Implemented

This recommendation is implemented. Transportation has incorporated using SAP's Geo.explorer mapping function to cluster pothole requests for assignments. The updated SOP also instructs the supervisor to use Geo.explorer to assist with pothole assignments. Transportation provided screenshots showing the utilization of Geo.explorer to cluster pothole requests.

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.)

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)

Newly Implemented

This recommendation is implemented. Transportation's updated potholes SOP instructs the supervisor to utilize SAP's Geo.explorer function to assist with assigning potholes in geographic clusters. The SOP also states the supervisor should monitor the daily number of potholes repaired by crews. Transportation confirmed supervisors utilize SAP's Geo.explorer to help with pothole assignments and provided

screenshots from Geo.explorer. The department also confirmed supervisors monitor and assess daily assignments based on the difficulty of each pothole assignment. Supervisors also monitor crews' daily work with spot checks in the field and the photos crews take after potholes have been filled. These reviews ensure crews properly repair their assigned potholes as efficiently as possible.

Issue Date: April 29, 2024

Original Target Date: TBD (Dependent upon identification, funding, procurement, integration, and testing outcomes from Recommendation 1.1.)

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)

Newly Implemented

This recommendation is implemented. Transportation conducted a staffing analysis to determine how to maximize the productivity of available staff. Transportation updated the SOP, specifying that chase drivers should proceed to initial pothole request locations to verify the location and reparability. The SOP also states when additional staff are available, they are utilized as an emergency response team to respond to emergency calls with bagged asphalt, when practicable, as well as assist with other pothole requests when there are no emergency calls.

Issue Date: April 29, 2024

Original 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)

Newly Implemented

This recommendation is implemented. Transportation updated the SOP with more detailed guidance on how to count individual potholes. The department no longer collects the square footage measurement, as shown in the updated SOP and updated Daily Work Logs, which will decrease data entry errors. Transportation confirmed that staff were trained on these procedural changes.

Issue Date: April 29, 2024

Original 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 recommendation is in process. According to the Transportation Department, it is currently working with the Department of IT on the request. Transportation estimates completion in late May 2025.

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 May 2025

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)

Newly Implemented

This recommendation is implemented. Transportation's updated SOP instructs staff to enter pothole data into BlueWorx and only enter data on paper Daily Work Report when IT issues arise. Aligning with the recommendation, the updated SOP also shifts the supervisor reviews to routine spot-checks of the time asphalt was loaded, time spent at repair locations, and time spent en-route between locations to ensure productivity requirements are maintained. The SOP also states the supervisors will monitor the daily number of potholes repaired by each crew daily. Transportation confirmed staff have been trained on the updated changes.

Issue Date: April 29, 2024

Original Target Date: TBD (Dependent upon the implementation outcome of Recommendation 2.2)

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)

Newly Implemented

This recommendation is implemented. Transportation now uses the cost per pothole metric as an internal efficiency performance metric. Transportation's updated SOP states this analysis will be conducted annually. Transportation has already calculated the cost per pothole for FY2023, and the department indicates it will soon have the results of the cost per pothole for FY2024.

Issue Date: April 29, 2024

Original 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 recommendation is in process. According to the Transportation Department, it is working closely with Department of Race & Equity (DRE) to address equity in pothole repair operations. Transportation has partnered with PandA and Camino Labs to explore innovative methods for identifying and addressing pothole issues in underserved areas. Starting in February 2025, one patch truck per week will be dedicated to proactive pothole repair in areas that are under-reporting issues. This truck will prioritize street segments within communities of concern. The efficacy of this targeted approach will be assessed in collaboration with DRE to determine whether it should be continued or if alternative measures are required. A decision regarding the closure of this recommendation will be made following the results of this evaluation to be held in Quarter 4 of FY2025.

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 June 2025

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)

Newly Implemented

This recommendation is implemented. Transportation's updated SOP requires crews to enter proactively repaired potholes into BlueWorx. Transportation also provided screenshots from BlueWorx and SAP that show how both systems have unique identifiers for these proactive repairs.

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.

Performance Audit of Facility Maintenance

25-01





(MS)

The City of San Diego (City) owns more than 1,600 public buildings and structures that cost tens of millions of dollars to maintain annually. Failure to adequately maintain these facilities can lead to greater costs in the long run and can have negative impacts on City services, worker morale, and visitors' and residents' overall impression of the City. Although the City has a maintenance program intended to protect the public investment in City-owned facilities, limited resources have hampered the City's ability to adequately maintain them. In our [Performance Audit of Facility Maintenance](#), we found:

Finding 1: The City has not been able to prioritize sufficient funding to maintain its facilities, which will cost the City more in the long term.

Finding 2: With or without increased funding, the City needs a facility management plan to ensure it spends its limited maintenance funds efficiently.

Finding 3: Departments have limited insight into the status of their repairs, resulting in unnecessary delays and unclear expectations.

No.	Department	Recommendation Status	Resources Required	No Update Provided
1.1	General Services	In Process – Not Due		
1.2	General Services	In Process – Not Due		
1.3	Finance	In Process – Not Due		
1.4	Finance	In Process – Not Due		
1.5	General Services	In Process – Not Due		
1.6	General Services	In Process – Not Due		
2.1	General Services	In Process – Not Due		
2.2	General Services	In Process – Not Due		
2.3	General Services	In Process – Not Due		
3.1	General Services	In Process – Not Due		

Recommendation 1.1*General Services*

The Facilities Services Division (Facilities Services), working with the Department of Finance and City Council, should propose amendments to Council Policy 200-13 to set a goal for the percent of the facility replacement value the City intends to spend on facility maintenance. The Council Policy should include all facilities for which Facilities Services provides maintenance, although it could have one goal for General Fund facilities and a different goal for non-General Fund facilities. Facilities Services should ensure the goals are included in the facility management plan discussed in Recommendation 2.1. (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: Council Policy 200-13 is to be updated by Facilities Services but affects the work of other departments, including the Department of Finance, prior to drafting changes to gather input on policy revision.

Task 2: Facilities Service receives department input, drafts proposed policy revision, and submits to City Attorney's Office for review.

Task 3: Facilities Services will work with the City Attorney's Office to revise policy based on feedback.

Task 4: Facilities Services will present the draft policy to the Active Transportation and Infrastructure Committee.

Task 5: Facilities Services revises the proposed policy as needed and presents draft policy to Council for final approval.

Issue Date: July 16, 2024

Original Target Date: June 2026

Current Target Date: June 2026

Recommendation 1.2*General Services*

As part of the facility management plan in Recommendation 2.1, Facilities Services Division (Facilities Services) should develop a multi-year, long-term funding strategy to address both deferred maintenance needs and routine maintenance of City-owned facilities. This funding strategy should incorporate the funding goal as specified in Recommendation 1.1 and should, at minimum, include the following scenarios that tie funding needs to facility maintenance outcomes:

- Scenario A: Show the current financial investments and the projected impact on the condition of facilities and the deferred maintenance backlog if funding levels stay the same.
- Scenario B: Show the financial investment that would be needed to address the maintenance backlog over time.

- Scenario C: Show the annual financial investment that would be needed to maintain facilities to the standard set in Council Policy 200-13, detailed by General Fund and non-General Fund funding levels.
- Scenario D: Show the combined financial investment that would be necessary to accomplish the goals of both Scenario B and C.
- Scenario E: For comparison, show the financial investment that would reflect the best practice funding level of addressing the backlog of maintenance over time and spending 2 percent to 4 percent of the facility replacement value on maintenance annually.

The funding strategy should be updated and presented annually to City Council or the appropriate Council committee as part of the facility management plan in Recommendation 2.1.

Facilities Services 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 or increased reliance on the General Fund and special revenue funds, reallocation of resources from other priority areas, dedicated funds from non-General Fund departments, additional revenue sources, and any other options that may significantly contribute to closing the existing funding gap. (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: Facilities Services will request funding for the specific resources necessary (FTE and consultants) to develop, implement, and manage the Funding Strategy. Completion date for this task is dependent on funding as described in the narrative below.

Task 2: Facilities Services will work with the Department of Finance to develop the Funding Strategy.

In summary, implementation of this recommendation is delayed due to the projected structural budget deficit in the General Fund. To address this deficit, the City is implementing budget deficit mitigation measures that include: potential revenue increases, a Citywide hiring freeze, departmental reductions in non-essential discretionary spending, and potential FY2026 budget reductions. Once the City's fiscal position improves, and additional revenues are identified or secured, the department will reassess the resource needs associated with implementing any recommendations connected to remaining services or programs.

Issue Date: July 16, 2024

Original Target Date: June 2026

Current Target Date: June 2026

Recommendation 1.3*Finance*

The Department of Finance should include the estimated cost of annual maintenance for facilities in the Five-Year Financial Outlook. The estimated cost for annual maintenance should align with the goal funding level set in Council Policy 200-13 or should explain why it deviates from the goal set in Council Policy 200-13. If the costs are not included in the projected expenditures, the costs should, at minimum, be estimated and discussed in the report. (Priority 2)

In Process – Not Due

This recommendation is in process. The department noted that this recommendation is due in December 2026 and it does not have any current updates to its management response.

Issue Date: July 16, 2024

Original Target Date: December 2026

Current Target Date: December 2026

Recommendation 1.4*Finance*

The Department of Finance should include the cost of maintenance for new facilities when discussing ongoing costs of facilities in the Five-Year Financial Outlook. The estimated cost for annual maintenance should align with the goal funding level set in Council Policy 200-13 or should explain why it deviates from the goal set in Council Policy 200-13. (Priority 2)

In Process – Not Due

This recommendation is in process. The department noted that this recommendation is due in December 2026 and it does not have any current updates to its management response.

Issue Date: July 16, 2024

Original Target Date: December 2026

Current Target Date: December 2026

Recommendation 1.5*General Services*

The Department of General Services, working with the relevant City departments, should propose amendments to the relevant Council Policy or policies on acquiring new facilities to require that when presenting new facility acquisitions, the anticipated cost of ongoing maintenance be included in the financial analysis and Staff Report to Council. The cost of maintenance should align with the goal funding level set in Council Policy 200-13 or explain why it deviates from the goal. (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: Department of General Services (DGS) will meet with the Department of Finance to determine the appropriate policies to be updated.

Status: The Department of General Services has met with the Department of Finance to discuss the appropriate policies to be updated.

Task 2: Council Policy 200-13 is to be updated by the Department of General Services. This update will affect other Asset Managing Departments (AMD's). DGS will work with Department of Finance, E&CP, and all affected AMD's on draft changes.

Task 3: DGS will submit draft revisions for Council Policy 200-13 to City Attorney's Office (CAO).

Task 4: DGS will work with City Attorney Office on revisions and feedback for draft policy.

Task 5: Planned completion and final draft policy ready for Council review.

Task 6: DGS revises proposed policy as needed and presents draft policy to Council for final approval.

Issue Date: July 16, 2024

Original Target Date: TBD based upon the established goals and the amendment of Council Policy 200-13

Current Target Date: TBD based upon the established goals and the amendment of Council Policy 200-13

Recommendation 1.6*General Services*

The Facilities Services Division, working with the Engineering and Capital Projects Department and the City's asset managing departments, should describe in its facility management plan how it plans to update the design standards manual for efficient maintenance and keep the manual updated in the future. The facility management plan is detailed in Recommendation 2.1. (Priority 3)

**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: Facilities Services will work with E&CP, P&C, and the City Attorney's Office to review the potential of standardizing building systems and equipment.

Task 2: Facilities Services will identify which building systems and equipment could and/or should be good candidates for standardization.

Task 3: Facilities Services will work with the appropriate departments to update or develop the City's building design standards and incorporate into the Facility Management Plan.

Issue Date: July 16, 2024

Original Target Date: TBD based upon Fiscal Year 2026 budgeted resource allocations

Current Target Date: TBD based upon Fiscal Year 2026 budgeted resource allocations

Recommendation 2.1

General Services

The Facilities Services Division (Facilities Services) should develop a facility management plan and present it to City Council or the appropriate Council Committee annually. Facilities Services should propose updates to Council Policy 200-13 to require an updated facility management plan. The Council Policy should require the plan to include, at minimum:

- a. The facility maintenance funding strategy, as set out in Recommendation 1.2;
- b. The target funding goals, as set out in Recommendation 1.1;
- c. Actual spending levels for the previous 5 years;
- d. Where the funds from the previous year were spent, such as the amount spent by facility category type, by department, for non-maintenance activities like setting up homelessness services spaces, or for specific initiatives across facility types, such as an initiative for multiple elevator repairs or roof repairs;
- e. Anticipated facility maintenance needs in the next 1–5 years, with input regularly gathered from departments and updated condition assessments;
- f. Actual and anticipated facility maintenance needs compared to actual and anticipated spend by facility type and department;
- g. The latest information and results from the facilities condition assessments, including the date of the most recent assessment and the date of the next assessment according to updated Council Policy 200-13 requirements; and
- h. The plan for addressing those needs in the next 1–5 years.

If the City prefers, certain elements of the facility management plan, such as the target funding level (item b), anticipated facility maintenance needs (item e), and results from the latest facility condition assessments (item g) may not change substantially each year and therefore may not need to be updated annually. However, the reports on funding, including the funding strategy (item a), spending levels (item c), how funds were spent (items d and f), and the plan for addressing needs (item h), should be updated annually to reflect maintenance budget patterns and maintenance funding needs before the City makes budget decisions. (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: Update Council Policy 200-13. This task includes implementing Recommendation 1.1, which includes: receiving and gathering input on policy revision from other departments, drafting a proposed policy revision and submitting it to the City Attorney's Office for review, revising the policy based on feedback, presenting the draft policy to the Active Transportation and Infrastructure Committee, and revising the proposed policy, as needed, and lastly presenting the draft policy to Council for final approval.

Task 2: Request resources to develop and manage Facility Management Plan.

Task 3: Develop and implement Plan.

In summary, the Department of General Services has initiated coordination with Department of Finance to modify Council Policy 200-13.

However, implementation of this recommendation is delayed due to the projected structural budget deficit in the General Fund. To address this deficit, the City is implementing budget deficit mitigation measures that include: potential revenue increases, a Citywide hiring freeze, departmental reductions in non-essential discretionary spending, and potential FY2026 budget reductions. Once the City's fiscal position improves, and additional revenues are identified or secured, the department will reassess the resource needs associated with implementing any recommendations connected to remaining services or programs.

Issue Date: July 16, 2024

Original Target Date: December 2026 contingent upon the approval of requested resources and additional budget

Current Target Date: December 2026 contingent upon the approval of requested resources and additional budget

Recommendation 2.2

General Services

The Facilities Services Division should propose updates to Council Policy 200-13 and request the Mayor and City Council approve funding to update its facility condition assessments at least every 5 years, in line with best practices. If best practices dictate that specific facility asset classes require assessment less often than 5 years, the division should note those asset classes and their corresponding recommended assessment timelines in the Council Policy. To smooth the budgetary cost of the assessments, the update should allow the City to conduct these reviews on a rolling basis, so that not every facility is assessed at once. (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: The Facilities Services Division will work with the proper City departments to propose updates to Council Policy 200-13 to include language that requires the City to update its facility condition assessments at least every 5 years to be in line with best practices.

Task 2: Request funding to update Facility condition assessments.

In summary, implementation of this recommendation is delayed due to the projected structural budget deficit in the General Fund. To address this deficit, the City is implementing budget deficit mitigation measures that include: potential revenue increases, a Citywide hiring freeze, departmental reductions in non-essential discretionary spending, and potential FY2026 budget reductions. Once the City's fiscal position improves, and additional revenues are identified or secured, the department will reassess the resource needs associated with implementing any recommendations connected to remaining services or programs.

Issue Date: July 16, 2024

Original Target Date: June 2025

Current Target Date: June 2025 Unknown

Recommendation 2.3

General Services

The Department of General Services should update its standard operating procedures to require the Facilities Services Division to capture all preventative maintenance plans in its Enterprise Asset Management system. (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: Create standard Operating Procedure for creating new Functional Locations (FLOC) and equipment in EAM.

Task 2: Create a standard operating procedure for developing and assigning maintenance plans for facilities and its equipment in EAM.

As of January 16, 2025, the Facilities Maintenance Division has developed drafts of the updated Standard Operating Procedures and expects to have them completed by March 31, 2025.

Issue Date: July 16, 2024

Original Target Date: March 2025

Current Target Date: March 2025

Recommendation 3.1*General Services*

The Facilities Services Division (Facilities Services) should provide a self-service mechanism for departments to see the status of each of their maintenance requests. At minimum, Facilities Services should provide read-only access in the Enterprise Asset Management system, SAP, to select staff from each department, such as those that report facility maintenance issues. The mechanism Facilities Services uses to inform departments of the status of their maintenance requests should include, but not be limited to:

- The status of the maintenance request (i.e., assigned a work order, completed, canceled, etc.);
- For canceled maintenance requests, the reason for cancellation; and
- Accurate key dates, such as when the maintenance request was assigned to staff, canceled, or completed.

When implementing the mechanism, the City should provide training to department staff on how to monitor the status of their repair requests. (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: Work with Department of Information Technology's Enterprise Resource Planning Support section to create customer portal for checking maintenance request status.

Task 2: Develop and provide user training documents to customer departments.

Task 3: Develop and provide training video to customer departments.

As of January 16, 2025, Facilities Maintenance Division has been working with staff to review, develop, and improve the functionality of the customer portal. The Facilities Maintenance Division is actively developing customer portal training materials and expects to have this completed by June 30, 2025.

Issue Date: July 16, 2024

Original Target Date: June 2025

Current Target Date: June 2025

Performance Audit of the City's Contract Management Process

25-02
(AR) (KE)

The City has paid hundreds of millions of dollars to outside contractors to provide goods and services. The San Diego Municipal Code (SDMC) requires City Council to review and approve certain changes to those contracts, such as larger changes in value. Council's review ensures public oversight and transparency in the use of taxpayer dollars. In our [Performance Audit of the City's Contract Management Process](#), we found:

Finding 1: The City altered contract spending limits by at least \$15 million without required Council approval, diminishing transparency and governance.

Finding 2: Departments brought 19 percent of contract alterations totaling nearly \$64 million to Council for approval retroactively, creating risks for vendors and City services, and further reducing effective oversight.

Finding 3: Incomplete and inaccurate contract information and unwritten policies have led to work inefficiencies and staff errors.

No.	Department	Recommendation Status	Resources Required	No Update Provided
1.1	Purchasing & Contracting	In Process – Not Due		
1.2	Purchasing & Contracting	In Process – Not Due		
1.3	Purchasing & Contracting	In Process – Not Due		
1.4	Purchasing & Contracting & City Attorney	In Process – Not Due		
2.1	Purchasing & Contracting	Newly Implemented		
2.2	Purchasing & Contracting	In Process – Not Due		
2.3	Purchasing & Contracting	In Process – Not Due		
2.4	Purchasing & Contracting	In Process – Past Due		
2.5	Purchasing & Contracting	In Process – Past Due		
3.1	Purchasing & Contracting	In Process – Past Due		
3.2	Purchasing & Contracting	In Process – Not Due		
3.3	Purchasing & Contracting	In Process – Past Due		
3.4	Purchasing & Contracting	In Process – Past Due		

Recommendation 1.1*Purchasing & Contracting*

The Purchasing & Contracting Department, or the applicable lead department, should present to City Council any active contract alterations identified in this audit or in their own internal review that have not been previously approved in accordance with San Diego Municipal Code requirements. (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: Present to City Council any active contract alterations identified in this audit or in its own internal review that have not been previously approved in accordance with San Diego Municipal Code requirements.

Status: In Process, expected April 2025.

Issue Date: July 17, 2024

Original Target Date: TBD (P&C intends to work quickly on identifying contract alterations no later than December 2024; however, each department will be responsible for bringing their item forward for Council approval)

Current Target Date: ~~TBD~~ May 2025

Recommendation 1.2*Purchasing & Contracting*

The Purchasing & Contracting Department should propose updated City Council approval thresholds such as an inflation adjustment mechanism, mandated periodic review, or another control. (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: Review and revise SDMC to incorporate changes.

Status: In process, expected March 2025.

Task 2: Present proposed SDMC change to Committee and Council.

Status: In process, expected March 2025.

According to the department, Purchasing & Contracting (P&C) has redlined the San Diego Municipal Code (SDMC) to incorporate changes to help meet this recommendation. It was intended to take this item in December 2024; however, P&C later learned that Engineering & Capital Projects intended to make changes to sections of the same division within SDMC. The departments were asked to take one action forward to avoid multiple changes to the same division within a short period of time. It is expected this will be presented to Committee and Council in February/ March 2025. P&C will provide a draft copy to OCA for review.

Issue Date: July 17, 2024

Original Target Date: June 2025

Current Target Date: June 2025

Recommendation 1.3

Purchasing & Contracting

The Purchasing & Contracting Department should propose changes to the San Diego Municipal Code clarifying City Council approval requirements for goods and services contract alterations. (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: Review and revise SDMC to incorporate changes.

Status: In process, expected March 2025.

Task 2: Present proposed SDMC change to Committee and Council.

Status: In process, expected March 2025.

According to the department, Purchasing & Contracting (P&C) has redlined the San Diego Municipal Code (SDMC) to incorporate changes to help meet this recommendation. It was intended to take this item in December 2024; however, P&C later learned that Engineering & Capital Projects intended to make changes to sections of the same division within SDMC. The departments were asked to take one action forward to avoid multiple changes to the same division within a short period of time. It is expected this will be presented to Committee and Council in February/ March 2025. P&C will provide a draft copy to OCA for review.

Issue Date: July 17, 2024

Original Target Date: June 2025

Current Target Date: June 2025

Recommendation 1.4

Purchasing & Contracting / City Attorney

Once Recommendations 1.2 and 1.3 are implemented, the City Attorney's Office, in consultation with the Purchasing & Contracting Department, should issue updated, written guidance clarifying San Diego Municipal Code requirements for contract alterations to ensure that departments and attorneys are aware of what the requirements are. (Priority 2)

In Process – Not Due

According to the department, this recommendation will be worked on once final changes to the San Diego Municipal Code are adopted via ordinance. It is expected this will be completed within the timeframe specified.

Issue Date: July 17, 2024

Original Target Date: December 2025 (Purchasing & Contracting); TBD (City Attorney's Office indicated the implementation timeline is dependent on potential revisions to the San Diego Municipal Code per Recommendations 1.2 and 1.3)

Current Target Date: December 2025; TBD

Recommendation 2.1

Purchasing & Contracting

The Purchasing & Contracting Department should work with each City department to identify at least one staff member to serve as an internal central point-of-contact for contract administration. (Priority 3)

Newly Implemented

This recommendation is implemented. Management provided sufficient and appropriate evidence to support implementation of all elements of the recommendation. The Purchasing & Contracting Department (P&C) provided a Department Point of Contact (DPOC) list for City Departments that identifies the department and respective DPOC. P&C also provided a Contract Management Process Improvements Memorandum issued by the Chief Operating Officer and an Acting Deputy Chief Operating Officer that directed departments to select a DPOC. The memo provided relevant selection criteria and specified that Department Directors will assist in filling the role should DPOC or alternate DPOC be unavailable.

Issue Date: July 17, 2024

Original Target Date: December 2024

Recommendation 2.2

Purchasing & Contracting

The Purchasing & Contracting Department should design and implement additional training for department-assigned contract administration points-of-contact. (Priority 3)

In Process – Not Due

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

Task 1: Prepare draft training plan.

Status: Completed, February 2025.

Task 2: Finalize training topics and schedule.

Status: In Process, estimated completion February 2025.

Task 3: Implement trainings identified in the training plan.

Status: In Process, estimated completion Q1 2025.

Issue Date: July 17, 2024

Original Target Date: June 2025

Current Target Date: June 2025

Recommendation 2.3

Purchasing & Contracting

The Purchasing & Contracting Department (P&C) should develop a procedure and template for ratification requests to be submitted in writing. These requests should:

- Explain why the ratification is necessary;
- Describe corrective action to prevent reoccurrence;
- Include when the contract exceeded expiration, if applicable;
- Include by how much the contract exceeded maximum value, if applicable;
- Be approved by P&C; and
- Be submitted as supporting documentation to Council for approval, if applicable. (Priority 2)

In Process – Not Due

This recommendation is in process. According to the department, it will provide further information as policies are closer to final draft stage for review.

Issue Date: July 17, 2024

Original Target Date: March 2025

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

Recommendation 2.4

Purchasing & Contracting

The Purchasing & Contracting Department should design guidelines for City departments to provide Council with updates on contract activities, which could include:

- Information on soon to expire or soon to reach spend contracts;
- Number of ratifications; and/or
- A list of sole source contracts. (Priority 2)

In Process – Past Due

This recommendation is in process. According to the department, this recommendation should be completed by March 2025.

Issue Date: July 17, 2024

Original Target Date: December 2024

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

Recommendation 2.5*Purchasing & Contracting*

The Purchasing and Contracting department should establish and implement a formalized contract alteration process which at least addresses the:

- Value and length thresholds requiring City Council approval; and
- Requirements to re-certify sole source contracts if amended. (Priority 2)

In Process – Past Due

This recommendation is in process. According to the department, this recommendation is currently being worked on and will be completed by March 2025.

Issue Date: July 17, 2024

Original Target Date: December 2024

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

Recommendation 3.1*Purchasing & Contracting*

The Purchasing & Contracting Department should develop a policy outlining where contracts are electronically stored and managed. (Priority 2)

In Process – Past Due

This recommendation is in process. According to the department, this recommendation should be completed by March 2025.

Issue Date: July 17, 2024

Original Target Date: December 2024

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

Recommendation 3.2*Purchasing & Contracting*

The Purchasing & Contracting Department should implement a monitoring control to integrate SAP and Ariba contract/spend information. (Priority 2)

In Process – Not Due

This recommendation is in process. According to the department, this recommendation should be completed by March 2025.

Issue Date: July 17, 2024

Original Target Date: March 2025

Current Target Date: March 2025

Recommendation 3.3*Purchasing & Contracting*

The Purchasing & Contracting Department should establish a written policy requiring a written maximum value to be specified on all goods and services contracts. (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: Complete Contract Administration Guide, est. February 2025

Task 2: Train staff, est. June 2025.

Issue Date: July 17, 2024

Original Target Date: December 2024

Current Target Date: ~~December 2024~~ June 2025

Recommendation 3.4*Purchasing & Contracting*

The Purchasing & Contracting Department should develop guidance for its staff on altering Ariba in the absence of formal contract alterations. (Priority 2)

In Process – Past Due

This recommendation is in process. The department met with OCA and walked through the in progress Contract Administration Guide detailing policies and procedures for contract administrators Citywide. According to the department, the following tasks are necessary to achieve full implementation:

Task 1: Complete Contract Administration Guide, est. February 2025.

Task 2: Train staff, est. June 2025.

Issue Date: July 17, 2024

Original Target Date: December 2024

Current Target Date: ~~December 2024~~ June 2025

Fraud Hotline Report of Boat Storage Permits

25-05
(AH) (GR)





OCA received a Fraud Hotline allegation regarding the mismanagement of permits issued by the City for the long-term storage of small boats on the sand at Mission Bay. Our investigation determined that the allegations of waste and mismanagement were substantiated. Specifically, in our [Fraud Hotline Report of Boat Storage Permits](#), we found:

Conclusion 1: Over 100 boat storage permits could have been issued, but were not, due to clerical errors that could have been avoided by using the existing online payment system. In addition, permitholders are currently allowed to renew their permits year after year without giving others a chance to purchase a permit. As a result, over 400 people are on waitlists for these permits, and some have been waiting for over 20 years.

Conclusion 2: The City charges lower fees for its boat storage program compared to other jurisdictions, and these fees only recover part of the estimated staff costs. If the fees were set based on the use of City property or set in comparison to what other cities charge, they could be higher. However, because the fees are lower than they could be, the City might not receive sufficient revenue to administer the program efficiently and effectively.

Conclusion 3: Other jurisdictions offer more efficient boat storage options and vary permit rates by boat type. Additional boat storage locations and repairs to existing structures could improve access to this resource.

Conclusion 4: Compliance inspections and enforcement activities would likely be improved if boat storage permit monitoring procedures were in place. Program compliance would also be improved if the existing rules were updated and clarified.

No.	Department	Recommendation Status	Resources Required	No Update Provided
1.1	Parks & Rec	In Process – Not Due		
1.2	Parks & Rec	In Process – Not Due		
1.3	Parks & Rec	In Process – Not Due		
2.1	Parks & Rec	In Process – Not Due		
3.1	Parks & Rec	Newly Implemented		
3.2	Parks & Rec	In Process – Not Due		
3.3	Parks & Rec	Newly Implemented		
3.4	Parks & Rec	In Process – Not Due		

No.	Department	Recommendation Status	Resources Required	No Update Provided
4.1	Parks & Rec	In Process – Not Due		
4.2	Parks & Rec	In Process – Not Due		

Recommendation 1.1

Parks & Rec

As an interim measure, the Parks and Recreation Department should implement reconciliation procedures to ensure that all available boat storage permits are offered for sale. (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 yet.

According to its Management Response, Parks and Recreation stated that Permit Center staff will develop a process and written procedures in collaboration with Lifeguards.

Issue Date: November 13, 2024

Original Target Date: Fiscal Year 2026 – Quarter 1

Current Target Date: Fiscal Year 2026 – Quarter 1

Recommendation 1.2

Parks & Rec

The Parks and Recreation Department should transition from mailed checks and manual recordkeeping to using online registration software to create permit data records for all available boat storage permits, issue permits using the online system, and make permits available to the public via the online system as they become available through revocations or cancelations. (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 yet.

According to its Management Response, Parks and Recreation stated that implementation of this recommendation is contingent on funding.

Issue Date: November 13, 2024

Original Target Date: Fiscal Year 2027 – Quarter 4

Current Target Date: Fiscal Year 2027 – Quarter 4

Recommendation 1.3*Parks & Rec*

The Parks and Recreation Department (Parks and Rec) should revise the boat storage permitting process to mitigate the current problems of extensive waitlists and permits that can be renewed in perpetuity. For example, Parks and Rec could make all permits available to the general public annually on a first-come, first-served basis, use a lottery system, and/or establish a maximum number of years boat storage permits can be renewed. Parks and Rec should propose revisions to SDMC section 63.25.73(d), if necessary, to allow this change in practice. (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 yet.

According to its Management Response, Parks and Recreation can explore implementing a lottery system and reducing the renewals to a maximum of two years.

Issue Date: November 13, 2024

Original Target Date: Fiscal Year 2026 – Quarter 4

Current Target Date: Fiscal Year 2026 – Quarter 4

Recommendation 2.1*Parks & Rec*

In order to ensure that the boat storage program is funded at a level that allows for efficient and effective management of the program, the Parks and Recreation Department should base boat storage permit fees on a comparison of what other jurisdictions charge for similar permits, rather than relying on the existing estimates of staff time costs. (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 yet.

According to its Management Response, Parks and Recreation can perform benchmarking research with other jurisdictions that operate a boat storage program and gather permit data to compare against. Parks and Recreation intends to engage a consultant to perform a cost-of-service study as part of the planned update to the Department's Fee Schedule scheduled to begin in Fiscal Year 2026 pending identification of funding for the consultant work. All fees associated with watercraft can be evaluated as part of this effort.

Issue Date: November 13, 2024

Original Target Date: Fiscal Year 2028

Current Target Date: Fiscal Year 2028

Recommendation 3.1*Parks & Rec*

The Parks and Recreation Department should consider using more efficient storage options for smaller boats, such as shelf systems. (Priority 2)

Newly Implemented

In accordance with the recommendation, Parks and Recreation considered more efficient storage racks like those used in other jurisdictions. According to its analysis, such racks are infeasible to implement in San Diego due to existing Council Policies, the Mission Bay Master Plan, and regulations supporting the preservation of beach areas for public use and access.

Issue Date: November 13, 2024

Original Target Date: N/A

Recommendation 3.2*Parks & Rec*

The Parks and Recreation Department should consider: (1) raising permit fees for catamarans based on their width, (2) limiting the number of boat permits available to catamarans, and/or (3) distributing permits to storage bars based on boat type and available space. (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 yet.

According to its Management Response, Parks and Recreation intends to engage a consultant to perform a cost-of-service study as part of the planned update to the Department's Fee Schedule scheduled to begin in Fiscal Year 2026 if funding is identified for this effort. All fees associated with watercraft can be evaluated as part of this effort.

Issue Date: November 13, 2024

Original Target Date: Fiscal Year 2028

Current Target Date: Fiscal Year 2028

Recommendation 3.3*Parks & Rec*

The Parks and Recreation Department should consider recommending funding approval from the Mission Bay Park Improvement Fund Oversight Committee to reinstall the beach bar boat storage rack identified as rack D, replace heavily damaged racks, and/or consider adding one or more storage racks near Santa Clara Cove, or elsewhere. (Priority 3)

Newly Implemented

Parks and Recreation initially considered the recommendation and found it infeasible to implement. Subsequently, the Audit Committee requested that the City Auditor present this report to the Mission Bay Park Improvement Fund Oversight Committee, and that City staff convey the Audit Committee's request to reconsider allocating funds for the replacement of boat storage racks. OCA staff presented this report to the Oversight Committee in January 2025. Also, City staff included beach bar improvements on the list of recommended allocations that was presented to the Oversight Committee for consideration.

Issue Date: November 13, 2024

Original Target Date: N/A

Recommendation 3.4*Parks & Rec*

The Parks and Recreation Department should identify beach bar boat storage racks that need repairs, estimate the costs for improvements, determine the relative priority for each identified location, and make repairs as indicated. (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 yet.

According to its Management Response, Parks and Recreation stated that repair and replacement of boat storage racks would be accomplished through Park and Rec's General Fund operating budget. If funds are not available, any unrepairable boat storage racks would be removed.

Issue Date: November 13, 2024

Original Target Date: Fiscal Years 2026–2027

Current Target Date: Fiscal Years 2026–2027

Recommendation 4.1*Parks & Rec*

The Parks and Recreation Department should develop written policies and procedures for boat storage permit compliance activities, including scheduled inspections, permit data collection and sharing, and compliance operations in coordination with Lifeguards. (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 yet.

According to its Management Response, Parks and Recreation, in coordination with Lifeguards, will develop written interdepartmental policies and procedures documenting compliance activities, annual inspections, permit data collection and sharing, and compliance operations.

Issue Date: November 13, 2024

Original Target Date: Fiscal Year 2027 – Quarter 4

Current Target Date: Fiscal Year 2027 – Quarter 4

Recommendation 4.2*Parks & Rec*

The Parks and Recreation Department should update and post current boat storage applications and permit “Specifications, Rules, and Regulations” sheets for both 14-foot and 17-foot boats online, include an updated revision date, and ensure consistency with DMV guidance. (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 yet.

According to its Management Response, Parks and Recreation will update the webpage to incorporate this information.

Issue Date: November 13, 2024

Original Target Date: Fiscal Year 2025 – Quarter 2

Current Target Date: Fiscal Year 2025 – Quarter 2



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