

Status of City Auditor Recommendations with Funding Impact 2025-2026 Proposed Operating Budget

There are audit recommendations that are addressed in actions included in the 2025-2026 Proposed Budget. The table below provides a summary of those audit recommendations. While this Attachment focuses on audit recommendations with budget actions in 2025-2026, there are numerous outstanding audit recommendations with financial implications that are not being implemented as part of the 2025-2026 Proposed Budget. The City Auditor's Office reports on all outstanding audit recommendations on a semi-annual basis. These status reports, along with an interactive dashboard, can be found on the Auditor's Office website at: <https://www.sanjoseca.gov/your-government/appointees/city-auditor/audit-recommendations>.

Department	Item	Remarks
Public Works	Animal Care and Services: Addressing Capacity Constraints and Updating Shelter Protocols Will Help Improve Animal Outcomes (Report 24-06 Issued 11/07/2024, #09)	The 2025-2026 Proposed Operating Budget adds ongoing non-personal/equipment funding of \$200,000 for contracted veterinary services, supporting approximately 1,200 spay/neuter surgeries through partnerships with local organizations. The City Auditor's Report 24-06 recommended additional spay/neuter opportunities could help manage shelter populations. More detail on this action can be found in the City Departments/Council Appointees section of the 2025-2026 Proposed Operating Budget for the Public Works Department.

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Public Works	<p>Animal Care and Services: Addressing Capacity Constraints and Updating Shelter Protocols Will Help Improve Animal Outcomes</p> <p>(Report 24-06 Issued 11/07/2024, #27, #30)</p>	<p>The 2025-2026 Proposed Operating Budget adds one-time non-personal/equipment funding of \$75,000 and \$25,000 ongoing for staff and volunteer workforce management software implementation and user licenses. The City Auditor's Report 24-06 recommended implementing a workforce management solution to reduce manual administration and improve resource allocation for volunteer and staff scheduling.</p> <p>More detail on this action can be found in the City Departments/Council Appointees section of the 2025-2026 Proposed Operating Budget for the Public Works Department.</p>

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Public Works	Animal Care and Services: Addressing Capacity Constraints and Updating Shelter Protocols Will Help Improve Animal Outcomes (Report 24-06 Issued 11/07/2024, #22)	<p>The 2025-2026 Proposed Operating Budget continues and makes permanent 1.0 Animal Shelter Coordinator position for rescue coordination staffing. This position will act as a liaison with rescue groups, improve communication, manage the foster program, and develop protocols to enhance collaboration. The City Auditor’s Report 24-06 recommended assigning a point of contract from the shelter and timeframes for responding to inquiries.</p> <p>More detail on this action can be found in the City Departments/Council Appointees section of the 2025-2026 Proposed Operating Budget for the Public Works Department.</p>

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Fire Department	<p>Audit of 9-1-1 and 3-1-1: Changes to Call Handling and Increased Hiring Efforts Could Improve Call Answering Times</p> <p>(Report 19-01 Issued 02/14/2019, #09)</p>	<p>The 2025-2026 Proposed Operating Budget action adds 2.0 Public Safety Communications Specialist positions, one-time non-personal/equipment funding of \$5,090, ongoing non-personal/equipment funding of \$1,820, and eliminates 1.0 vacant Senior Public Safety Dispatcher position in the Fire Communications Division. The City Auditor's Report 19-01 recommended creating a call taker position in the Fire Department to increase the Department's ability to retain qualified staff. These roles, requiring only minimal experience, aim to manage increasing call volumes, balance workloads for existing dispatchers, and retain employees proficient in call-taking.</p> <p>More detail on this action can be found in the City Departments/Council Appointees section of the 2025-2026 Proposed Operating Budget for the Fire Department.</p>

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Office of Retirement Services	Retirement Services: The Office has not Consistently Followed City Procurement Policies and Standard Practices (Report 24-03 Issued 04/04/2024, #01)	The 2025-2026 Proposed Operating Budget adds 1.0 Program Manager position and deletes 1.0 vacant Senior Auditor position. The Program Manager position will act as a compliance, administrative, and policy manager and will provide centralized oversight of policy compliance, governance, procurement, and administrative operations within the Office of Retirement Services. The City Auditor’s Report 24-03 recommended appropriate controls over procurement and contracting by developing internal processes and procedures. The role of this position will manage and improve procurement processes by reviewing purchases, contracts, and compliance with city procurement rules, working closely with the purchasing team and senior managers among other responsibilities. More detail on this action can be found in the City Departments/Council Appointees section of the 2025-2026 Proposed Operating Budget for the Office of Retirement Services.