Audit Recommendation Follow-Up

as of December 31, 2024

Presentation to the
Finance & Management
Committee
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City Auditor

Performance audits seek to improve City programs and services

- We aim to **audit services and programs of the greatest impact** to the City and its residents and business owners

- Within those audits, we aim to **make recommendations constructive and feasible**, and based on reliable evidence

- Our audits have made recommendations designed to improve the **effectiveness of services Citywide**

- To retain our independence, we perform analysis and make recommendations, but **we rely on the City Administration to implement recommendations** from audits

This report fulfills a Charter requirement

- The City Charter requires the City Auditor submit, at a public meeting of the City Council, **a semi-annual report to the Council and public on the extent of implementation of recommendations** for corrective actions made in in the City Auditor's reports **(Section 403 (4)(8))**.

- To this end, our Office published its third semi-annual report on the status of open audit recommendations on March 28, 2025.

Audit Recommendation Follow-Up as of December 31, 2024

- This report covers **288 unique recommendations** from **45 performance audits** issued since 2014 (as of December 31, 2024).

- Our previous report was the second semiannual report, with status updates as of June 30, 2024.

- The audit recommendation follow-up cycle allows the City Administrator, the City Council, and the public to see the progress made in implementing audit recommendations twice per year, for periods ending June 30 and December 31.

Audit Recommendation Follow-Up as of December 31, 2024

- **13 new recommendations were added** based on newly issued audits:
  - *Performance Audit of Grants from the City of Oakland to Saba Grocers Initiative and its Fiscal Sponsor* (issued July 2024)
  - *Performance Audit of Citywide Pay Equity* (issued November 2024)
- **39 recommendations have changed status** (from not implemented to partially implemented or implemented, or from partially implemented to implemented)
- **This represents an improvement from the last cycle**
- Effective December 26, 2024, the City Administrator and City Auditor jointly signed an update to Administrative Instruction (AI) 701 *Implementing Audit Recommendations* to describe the semi-annual follow up process
- We anticipate additional recommendations to change status in the upcoming cycle

The number of audit recommendations made varies by year, depending on the number and types of audits completed
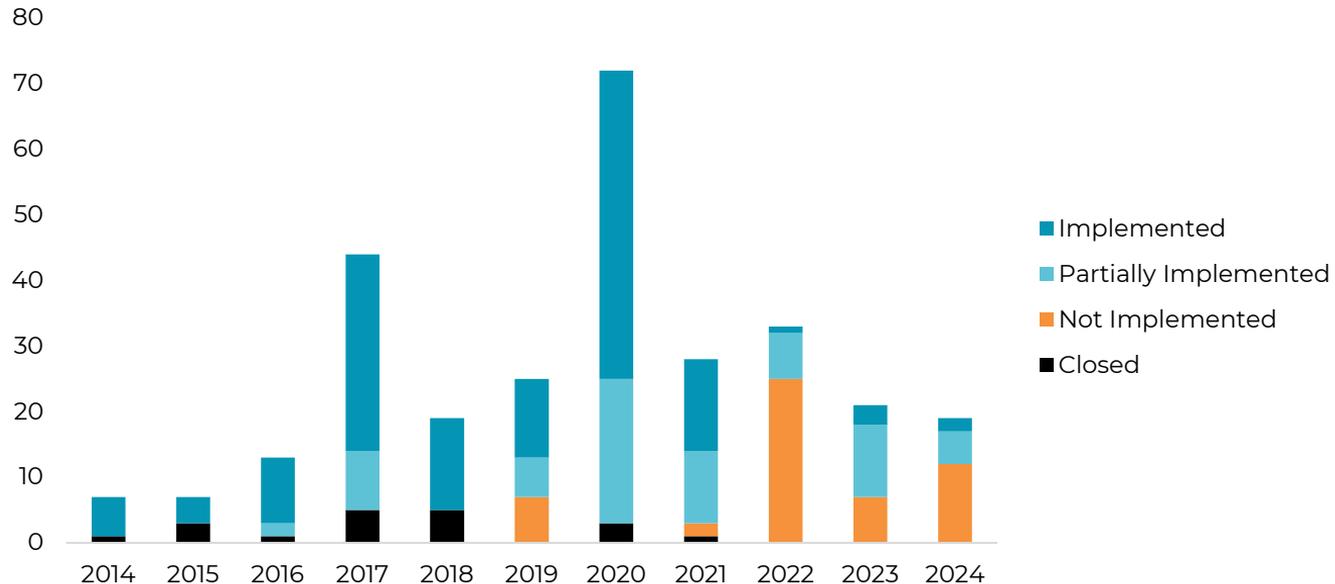
Overall, 162 (or 56%) audit recommendations have been implemented or closed

162	73	53

■ Implemented or closed　　■ Partially implemented　　■ Not implemented

Examples of **implemented recommendations** from this cycle:

- The Fire Prevention Bureau of the Oakland Fire Department (OFD) has made concerted efforts to bring Oakland schools up to fire code. The Fire Marshal issued a letter in November 2024 to the Superintendent of the District on fire code deficiencies and necessary actions for OUSD to take (from the audit of Fire Prevention, 2020).

- The City has developed written goals and objectives for encampment management and staff created an encampment management organizational chart, which includes three responsibilities (from the audit of encampment management, 2021).

126 recommendations remain open

Examples of **open recommendations** include:

- A recommendation to ensure that requirements within service provider contracts reflect adopted performance metrics and targets and ensure such requirements are consistent across different service provider contracts within the same program type (Recommendation 4 from the audit of the City of Oakland's Homelessness Services, 2022).

- Thirteen (13) recommendations from the 2019 audit of the Oakland Police Department's overtime intend to improve overtime planning, management, and tracking, and limiting the use of overtime by individual employees and the department as a whole.

- At least seven (7) open recommendations that rely on the adoption of the draft Consolidated Fiscal Policy (CFP) that the Department of Finance presented to the Finance and Management Committee. These include updates pertaining to Citywide policy on grants management, maintenance of efforts thresholds, and reserve policies.

Most open audit recommendations are addressed to multiple departments or the City Administrator's Office

Open Audit Recommendations

- Partially Implemented
- Not Implemented

Department	Value
Public Ethics Commission	1
Human Resource Management	1
Commission on Homelessness	1
Fire Department	2
Public Works	3
Race and Equity	4
Police Commission	4
Police Department	5
CPRA	8
Human Services	10
Finance	10
City Administrator	27
Multiple	50

CITY OF OAKLAND
Office of the City Auditor

Most of the open recommendations seek to improve the efficiency and effectiveness of city services
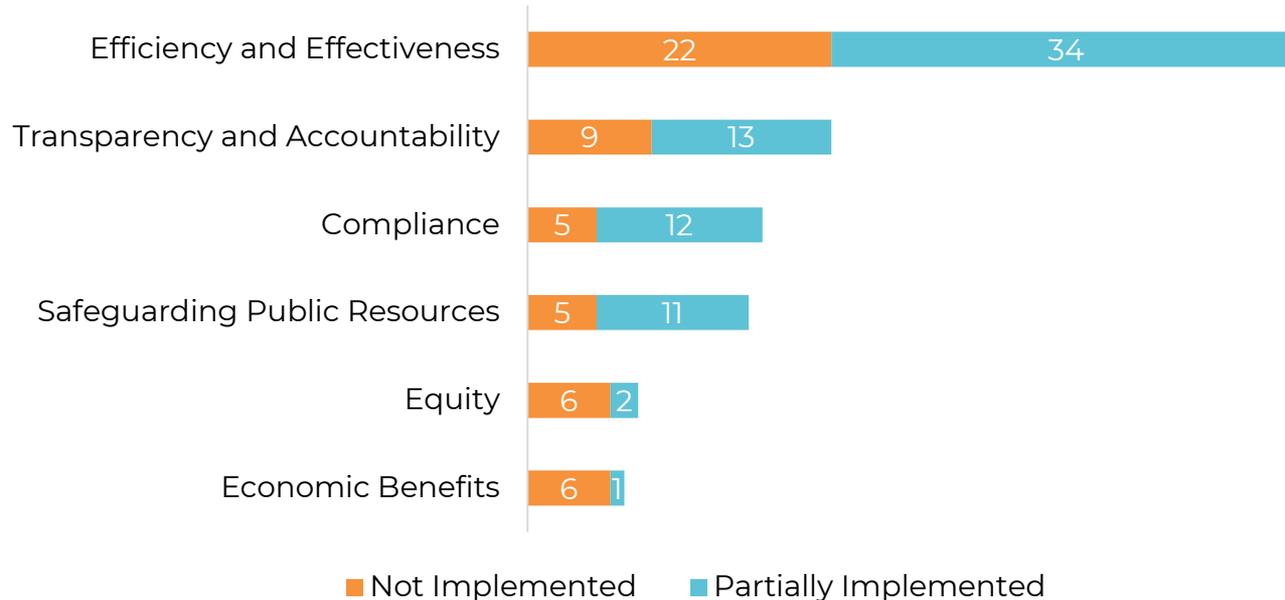
Appendices show recommendations by audit and individual status updates

Questions?

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