



Audit **WORK PLAN**

Fiscal Year 2025 - 2026

**OAKLAND
CITY AUDITOR**

Michael C. Houston, MPP, CIA

August 28, 2025

Independent Auditor. Reporting Directly to the Residents.



**CITY OF
OAKLAND**

Office of the City Auditor

Annual Audit Work Plan

Fiscal Year 2025-26

Message from the City Auditor

I am pleased to present the enclosed Annual Audit Work Plan (Work Plan or Plan) which identifies performance audits that the Office of the City Auditor (Office) plans to continue, launch, and complete in Fiscal Year 2025-26. The Work Plan also details:

- the Office's mission, vision, and values;
- the Office's work and responsibilities;
- the Office's process for identifying and prioritizing audit subjects; and
- proposed audit subjects.

The Work Plan – completed in accordance with Oakland City Charter Section 403(4) – includes projects from previous years that our Office has not been able to complete, reflects the increasing difficulty in completing audits of the issues that present the highest risk to the City and matter most to Oaklanders, and keeping up with the ever-growing queue of voter-approved programs the Office is specifically required to audit on a recurring basis. My Office needs more resources to meet its City Charter mandates and the community's high expectations. Nonetheless, the enclosed Work Plan reflects the Office's fervent commitment to transparency, public accountability, and process improvement within the City of Oakland.

I appreciate the Oakland residents, businesses, and community organizations who provided input to help inform this Work Plan, as well as City leadership and employees. I look forward to partnering with these diverse stakeholders in planning and conducting the critically important performance audits outlined in this Plan.

Lastly, in September 2025, we look forward to our external peer review, required by Government Auditing Standards, to assure the Office's compliance with those standards. We will share the results of that review, spanning the last three calendar years, with you on our website.

Respectfully,



Michael C. Houston, MPP, CIA
City Auditor

Annual Audit Work Plan

Fiscal Year 2025-26

Table of Contents

The Mission, Vision, and Values of the Office of the City Auditor 3

 Mission..... 3

 Vision..... 3

 Values 3

The Work of the Office of the City Auditor 5

Identifying Areas to Audit 6

Prioritizing Audits..... 7

Audit Subjects of Planned Performance Audits 8

 Audits in progress and planned for completion in 2025-26 8

 Projects in progress and planned for completion in 2025-26 9

 Priority audits to launch in 2025-26..... 9

 Recurring audits to launch in 2025-26 10

Appendix A: Recurring Audits 11

Appendix B: Potential Audit Subjects..... 12

Annual Audit Work Plan

Fiscal Year 2025-26

Our Mission, Vision, and Values

Mission

The Office of the City Auditor advocates good City government for all Oaklanders by independently and objectively assessing City programs and services, making recommendations to improve them, and publicly reporting the results.

Vision

To achieve an effective, efficient, equitable, ethical, and accountable City government that is data-driven, responsive to the most pressing needs of residents, and supportive of the collective well-being of all Oaklanders.

Values

The Office of the City Auditor is driven by the positive difference our work makes in every Oaklander's life. The Office adheres to the following core values:

- **Accountability.** We believe government officials and agencies—including our Office—are responsible to the public for their performance, use of resources, stewardship of assets, and ethical conduct.
- **Transparency.** We believe free and open access to information is necessary for government officials and agencies to be accountable.
- **Integrity.** We conduct our work and report results fairly, honestly, objectively, and independently. We are committed to evidence and accuracy, and will publicly acknowledge and correct our errors.
- **Respect.** We recognize that government officials, agency executives, and City staff, including those within our Office, bring different strengths and perspectives to the table. Within City government and within our Office, we listen to others' points of view and share our knowledge, skills, and ideas to communicate honestly and constructively.
- **Responsiveness.** We aim to add value to decision-makers by providing relevant, useful, and timely information to inform City governance and focusing our work on the most pressing issues faced by Oaklanders.
- **Excellence.** We are committed to engendering credibility by producing high-quality, reliable work, and continuously striving to improve our performance.

Annual Audit Work Plan

Fiscal Year 2025-26

- **Collaboration.** We aim to approach our work constructively, listening to the concerns of the community, City employees and officials, and coming together for the common goal of improving outcomes for Oaklanders.
- **Openness.** We work best as a team when we communicate together freely, candidly, and with humor, and foster creativity by crediting and building on the contributions of others.

Annual Audit Work Plan

Fiscal Year 2025-26

The Work of the Office of the City Auditor

The City Charter outlines the duties and responsibilities of the City Auditor. Most of the Office's resources are dedicated to conducting performance audits, which assess the economy, efficiency, effectiveness, and equity of programs and activities. Performance audits provide independent and objective analysis to the public and make recommendations to management, and those charged with governance and oversight, on how to improve services, reduce costs, and increase public accountability. Our Office conducts performance audits in accordance with Government Auditing Standards set by the Government Accountability Office under the U.S. Comptroller General. In addition to performance audits, the Office conducts:

- **Annual Reports.** The Office prepares and issues annual reports to summarize activities performed by the Office. The Whistleblower Program Annual Report gives an overview of the Whistleblower Program's achievements and investigation results.
- **Ballot Measure Analyses.** The Office prepares financial analyses for proposed legislation in accordance with the City Charter.
- **Investigations.** The City Auditor operates a Whistleblower Hotline to receive and investigate allegations of fraud, waste, and abuse affecting or involving City of Oakland resources, employees, officials, or contractors.
- **Recommendation Follow-up Reports.** The Office semi-annually follows up on the status of recommendations from previous audits.
- **Special Requests.** The Office conducts analyses and reviews requested by the City Council.

Annual Audit Work Plan

Fiscal Year 2025-26

Identifying Areas to Audit

The City Charter states that the City Auditor shall conduct reviews and audits “the Auditor deems to be in the best public interest.” The Office considers the following when developing its annual Audit Work Plan:

- **Community Concerns.** The Office continuously solicits input on potential performance audits from Oakland residents, businesses, and community organizations.
- **Concerns of City Leadership and Employees.** The Office solicits input from leadership and employees. We also identify concerns based on the City Council’s budget priorities.
- **Mayor and City Council Requests.** Pursuant to the City Charter, the City Auditor may conduct audits at the request of the Mayor and City Council.
- **Mandated Responsibility.** The City Charter and Municipal Code require the Office to conduct audits of some programs and activities (See Appendix A).
- **Public Interest.** The Office identifies potential audits of City programs or services that impact and tangibly affect Oakland residents, businesses, and visitors.
- **Whistleblower Complaints.** We identify potential risks based on complaints submitted to the City Auditor’s Whistleblower Hotline.

Appendix B is a high-level summary of audit subjects submitted for consideration for 2025-26.

Once an audit subject is selected, the scope and objectives of each proposed performance audit is refined during the audit process.

Annual Audit Work Plan

Fiscal Year 2025-26

Prioritizing Audits

The Office must carefully consider different factors when deciding which audits to prioritize, and how to best use the Office's limited resources. To do this, the Office considers the following:

- **City and Community Concerns.** The Office prioritizes concerns most often raised by Oakland residents, businesses, visitors, community organizations, and City leadership and employees.
- **Existing or Emerging Risks.** The City Auditor has a critical role in identifying ways the City can preserve and improve: 1) community welfare, 2) the City's reputation, 3) the City's resources, and 4) the City's ability to provide services. As such, when prioritizing audits, the Office considers:
 - Recent instances of mismanagement, ineffectiveness, inefficiency, or lack of responsiveness.
 - City programs or departments that have recently been implemented or have undergone significant reorganization or changes.
- **Financial and Budget Impact.** The City cannot provide services to residents, businesses, and visitors without sufficient financial and budgetary resources. Accordingly, the Office prioritizes audits that will potentially identify ways to improve the City's financial and budgetary position.
- **Service Delivery.** The Office prioritizes audits of core municipal services like police, fire, roads and sidewalks, parks, libraries, etc., which directly affect Oakland residents, businesses, and visitors.

In addition to the factors above, the City Auditor must consider:

- **Urgency.** The Office prioritizes proposed audits that involve urgent matters over those that are less time sensitive.
- **Available Resources.** The Office considers the availability of Office resources, including staff capacity, qualifications, skills, and time needed to conduct proposed audits.
- **Reviews by Other Agencies.** The Office considers whether proposed audit subjects are under review or being audited by other organizations or oversight bodies.

The City Auditor considers, approves, and prioritizes audits before adding them to the Work Plan based on the process outlined above. Similarly, the City Auditor may revise the Work Plan to reflect unforeseen changes in resources or urgency.

Annual Audit Work Plan

Fiscal Year 2025-26

Audit Subjects of Planned Performance Audits

The Work Plan includes projects already in progress, and those we plan to start in Fiscal Year 2025-26, based on the above framework described in the “Prioritizing Audits” section.

Audits in progress and planned for completion in 2025-26

- **Capital Improvement Project Financial Management.** This audit, requested by the Director of the departments of Transportation and Public Works, aims to review internal controls over capital improvement projects to ensure timely, appropriate, and cost-effective use of capital funds.
- **Finance Department’s Revenue Bureau.** This audit assesses the effectiveness of the Revenue Bureau to understand whether the City has collected the revenue it is due, whether systems are sufficient to ensure the accurate and timely billing and collection of City taxes and fees, and whether the Revenue Bureau is effectively meeting its goals and objectives. This audit was requested and funded by the City Council.
- **Illegal Dumping.** The objectives of this audit are to: identify the sources of illegal dumping in Oakland, review whether funds have been used to effectively reduce illegal dumping, and identify workload and/or process improvements for removing illegally dumped waste, citing violators, and/or preventing recurrent dumping.
- **Kids First! Oakland Fund for Children and Youth Act (Measure D).** This audit reviews the City Administrator’s compliance with the voter-approved General Fund set-asides for children and youth services, and determines whether the City met baseline spending requirements as required by the City Charter (Article XIII).¹
- **Oakland Police Commission, Community Policy Review Agency, and Office of the Inspector General (Measure LL).** This is the second performance audit of the City’s police oversight bodies as required by Oakland City Charter Section 604.
- **Response Times for Police Emergency Calls.** This audit, the first of two focused on emergency response, has an objective to assess the timeliness of the Police Department in responding to calls for emergency service. The audit complements a staffing study and resource analysis by the City’s Office of the Inspector General.

¹ Initially published in April 2025, our Office temporarily retracted this report pending additional audit work.

Annual Audit Work Plan

Fiscal Year 2025-26

- **Vacant Property Tax (Measure W).** This audit is the first regular audit required by the Oakland Municipal Code 4.56.070 to ensure accountability and proper disbursement of all revenue collected by the City from the tax for the objectives stated, including to generate funding for homeless services and resources to address illegal dumping.

Projects in progress and planned for completion in 2025-26

- **Budget Sustainability.** This independent report aims to provide insight to support ongoing efforts to correct the structural imbalance in the City's finances. This report is not a performance audit under Generally Accepted Government Auditing Standards.
- **Information Technology Cybersecurity.** This independently contracted security audit will entail comprehensive internal and external reviews of City websites, web applications, networks, physical locations, staff, and systems to assess internal and external vulnerability. This internal report is not a performance audit under Generally Accepted Government Auditing Standards.

Priority audits to launch in 2025-26

- **Citywide Personnel Investigations.** This audit will review the City's process for investigating claims of harassment, discrimination, and retaliation. Based on the City Council's request, it is intended to complement the pay equity audit. This audit is part two of a two-audit series requested and funded by the City Council.
- **Oakland Zoo, Animal Care, Education and Improvement (Measure Y).** As required by Measure Y, which voters passed in November 2022, this audit will be the first annual audit to ensure accountability and proper disbursement of revenue collected by the City from the parcel tax in accordance with the purposes stated, including caring for resident animals, keeping visitor fees affordable, increasing and enhancing educational and conservation programs, and maintaining and operating facilities
- **Response Times for Fire and Medical Emergency Calls.** This audit is the second audit with an objective to assess the timeliness of the Police and Fire departments in responding to calls for emergency service. This audit focuses on the City's time to respond to fire and medical emergency calls.

Annual Audit Work Plan

Fiscal Year 2025-26

Recurring audits to launch in 2025-26

- Emergency Medical Services Retention (Measure M)
- Kids First! Oakland Fund for Children and Youth (Measure D)
- Library Services Retention and Enhancement (Measure C)
- Paramedic Services (Measure N)
- Parks Preservation, Litter Reduction, and Homelessness Support (Measure Q)
- The 2018 Oakland Public Library Preservation Act (Measure D)

Annual Audit Work Plan

Fiscal Year 2025-26

Appendix A: Recurring Audits

As noted above, the City Charter, the Municipal Code, and legislation require the Office to conduct audits of some programs and activities. Due to resource limitations, including staff vacancies and increased workload, the Office has been unable to complete these audits at their scheduled cadence. The City Auditor is responsible for exercising professional judgment in using limited audit resources.

The table below shows our recurring audit schedule based on the legal mandate and audit cadence prescribed by law. These reflect only audits required by the City Auditor's Office. City laws also require audits to be undertaken by the City of Oakland, generally contracted by the Finance Department.²

Audit Mandate	Legal Reference	Adopted	Fund	Cadence	City Auditor Workplan Year		
					2024-25	2025-26	2026-27
Measure N – Paramedic Services Act	Res. 73312	1997	2250	Annual		FY 2021-22,* FY 2022-23,* FY 2023-24,* FY 2024-25	FY 2025-26
Measure C – Library Services Retention and Enhancement Act (Formerly Measure Q)	Ord. 13680	2022	2241	Biennial		FY 2024-25, FY 2025-26	
Measure D – The 2018 Oakland Public Library Preservation Act	Res. 87085	2018	2243	Annual		FY 2023-24,* FY 2024-25	FY 2025-26
Measure D – Kids First! Oakland Fund for Children and Youth Act	City Charter Art. XIII	1996	1780	Annual	FY 2018-19 to* FY 2023-24	FY 2024-25	FY 2025-26
Measure M – Emergency Medical Services Retention Act	Res. 73311	1997	2412	Annual		FY 2021-22,* FY 2022-23,* FY 2023-24,* FY 2024-25	FY 2025-26
Measure W – Vacant Property Tax	4.56.070	2018	2270	"Regular"	FY 2019-20 to 2023-24		
Measure Q – Parks Preservation, Litter Reduction, and Homelessness Support	Res. 87919	2020	2244	Biennial		FY 2022-23, FY 2023-24	
Measure Y – Oakland Zoo, Animal Care, Education and Improvement	4.58.070	2022	2253	Annual		FY 2023-24,* FY 2024-25	FY 2025-26
Measure LL – Oakland Police Commission/CPRA	City Charter Art. VI Section 604	2016	1010	Triennial	FY 2019-20* to 2024-25		
Measure NN – Oakland Community Violence and Emergency Response Act of 2024	Res. 90338	2024	2252	Biennial			
City Auditor Peer Review	City Charter Art. IV Section 403, Generally Accepted Government Auditing Standards 5.155-5.156	2022	1010	Triennial		CY 2022, CY 2023, CY 2024	

² A legal opinion issued from the Office of the City Attorney in 2007 states the City Auditor does not have a duty to perform audits requested by the City Council or mandated by a ballot measure if the audit was due before the City Auditor's term commenced.

Annual Audit Work Plan

Fiscal Year 2025-26

Appendix B: Potential Audit Subjects

As noted above, the Office identifies more subjects warranting auditing than we can conduct. The following is a high-level summary of audit topics submitted for our consideration, an acknowledgement of recurring suggestions (10 or more suggestions of the same nature), a summary of City Auditor Actions taken to date (previously issued reports), and any additional notes or context as applicable:

Key Themes/Issue Category	Public Consensus* (285 total responses)	Related Reports
Human Resources (Hiring/Staffing & Employee Management)	13	Audits Issued: Performance Audit of Citywide Pay Equity (2024), Performance Audit of Hiring Practices (2009), Performance Audits of Oakland Police Department Overtime (2020) City Auditor Comments: An audit of Citywide Personnel Investigations is currently scheduled to be launched in 2025-26 (pending resources).
City Contracting, Funding, & Financial Management	45	Audits Issued: Performance Audits of the City's Financial Condition (2023 , 2021 , 2020), Performance Audits of Kids First! Fund (2020 , 2018 , 2014), Performance Audit of the Development Services Fund (2024) City Auditor Comments: An audit of the Kids First! Fund covering FYs 2018-19 through 2023-24 is currently in progress and scheduled to be completed in 2025-26
City Permitting	12	Audits Issued: Performance Audit of the Development Services Fund (2024) City Auditor Comments: The Office previously announced an audit of the Building Permitting Process, with an objective of evaluating internal controls over the building permit fee processes. The audit was suspended due to staff turnover.
Departmental Performance, Efficiency, Organizational Management & Leadership, Public Records Management	109	Audits Issued: Performance Audit of Hiring Practices (2009), Performance Audit of Payroll and Compensation Practices (2007)

Annual Audit Work Plan

Fiscal Year 2025-26

Fire Prevention, Fire & Police Emergency Services, & Overall Public Safety	24	<p>Audits Issued: Performance Audit of the Fire Prevention Bureau (2020), Performance Audits of Measure M (2008, 2011, 2015, 2016, 2018, 2022), Performance Audits of Measure N (2008, 2011, 2015, 2016, 2018, 2022), Performance Audit of OPD 911 Operations (2017), Performance Audit of Vegetation Management (2013)</p> <p>City Auditor Comments: Audits of Measure M, Measure N, and two emergency response audits are currently in progress and scheduled to be completed in 2025-26.</p>
Homeless Services & Housing Development	26	<p>Audits Issued: Measure Q Performance Audit (2023), Performance Audit of Homelessness Services (2021), Performance Audit of Homeless Encampment Management Interventions & Interventions and Activities (2021)</p> <p>City Auditor Comments: An audit of Measure Q is scheduled to be launched in 2025-26</p>
Illegal Dumping, City Cleanliness, Waste Management	67	<p>Audits Issued: Measure Q Performance Audit (2023), Performance Audit of Homeless Encampment Management Interventions & Interventions and Activities (2021), Performance Audit of Zero Waste Request for Proposals (2017), Performance Audit of the Public Works Agency (2009)</p> <p>City Auditor Comments: An audit of Illegal Dumping is currently in progress and scheduled to be completed in 2025-26</p>
Parking Enforcement, Transportation Infrastructure, Curbs & Sidewalks, Traffic, and Road Management/Safety	25	<p>Audits Issued: Performance Audit of the Public Works Agency (2009), Performance Audit of Parking Citation Voids (2017)</p> <p>City Auditor Comments: --</p>
Parks	10	<p>Audits Issued: Measure Q Performance Audit (2023), Performance Audit of the Public Works Agency (2009)</p> <p>City Auditor Comments: An audit of Measure Q is scheduled to be launched in 2025-26</p>

*Some responses raised concerns about more than one issue. The table above tracks how many times a specific issue was mentioned across all responses to the question: "Are you aware of any City of Oakland programs, activities, or departments that could be more effective, efficient, economical, or equitable? If so, please identify and describe the issues you have encountered."

Annual Audit Work Plan

Fiscal Year 2025-26

Our audits are important for promoting public accountability and allowing everyone to see how the City is performing. We cannot audit everything that was proposed during our Annual Audit Risk Survey, but we ask for your ongoing feedback as the suggested topics can be reprioritized or added to a future Work Plan.

Please stay connected with our Office and our work. We are accessible to you virtually and in-person (by appointment). We make a point of presenting our work in public forums and we frequently present to:

- Boards and Commissions
- Neighborhood Councils
- Community Groups
- Meetings of the City Council
- Meetings of City Council Committees

We encourage you to join us in one of these forums and follow our new #ARFU campaign. You can also sign up for and forward our newsletters to your network. Scan the QR code on the final page of this report for details.



**CITY OF
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Office of the City Auditor

CITY AUDITOR

Michael C. Houston, MPP, CIA

WHISTLEBLOWER HOTLINE

1-888-329-6390 (Interpreter available)

SUBMIT A REPORT ONLINE

www.OaklandAuditor.com/Whistleblower

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Contact Us!

We'd love to hear from you.

联系我们!

我们非常乐意听到您的反馈。

¡Contáctenos!

Nos encantaría saber de ti.

