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Office of the City Manager

INFORMATION CALENDAR
November 17, 2026

To: Honorable Mayor and Members of the City Council

From: Paul Buddenhagen, City Manager

Submitted by: David White, Deputy City Manager

Subject: Staff Shortages: City Services Constrained by Staff Retention Challenges and Delayed Hiring Audit Status Report

INTRODUCTION

On July 11, 2023, the City Auditor submitted a *Staff Shortages: City Services Constrained by Staff Retention Challenges and Delayed Hiring* audit report[1] to the City Council with recommendations that the City establish retention goals, conduct an analysis of staff needed for city services and consider staff capacity around new legislation. It was also recommended that the City take steps to address employee satisfaction and improve the recruiting and hiring process. Further, the audit recommended that the City expand the telework policy to align with best practices and regularly collect data on employee satisfaction and on diversity, equity, inclusion, and accessibility.

The purpose of this information item is to update City Council on the status of implementation of the audit report's recommendations. This is the fourth status report regarding this audit.

CURRENT SITUATION AND ITS EFFECTS

The audit included 25 recommendations. As detailed in Attachment 1, 21 of the audit's 25 recommendations (84%) have been implemented, an increase of six since the previous status update. As of the writing of this report, one (1) of those recommendations have not been started, three (3) have been partially implemented and twenty one (21) have been implemented. The City has maintained progress on implementation and demonstrated commitment to addressing audit findings despite fiscal constraints and staffing reductions that resulted from the adoption of the FY 27 – FY 28 Biennial Budget that impacted both the City Manager's Office and Human Resources Department. The progress made by staff is a testament to the organization's focus not only on addressing audit findings but strengthening the workforce.

[1] Staff Shortages: City Services Constrained by Staff Retention Challenges and Delayed Hiring (https://berkeleyca.gov/sites/default/files/documents/Staff%20Shortages%20--%20City%20Services%20Constrained%20by%20Staff%20Retention%20Challenges%20and%20Delayed%20Hiring_0.pdf)

The Human Resources Department continues to prioritize training, recruitment, and retention initiatives. Efforts include expanded organizational training opportunities to enhance employee development opportunities and career advancement, outreach strategies, and strengthened candidate pipelines. Technology and dashboards are leveraged to track vacancies, hiring timelines, and training completion data, providing visibility into workforce trends and allowing departments to target resources where they are most needed. These tools, paired with annual reporting requirements pursuant to state law, enhanced recruitment campaigns and consistent onboarding improvements, support the City's commitment to transparency and maintaining a skilled and engaged workforce despite fiscal and staffing challenges.

In addition, the City Manager's Office has expanded communication efforts through new platforms, regular engagement opportunities, and leadership convenings. These initiatives are being integrated into ongoing plans to strengthen transparency, employee engagement, and organizational culture.

Finally, of the items that are partially implemented, two of them are contingent on action to be taken by the Mayor and City Council. For Recommendation 2.2, the Mayor and City Council can determine whether additional guidance is needed regarding staff capacity when introducing new legislation. Also, for Recommendation 5.5, the City Auditor's Office indicated that the Mayor and City Council need to determine the best department to perform employee satisfaction surveys. Given staffing reductions, it would make sense for the Human Resources Department to lead this work, as resources allow.

Please see Attachment 1 for a detailed table of audit report recommendations, corrective action plans, and implementation progress. The next status report to Council is expected to be presented in Fall 2027.

BACKGROUND

The findings of the audit and implementing its recommendations have been valuable in strengthening the workforce and organization. While many of the recommendations require notable time and resources, progress has been made. Despite resource constraints, focus remains on enhancing employee satisfaction, retaining valuable staff members, refining hiring processes, and expanding training opportunities. A dedicated and motivated workforce is crucial to the successful functioning of the organization and the delivery of quality services to the Berkeley community.

The organization continues to focus on being an employer of choice, providing an environment that fosters growth, recognition, and professional development for employees. By creating a workplace that promotes job satisfaction and overall well-being, the organization can better prevent the challenges of the staffing crisis.

Staff will continue to keep the City Council informed of progress, sharing updates on the implementation of initiatives, and improvements made in staffing strategies.

ENVIRONMENTAL SUSTAINABILITY AND CLIMATE IMPACTS
There are no identifiable environmental effects, climate impacts, or sustainability opportunities associated with the subject of this report.

ALTERNATIVE ACTIONS CONSIDERED
None at this time.

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Attachments:
1. Audit Findings, Recommendations, and Status Updates

Attachment 1

Audit Title: Staff Shortages: City Services Constrained by Staff Retention Challenges and Delayed Hiring

Issue Date: June 22, 2023

Table: Audit Recommendation Statuses

Finding	Recommendation	Department	Previous Status Update	Current Status Update
Staff shortages constrained city services.	**1.1** Establish citywide retention goals and report to City Council on progress towards those goals biennially.	City Manager	Partly Implemented	**Implemented.** Human Resources presents on the status of vacancies and recruitment and retention efforts at a public hearing before City Council once per fiscal year. Their last report to City Council noted above a 90% retention rate. Human Resources will continue to incorporate retention rates into the annual report and strive for at least a 90% retention rate.
Staff shortages constrained city services.	**1.2** Conduct a staffing analysis based on critical needs to identify the number and type of full-time equivalent positions needed for successful city operations and services. The City may consider conducting this analysis one department at a time based on available resources.	City Manager	Partly Implemented	**Implemented.** Various departments and divisions have performed staffing analyses to inform operations, including the Police department, Fire department, and Neighborhood Services division. Given the City's fiscal constraints, where possible, additional staffing analyses will be performed over time. Staffing levels will be aligned with available resources.
Some current city employees reported dissatisfaction and many have contemplated leaving.	**2.1** Review the highest priority city job descriptions to ensure they accurately reflect job duties.	City Manager	Implemented	**Implemented.** Human Resources identified the highest priority job descriptions for revisions and continues to revise job classification specifications and salaries in order to meet the City’s priority hiring needs on an ongoing basis. Recent examples include the modification of the Public Safety Dispatcher I and II specifications to create a career track for call takers.

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Some current city employees reported dissatisfaction and many have contemplated leaving.	**2.2** Consider staff capacity when introducing new legislation, and limit or prioritize new legislation during periods of short staffing.	Mayor and Council	Started	**Partly Implemented.** Staff communicate staff capacity and resource needs to inform legislative initiatives proposed by City Council. Through the budget process, City Council allocates the resources that are needed to advance referrals adopted by the City Council.
Some current city employees reported dissatisfaction and many have contemplated leaving.	**2.3** Report on the status of approved projects to City Council, including information about delays caused by staff vacancies.	City Manager	Implemented	**Implemented.** City departments provide updates to Council on the status of approved projects and the impacts of staff vacancies through information reports, presentations, off-agenda memos, and updates posted to the City's website.
Some current city employees reported dissatisfaction and many have contemplated leaving.	**2.4** Improve pathways for promotion in the City through a citywide succession plan, which may include cross-training for positions.	City Manager	Partly Implemented	**Partly Implemented.** In 2025, the City launched the Supervisory Leadership Program (SLP) with 44 participants. In January 2026, the City hired a Training Officer whose primary focus is strengthening pathways for promotion and advancing citywide succession planning through leadership development. The Training Officer is developing a new in-person Supervisory Training Program for the 200–300 classifications designated as supervisor-of-record. In addition, he has completed a citywide needs assessment and will present the findings and next steps for a comprehensive Citywide Training Program to SET in late fall 2026.

Finding	Recommendation	Department	Previous Status Update	Current Status Update
Some current city employees reported dissatisfaction and many have contemplated leaving.	**2.5** Direct departments to ensure that all employees receive an annual performance evaluation.	City Manager	Started	**Implemented.** Departments have been directed to ensure that all employees should receive an annual performance evaluation. Performance Evaluations have been incorporated as a training topic in the Supervisor Learning Program. The Human Resources Department continues to work with the Information Technology Department on a plan to use the Tyler ERMA module to track performance evaluations. Until the Tyler ERMA module is in place, completed digital performance evaluations will continue to be submitted to the Human Resources Department for placement in employees' personnel files.
Some current city employees reported dissatisfaction and many have contemplated leaving.	**2.6** Implement a comprehensive training program that ensures staff at all levels receive the training they need to fulfill their job duties and develop their job skills as needed. Consider increasing the training budget and redesigning the training curriculum to best address the needs of a post-pandemic workforce, improving training for supervisors and managers, ensuring that experts conduct trainings, and allowing employees to request specific trainings.	Human Resources	Implemented	**Implemented.** Human Resources launched NEOGOV Learn as a training portal for all employees. As part of its NEOGOV launch, Human Resources piloted the City's Supervisor Learning Plan, a hybrid learning experience that combines self-paced online learning and engaging classroom discussions. Designed with a competency-based approach, the program focuses on the essential knowledge, skills, and behaviors needed for effective frontline leadership in the City of Berkeley.

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Some current city employees reported dissatisfaction and many have contemplated leaving.	**2.7** Ensure that all city employees complete mandatory trainings in accordance with the state law. Report data on mandated trainings to Council annually.	Human Resources	Implemented	**Implemented.** City Council receives weekly updates from Human Resources, which have included updates regarding the launch of NEOGOV Learn in January 2025, and the percentage of biannual mandatory trainings completed by city staff.
Some current city employees reported dissatisfaction and many have contemplated leaving.	**2.8** Update City Council on the recruitment status of hard-to-fill positions during the biennial budget process, as well as steps taken to fill these positions.	City Manager	Implemented	**Implemented.** The reporting of hard-to-fill positions has been rolled into the annual public hearing mandated under AB 2561, in which Human Resources presents on the status of vacancies and recruitment and retention efforts at a public hearing before City Council once per fiscal year, most recently on June 3, 2025.
Some current city employees reported dissatisfaction and many have contemplated leaving.	**2.9** Identify positions that are hard-to-recruit and retain and consider reassessing pay for those positions.	City Manager	Implemented	**Implemented.** Human Resources has identified hard-to- recruit and retain positions based on vacancies and reporting data. As consideration for reassessing pay for those positions the Human Resources department is in the process of completing classification and compensation studies for hard-to-fill and other agreed-upon classifications, which were agreed to during labor negotiations.

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Some current city employees reported dissatisfaction and many have contemplated leaving.	**2.10** Assess employees' needs regarding communication from the City Manager's Office and design a communication strategy that addresses those needs.	City Manager	Implemented	**Implemented**. The City Manager's Office continues to incorporate new communication models. Over the past year, the City Manager has 1) conducted two online town halls with more scheduled for the future; 2) instituted the weekly wrap up, a summary of new and exciting work happening across all City departments; 3) conducted one annual managers meeting bringing together 80 of the top leadership team members in the City to discuss how to improve City services and employee engagement; 4) ensured that our open house rotation continues as planned. In alignment with the goals of the Employer of Choice initiative, these efforts are being integrated into annual plans to ensure continuation of effort.
Instability in Human Resources delayed hiring and impacted internal services.	**3.1** Assess the level of staff and resources needed to meet the City's recruitment and hiring needs. Prioritize filling these positions when vacancies in this area fall below a level that would jeopardize the City's ability to hire quickly.	City Manager	Implemented	**Implemented.** This recommendation has been fully implemented with the hiring of three additional employees: one Associate HR Analyst dedicated to recruitment; one Associate HR Analyst assigned to exams; and one Assistant HR Analyst supporting Benefits. HR's recruitment team additionally has standing meetings with departments during which they identify and prioritize hiring needs.

Finding	Recommendation	Department	Previous Status Update	Current Status Update
Instability in Human Resources delayed hiring and impacted internal services.	**3.2** Assess the approval process for hiring new employees and identify opportunities to reduce inefficiencies.	City Manager	Implemented	**Implemented.** This recommendation has been fully implemented with the development of exam plans at the outset of every hiring process. Human Resources (HR) has also changed the order by which hiring approvals are processed in NEOGOV, the City's hiring platform. HR has implemented additional steps to reduce inefficiencies including e-offers and e-reference checks through the NEOGOV hiring system. HR has also obtained LiveScan certifications for some staff members and will be moving the fingerprinting process in-house as soon as they receive final approval.
Instability in Human Resources delayed hiring and impacted internal services.	**3.3** Develop and execute a plan to modernize recruitment and hiring using social media and community engagement.	Human Resources	Implemented	**Implemented.** Human Resources has completed the engagement with marketing agency, Sensis, which resulted in the creation of a career website (https://www.berkeley.careers), increased social media presence across different platforms, creative advertisements, algorithm tools for candidate outreach, and direct marketing campaigns. Human Resources will maintain these tools with individual consultants and continue to employ digital recruiting strategies.
Instability in Human Resources delayed hiring and impacted internal services.	**3.4** Communicate standard procedures and trainings for NEOGOV and the City's hiring process to all department heads and hiring managers.	Human Resources	Implemented	**Implemented.** Human Resources hosted training sessions with each department's hiring managers and distributed step-by-step instructions on the hiring process and how to utilize NEOGOV's Online Hiring Center (OHC).

Finding	Recommendation	Department	Previous Status Update	Current Status Update
Instability in Human Resources delayed hiring and impacted internal services.	**3.5** Improve the employee onboarding process so employees have the tools and information they need to do their jobs.	Human Resources	Implemented	**Implemented.** The corrective action has been fully implemented with the automation of Onboarding through NEOGOV and the launch of the new, in-person "Welcome to Berkeley" orientation program.
Telework can benefit the City but the current policy is limited.	**4.1** Identify ways of reducing unused space in city buildings to save on overhead costs. This initiative may require additional resources beyond city staff.	City Manager	Started	**Implemented.** The City's approach to remote work has changed since the audit's release with more employee onsite days**.** Departments routinely evaluate space needs and prioritize the use of available city space. For example, the Fire Department completed a Facility Master Plan to provide City leaders with a ten-year strategic approach for addressing the City's aging, undersized, and outdated fire and emergency services facilities. Space that is not used by the City, where possible, will be made available for lease.
Telework can benefit the City but the current policy is limited.	**4.2** Expand the citywide telework policy to include elements that align with best practices. This can include eligibility, employee accountability, equipment requests, telework training, and justifications for denying employee requests to telework.	City Manager	Partly Implemented	**Implemented.** The City revised and approved Administrative Regulation 2.23 for Telework. This policy aligns with best practices including eligibility, accountability, and justifications for denying employee requests to telework through an appeal process.
The City lacked reliable data to address staff shortages.	**5.1** Clean up personnel data in ERMA to ensure all employee data is accurate.	Human Resources	Implemented	**Implemented.** Human Resources hired a consultant to standardize abbreviations and other information within ERMA, which ensures data integrity and accuracy.

Finding	Recommendation	Department	Previous Status Update	Current Status Update
The City lacked reliable data to address staff shortages.	**5.2** Develop standardized procedures for entering and managing personnel data in ERMA.	Human Resources	Partly Implemented	**Partly Implemented.** No change from previous update. Human Resources has created Standardized Operating Procedures (SOPs) for entering and managing personnel data in ERMA, which are undergoing final review.
The City lacked reliable data to address staff shortages.	**5.3** Produce reports that can be used to inform retention and hiring efforts, which may include data on vacancies, recruitments, turnover, or other useful data. Human Resources should also report to City Council on staff vacancies by department and how long those positions have been vacant.	Human Resources	Implemented	**Implemented.** Human Resources has created dashboards in PowerBI which track vacancies, time to hire, and attrition rates on a monthly basis. On an annual basis, under AB 2561, Human Resources presents on the status of vacancies and recruitment and retention efforts at a public hearing before City Council once per fiscal year.
The City lacked reliable data to address staff shortages.	**5.4** Consistently conduct exit surveys or interviews and share results with departments.	Human Resources	Started	**Implemented.** Human Resources developed an Exit Process Checklist that outlines all shared steps triggered when an employee leaves the City, including steps for sending an exit survey to the departing employee and sharing the compiled results with the department.

Finding	Recommendation	Department	Previous Status Update	Current Status Update
The City lacked reliable data to address staff shortages.	**5.5** Determine the appropriate city department or other body to regularly collect data on employee satisfaction. Data collection should include employees' perceptions about diversity, equity, inclusion, and accessibility in the workplace. The department should consider publishing the data and comparing it to previous years to help inform retention efforts.	Mayor and Council	Not Started	**Not Started.** The original Corrective Action Plan for this recommendation stated that "The Special Projects team working on the Employer of Choice initiative will collaborate with the to-be-hired DEI officer to implement a methodology to collect and report back on employees' perceptions about diversity, equity, inclusion, and accessibility in the workplace." Since the Audit was finalized, the City has implemented reductions in programs and services to address a $30 million deficit in the General Fund. In the City Manager's Office, this resulted in the elimination of the Office of Diversity, Equity and Inclusion and a 66% staffing reduction in the Special Projects Division. While the City remains committed to being an Employer of Choice, implementing the corrective action plan is not feasible at this time.
The City lacked reliable data to address staff shortages.	**5.6** Resume data collection and production of Year End Workforce Reports on demographic workforce trends at least annually. Consider expanding Human Resources' performance measure reported in the budget book to capture diversity at all levels of city employment.	City Manager	Implemented	**Implemented.** Human Resources has created dashboards in PowerBI which tracks demographics in applicant and hiring efforts. Reports are regularly shared with the Personnel Board.