



Operational Assessment Services Update

City of San Pablo Budget, Fiscal, and Legislative Standing Committee – June 10, 2026



Our Team is a Proven Leader in the Industry

70+

years of experience

1.2k+

industry clients

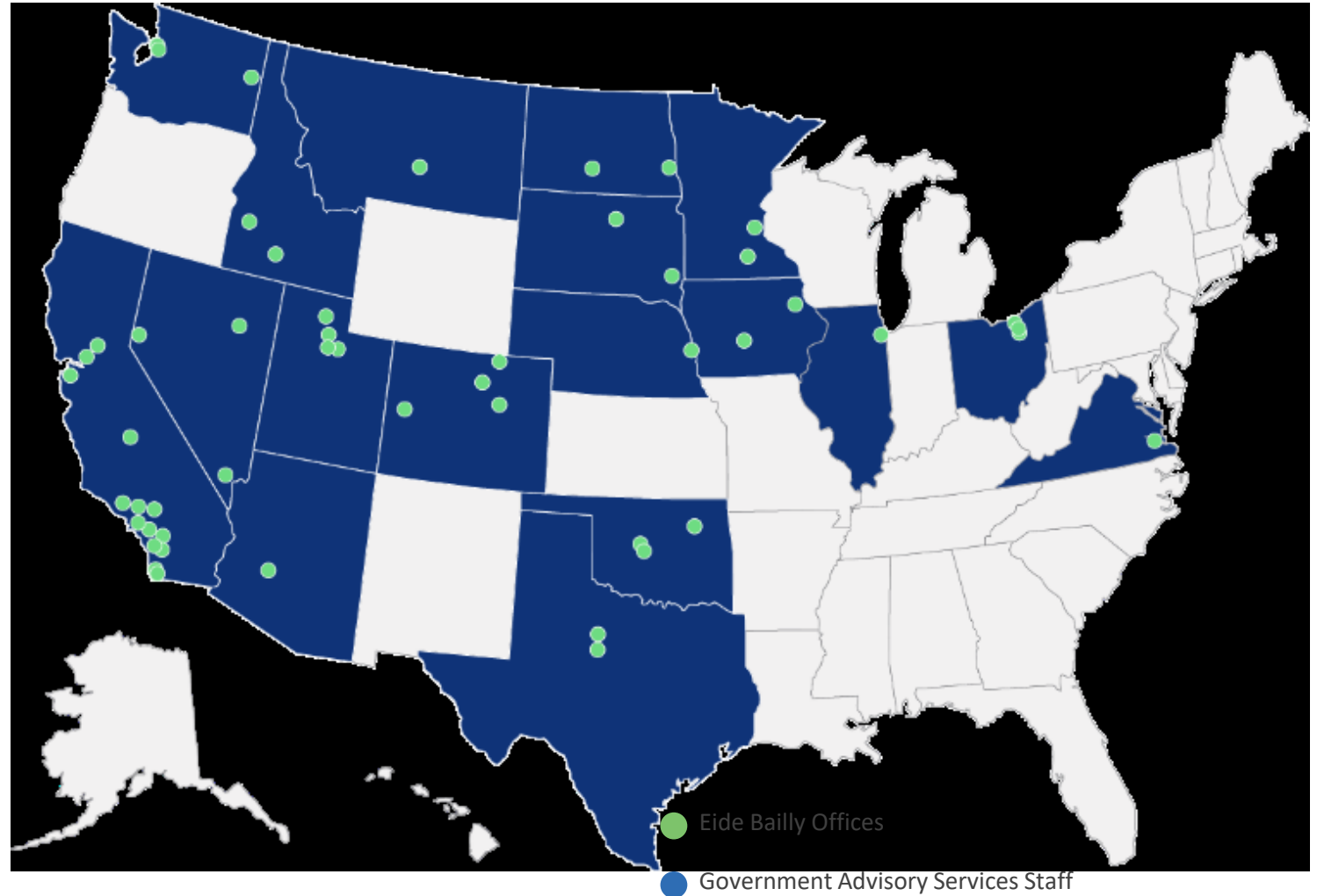
300+

dedicated professionals



- One firmwide team
- 45 staff
- Local and national presence
- Core services include:
 - Finance staff augmentation and outsourcing
 - Year-end close and financial statement preparation
 - GASB standards implementation
 - Long-term financial planning
 - Financial condition, staffing, and operational assessments
 - Policy and procedures development
 - Technology consulting
 - Internal audit
 - Grant administration
 - Arbitrage calculations and debt administration

A Leader in Government Advisory Services



Project Team

and

Years of experience in California local government financial management and accounting



Dr. Bradford Rockabrand,
CPA, CIA, MBA
National Partner in Charge

21 Years



Scott Catlett, MPA
Managing Director

26 Years



Amber Haston
Manager

12 Years



Nancy Brambila, CPA
Senior Manager

25 Years



Michael Gomez, MPA
Senior Technology Advisor

26 Years



Engagement Team Roles



Bradford Rockabrand – Client relations



Scott Catlett – Operational assessment, financial management, and budget management



Nancy Brambila – Accounting operations / systems and financial reporting



Michael Gomez – Technology assessment / technology utilization / automation



Amber Haston – Operational assessment, policy assessment, and policy development

Assessment Scope of Services and Methodology



Initial discussions, data gathering, and benchmarking department staffing levels against peer cities



Review of existing City policies, procedures, practices, financial reports, and ERP utilization / implementation



Staff questionnaire and interviews



Preparation of draft report containing preliminary observations



Discussions with City Management regarding preliminary observations



Issuance of final report containing detailed recommendations and an implementation plan

Summary of 23 Eide Bailly Recommendations

Recommendations were categorized as follows:

Qualitatively Assessed Risk Level

- Very low risk – Address as time permits
- Low risk – Address as time permits
- Medium risk – Address as soon as possible
- High risk – Address immediately

Difficulty to Implement

- Can be implemented quickly
- Can be implemented with some planning
- Will likely require significant work
- Will likely require very significant work

Assessment	High	Medium	Low	Very Low
Risk Level	5	6	4	8
Difficulty To Implement	2	8	10	3

- Over half of the recommendations should be relatively easy to implement in the near future
- However, 10 recommendations will require a significant amount of work and outside assistance from Eide Bailly or others



Accounting Recommendations

Summary Recommendation	Risk Level	Difficulty
Evaluate opportunities to modernize accounts payable check approval processes in coordination with banking partners.	Green	Yellow
Increase efforts to enroll vendors in automatic clearing house payment processing and strengthen vendor database maintenance.	Green	Yellow
The Accounting Manager and the Accountant's tasks should be realigned to address workload imbalances and improve operational efficiency.	Yellow	Yellow
Implement process improvements to reduce the frequency and complexity of manual retroactive payroll adjustments, particularly for the Police Department.	Orange	Orange
Evaluate the feasibility and sensitivity of executing a side letter with the Police Employees' Association and Police Employees' Association Management Unit to allow holiday pay to be processed each payroll cycle rather than semi-annually.	Orange	Orange
Consider implementing an armored car service for cash deposits to strengthen internal controls and security.	Yellow	Green

Summary Recommendation	Risk Level	Difficulty
Evaluate the purpose of, and benefit to, logging all Citywide checks received and consider streamlining this process by limiting the scope to miscellaneous accounts receivable billing.	Green	Green
The City should strengthen segregation of duties for cash handling and bank reconciliation. (Completed)	Red	Green
The City should conduct a cost-benefit analysis of scanning versus retaining paper records for each process area and develop clear, risk-based guidelines to reduce redundant work and prioritize digitization where it adds value.	Green	Yellow
The City should maximize the use of existing resources by realigning staff responsibilities and leveraging capacity from employees with adjusted workload levels as process improvements and system optimizations reduce manual tasks and free up staff time.	Green	Yellow

Technology Recommendations

Summary Recommendation	Risk Level	Difficulty
Improve integration and account mapping between Track-It and Springbrook to reduce or potentially eliminate daily manual accounts receivable reconciliation.	Green	Yellow
The City's process for capital project and grant accounting, including quarterly reconciliations to true-up the general ledger, should be reviewed against best practices and aligned with the planned implementation of the Springbrook project management module. (Planning in Progress)	Red	Red
The City should consider investing time and resources to optimize Springbrook utilization by reviewing system configuration and validating all modules to ensure proper setup and identify any unused capabilities, such as workflow automation across key finance processes. (Work in Progress)	Red	Red

Summary Recommendation	Risk Level	Difficulty
The City should conduct a comprehensive review of its Chart of Accounts to realign segment structure with organizational needs, ensuring financial data can roll up accurately by operational departments, divisions within those departments, and/or other meaningful groupings and support more robust data aggregation for reporting and analysis.	Green	Yellow
The City should implement structured Springbrook training for staff and formalize onboarding protocols to ensure appropriate system access levels.	Yellow	Yellow





Financial Management Recommendations

Summary Recommendation	Risk Level	Difficulty
Adopt a Stale Checks Policy and an Unclaimed Funds Policy and establish a reasonable tracking system that complies with the State of California requirements for a self-administered program.	Green	Yellow
The City should implement a recurring citywide financial training program to address knowledge gaps and promote consistent application of key finance processes.	Yellow	Yellow
The City's Purchasing Policy and related procedures should be reviewed in the context of best practices. (Work in Progress)	Red	Yellow
The City should undertake a comprehensive review of the dollar thresholds associated with determining the appropriate purchasing method for procurements and delegating signing authority to the City Manager and other City staff to determine whether existing thresholds are comparable to other similar agencies, appropriate for an agency of the City's size and complexity, and continue to support effective and efficient operations.	Yellow	Yellow

Summary Recommendation	Risk Level	Difficulty
Procurement card-related processes should be evaluated to strengthen internal controls and leverage available software to improve transaction review, monitor purchase frequency, and mitigate the risk of City staff circumventing procurement card policies and procedures. (Planning in Progress)	Red	Yellow
The City should consider involving the Administrative Services Department in reviewing citywide contract execution and management to strengthen compliance and enhance oversight.	Yellow	Yellow
The City should continue integrating and regularly updating its long-term financial plan within the budget process to support early Council collaboration on addressing current and potential future fiscal challenges.	Yellow	Yellow
The City should strengthen its budget process by conducting an evaluation of the process to ensure alignment with best practices, and implementing routine budget monitoring and timely interfund reconciliations, supported by better alignment between its budgeting tools and financial system.	Yellow	Yellow

Financial Policies Gap Analysis

- Building upon high-level financial policy observations and recommendations outlined in the operational assessment report, Eide Bailly prepared a more detailed policy gap analysis to highlight financial policies in need of update as well as new policies for the City's consideration
- Each financial policy was categorized by qualitatively assessed risk level, as follows:

-  Adequate – The City's existing policy is, in our assessment, adequate as currently written.
-  Low risk – Optional policy or minor updates needed - address as time permits, if appropriate.
-  Medium risk – Address as soon as possible.
-  High risk – Address immediately.

Details of Financial Policies Gap Analysis

Topic Area	Existing Policy ¹	Risk Level
Accounting and Financial Reporting	Yes	Yellow
Accounts Payable	Yes	Yellow
Accounts Receivable and Collections	Yes	Orange
Budget Administration	Yes	Orange
Budget Reserves and Fund Balance	Yes	Orange
Capital Asset Accounting	Yes	Orange
Capital Improvement Program	Yes	Yellow
Cash Management	Yes	Red
Credit Card Purchases	Yes	Red
Conflict of Interest	Yes	Yellow
Debt Management and Interfund Loans	Yes	Yellow

Topic Area	Existing Policy ¹	Risk Level
Fraud	Yes	Orange
Grant Management	Yes	Orange
Investments	Yes	Green
Long-Term Financial Planning	Yes	Yellow
Payroll	Yes	Yellow
Pension and OPEB Liability	No	Yellow
Purchasing and Contract Management	Yes	Red
Risk Management	Yes	Yellow
Travel and Reimbursements	Yes	Yellow
Unclaimed Funds	No	Yellow
User Fees and Charges	Yes	Yellow

¹ Existing policies in most cases only covered limited areas as compared to our recommendations for those policies not assessed at the green or yellow risk level.

Current Engagement Status

- In addition to the assessment and policy gap analysis reports, the following tasks have been completed:
 - Review of current workflow processes for purchasing and accounts payable to facilitate configuring Springbrook's workflow and approval features
 - Review of current security, access, and roles for staff in Springbrook to facilitate revisions that support workflow and approval features and provide template roles for more efficient management of security
- Eide Bailly has developed a phased, two-year plan to address the majority of the recommendations contained in both of our reports
 - Phased based on the assessed risk and difficulty, as well as available financial resources
 - Recognizes that staff's time is limited and should be focused on the highest priorities first
 - Also includes hours to assist with complex recurring and year-end accounting tasks

Recommended Next Steps

Phase 1 – Tasks Beginning in Fiscal Year 2026/27

- Continued optimization of Springbrook and related processes
- Modernization of accounts payable and accounts receivable operations
- Purchasing policy and procedures update and related improvements
- Accounting support for year-end close and interim tasks

Phase 2 – Tasks Beginning in Fiscal Year 2027/28

- Long-term financial plan update and priority-based budgeting implementation
- Development of and modifications to policies and procedures in response to policy gap analysis
- Project and grant accounting optimization
- Modernization of payroll processes
- Accounting support for year-end close and interim tasks

Anticipated Hours and Costs

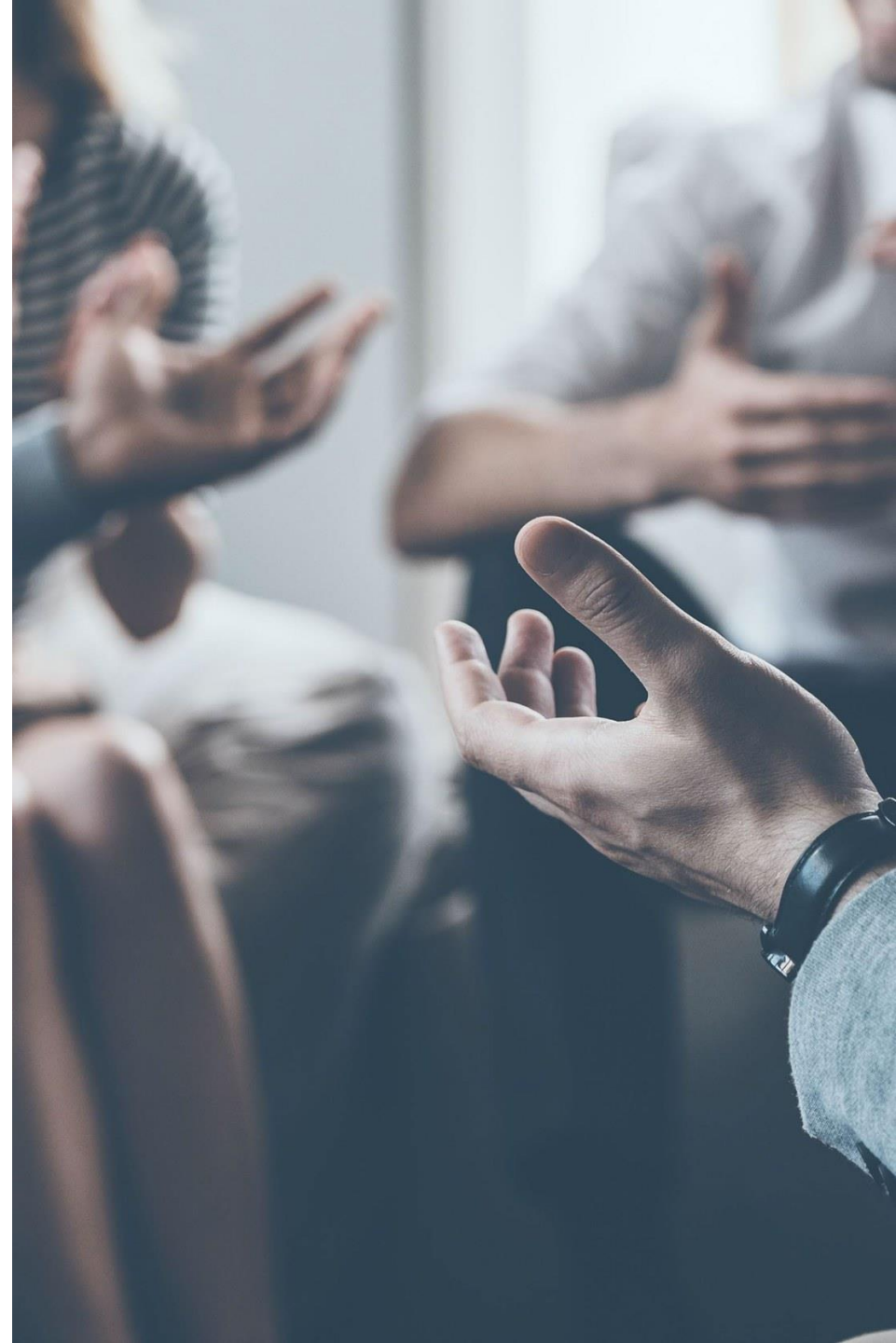
Major Task	Director	Senior Manager / Tech Advisor	Manager	Senior Associate	Total	Cost
Fiscal Year 2026/27						
Continued Springbrook Optimization	3	99	30	–	132	\$43,203
AP and AR Modernization	2	56	18	–	76	\$24,844
Purchasing Policy and Related Tasks	13	–	83	–	96	\$28,434
Accounting Support (Year End / Interim)	–	78	–	124	202	\$53,519
Total Fiscal Year 2026/27	18	233	131	124	506	\$150,000
Fiscal Year 2027/28						
LTFP and Priority-Based Budgeting	28	–	48	–	76	\$24,104
Development of Policies and Procedures	15	1	46	–	62	\$19,013
Project / Grant Accounting Optimization	1	56	23	–	80	\$25,890
Payroll Processes Modernization	–	50	–	–	50	\$16,950
Accounting Support (Year End / Interim)	–	94	–	149	243	\$63,901
Total Fiscal Year 2027/28	44	201	117	149	511	\$150,000
Grand Total	62	434	248	273	1,017	\$300,000

Other Future Tasks

Financial Training and Onboarding Assistance
 Budget Process / Management Optimization
 Chart of Accounts Structure Modifications
 Accounting Support (Year End / Interim)

Ensuring Success

- The City has been provided with a roadmap for the next steps required to improve the City's financial management and accounting policies, procedures, and practices
 - Recommendations have been tailored and will be revised, as appropriate, to be realistic and achievable
 - Recommendations have been crafted and subsequently adjusted with the City's feedback in mind
 - The implementation plan has been structured with the risk associated with the status quo and the likely difficulty of implementing each recommendation in mind
- Success for the City will require
 - Embracing our recommendations and working diligently toward addressing them, even when difficult to achieve or accept change
 - Incrementally assessing success during and after execution and adjusting, as appropriate, based on lessons learned





Thank you

Government Advisory Services

eidebailly.com



CITY OF SAN PABLO

City of New Directions

SECTION TWO

City of San Pablo Staff Recommendations

Budget, Fiscal, and Legislative Standing Committee · June 10, 2026

The following items are presented by City of San Pablo staff and are separate from the Eide Bailly assessment presentation.

Recommendations

Budget, Fiscal, and Legislative Standing Committee – June 10, 2026

1

Receive a presentation by Eide Bailly on the City of San Pablo's Finance Department assessment.

2

Recommend to the City Council that the City Manager's signing authority to be presented to the City Council **July 6, 2026**, City Council meeting.

3

Recommend to the City Council that the City's Finance Department enter into a new contract with Eide Bailly to establish and implement the Eide Bailly assessment recommendations at the **July 6, 2026**, City Council meeting.