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CITY AND COUNTY OF SAN FRANCISCO

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Assessment of Public Reporting on Nonprofit Contracting

EXECUTIVE SUMMARY

In Fiscal Year 2023 – 2024 (FY24), the City and County of San Francisco (City) contracted with over 700 nonprofit organizations and spent over $1.5 billion to deliver essential services to the public. City departments track the spending and performance of these nonprofit contracts and determine what information to report on publicly. The Controller's Office also provides additional coordination and oversight in nonprofit contract monitoring and publishes reports and information related to nonprofit contracting.

This memo fulfills the mandate of legislation the Board passed in March 2024. According to Ordinance 055-24, the Controller's Office reviewed the publicly available data and information on nonprofit contracting, documented findings and recommendations from that review, and developed website enhancement to public access to information about nonprofit contracting in San Francisco.

Summary of Findings

1. Departments with the highest spending on nonprofit contracts **generally publish multiple types of information** on nonprofit spending, performance, and services.
2. Department reporting often summarizes **overall department activities, impact, and/or spending**, which can obscure that the information relates to nonprofit contracting.
3. The City centrally publishes numerous resources and information about nonprofits, but there are **barriers to accessing and using these tools**.
4. Data systems need to meet the operational needs of departments, and this can make **some types of public reporting challenging**.
5. Public reporting **may not be appropriate for all situations**, particularly when looking at the performance of specific nonprofits or other disaggregated information.

New Website Content

Directory: How to Find Information about City Contracts with Nonprofits
The Controller's Office created a web-based directory describing the type of public information currently available to make it easier to find information on nonprofit spending, performance, and services.

Spending Dashboards: Trends and Details on City Spending on Nonprofits
These new dashboards allow users to easily see and use summaries of Citywide, department, and nonprofit spending and contracts.

Recommendations

The Controller's Office developed several recommendations to improve public access to information on nonprofit contracting in San Francisco. These recommendations focus on our own tools for central reporting, as well as guidance for departments that contract with nonprofit organizations.

Recommendations for the Controller's Office	
1. Partner with Digital Services to **improve the search functionality** of the Controller's Office's inventory of published reports.	2. Develop options to **improve data collection** about nonprofit contracts in the City's financial system.
3. Improve process and tracking to make the **nonprofit indicator** in SF OpenBook more accurate.	4. Improve access to **Controller's Office datasets** that relate to nonprofit performance.
Recommendations for City Departments	
5. **Be clearer in future reporting or website updates** about whether nonprofit contractors both deliver some or all services, wherever feasible and appropriate.	6. **Publish current annual reports, performance reports, and budget reports** related to nonprofit contracting to websites.
7. **Upload datasets used in public reporting** about nonprofit contracting to the SF Open Data Portal.	8. As departments make planned improvements to technology systems, consider if there is an **opportunity to make more information publicly available**.

INTRODUCTION

In Fiscal Year 2023 – 2024 (FY24), the City contracted with over 700 nonprofit organizations and spent over $1.5 billion to deliver services to vulnerable San Francisco residents. Legislation passed by the Board of Supervisors in March 2024 requires that the Controller's Office review publicly available information on contracted nonprofit spending, performance and services. It also requires that the Controller's Office publish a directory on the website documenting where and how to access information on nonprofit contracting.

To better understand the work being done by City departments to track and communicate the performance of that investment to the public, the Controller's Office conducted a landscape review of departmental reporting. This consisted of reviewing the websites of 37 departments that contract with nonprofits, conducting in depth research across the websites of the 17 departments that do 99% of the City's nonprofit contracting, and interviewing the seven departments with the highest levels of spending on nonprofit services. In addition, the Controller's Office reviewed centrally published Citywide resources that report on or relate to nonprofit contracting.

The Controller's Office reviewed information on spending, services, and performance, as described in Figure 1.

Figure 1. Three Categories of Nonprofit Reporting

Spending	Services	Performance
• Total amount budgeted for each contract.* • Total payments made on each contract. **The term "contract" refers to both spending across professional service contracts and grant agreements.*	• Departments contract with nonprofits to deliver services. Many are direct client services. • Contracts may include more than one service or program.	• Most nonprofit contracts include performance measures. • Other methods of assessing performance include reporting and program monitoring. • Many departments have service area performance goals too.

This memo includes:

- The **findings** from the landscape review.
- A **summary of the website improvements** the Controller's Office has made to address certain reporting gaps.
- **Recommendations** to improve the quality of and access to this information.

FINDINGS

1. Departments with the highest spending on nonprofit contracts generally publish multiple types of information on nonprofit spending, performance, and services.

The Controller's Office spoke to the seven departments[1] that administer approximately 90% of the total City spending on nonprofit services. Additionally, the Controller's Office conducted a thorough review of the information about nonprofits that is publicly available on the webpages of 17 departments. These 17 departments conduct approximately 99% of the City's total spending on nonprofits. Research showed that while the amount and type of reporting varies by department, the highest spending departments perform varying levels of public reporting on their nonprofit spending, performance and services.

- **Spending:** Information on spending can be found on most departments' budget webpages, budget presentations, reports, and/or financial dashboards.
- **Performance**: Information on performance can be found in most departments' annual reports, slide decks from public presentations, and/or performance dashboards.
- **Services:** Information about a departments' core services can be found throughout its website and/or public reports.

Several departments produce strong examples of nonprofit-specific reporting, including:

- The Department of Children, Youth, and their Families (DCYF) regularly updates two dashboards on nonprofit contracting, DCYF Grantees and DCYF Grantee Year End Reports[2]. These include comprehensive information on funding amounts, performance results, and services by service area and geographic location.
- The Department of Homelessness and Supportive Housing (HSH) Homelessness Response System dashboards track key service area performance metrics. These include monthly updates on outreach, Coordinated Entry, housing programs, and more. HSH contracts with nonprofits to deliver the services presented in these reports.
- The Department of Public Health (DPH) Annual Reports provide a breakdown of expenditures by program area, highlight successful programs, and include a list of all service sites and contractors. The reports contain the same type of information from year to year and include information about which services include nonprofit contracts. DPH has published an Annual Report for every fiscal year since 2014.

Additionally, most departments report on spending through budget presentations. These may not explicitly mention "nonprofit spending" but do call out how much of their budget is for

[1] Department of Homelessness and Supportive Housing, Department of Public Health, Human Services Agency, Department of Children, Youth, & Families, Mayor's Office of Housing & Community Development, Office of Economic & Workforce Development, Department of Early Childhood

[2] DCYF is transitioning to sf.gov at the time of this memo's publication. The dashboards referenced have not yet migrated to sf.gov so are not yet linked on the current site. However, DCYF plans to continue updating these.

nonprofit contractors using other terms such as contracts, grants, or community-based organizations (CBOs). Examples of spending reporting include:

- The FY24-25 HSH Budget Proposal includes total grant and program funding information.
- The FY25 & FY26 DEC Expenditure Plan highlights proposed expenditures for CBOs.

Although departments make this information publicly accessible on their websites, sometimes the information can be hard to locate, requiring the user to search through multiple pages.

2. Department reporting often summarizes overall department activities, impact, and/or spending, which can obscure that the information relates to services provided via nonprofit contracts.

Among the seven top-spending departments, nonprofit services are a core component of each department's service delivery model. In some cases, nonprofits deliver all of a department's services. In other cases, department staff perform certain functions, while nonprofits perform others. Most departments aggregate information to report on services, spending and performance department-wide, and do not typically report separately or distinctly about work done by City staff versus nonprofit contractors (or for-profit contractors).

Departments' annual reports often report on overall department performance, and dashboards may report on service areas or services as a whole. For example:

- The Department of Early Childhood (DEC) published a 2023 annual report that gives high level overviews of the department's impact.
- The HSH Homelessness Response System dashboards referenced above do not explicitly mention nonprofits or contracting and instead frame the information provided as measures of the Homelessness Response System overall.
- The Mayor's Office of Housing and Community Development (MOHCD) publishes affordable housing dashboards to provide information on housing projects in MOHCD's portfolio and pipeline, including those developed in partnership with both for-profit and nonprofit entities.

Similarly, some budget information may not specifically call out nonprofit contracts, but will report departmental spending by service area, where a portion of that spending within the service area is on nonprofit contracts. Although it may be clear for internal City stakeholders, these conventions could make it difficult for an external audience to understand that these reports include nonprofit spending.

- The HSH Budget webpage provides an overview of the budget and breaks it down by multiple dimensions, including by service area. While service areas such as "emergency shelter" and "housing" include contracts with shelter and housing providers, it may not be clear to a layperson that these categories include nonprofit contracting.

- The DPH FY22-23 Annual Report includes charts showing expenditures by program and type. The programs referenced include services that nonprofit contractors deliver, but this connection is not explicitly called out in either the charts showing expenditures by program and type or the major investments highlights.

3. The City centrally publishes numerous resources and information about nonprofits, but there are barriers to accessing and using these tools.

The Controller's Office and other departments that support Citywide contracting operations routinely publish information on nonprofit contracting. These resources range from detailed spending data to publications on specific nonprofit contractor performance. While these resources are useful, there are some challenges when it comes to finding, accessing, and/or using them, including difficulty pulling accurate data, difficulty finding specific information within long PDF documents, and/or difficulty finding relevant documents.

SF OpenBook

SF OpenBook, managed by the Controller's Office, is the City's public database on spending and contracting. This resource publishes contracting and payment data from PeopleSoft, the City's financial management system. SF OpenBook is a comprehensive tool to view and export spending data. While many departments rely on SF OpenBook to find information about their own spending, a few key issues make it difficult to use for nonprofit contracting and spending analysis.

First, it is difficult to roll up spending by nonprofit or by department, and users must export the data themselves to create any summary information. Second, it is also difficult to understand what each contract or payment is for. Key challenges include:

- Contract titles aren't standardized and often contain abbreviations, which makes it challenging to assess what services the contract includes (e.g. "HSA-DAS-Nut&SS 21-22" or "HRC-DKI-NS-010-Push Dance-Am1").
- SF OpenBook includes specific fields that indicate which type of goods and services the contract provides. These are not sufficiently detailed to be useful for nonprofit and human services contracts. For example, many departments categorize nonprofit contracts as "Community Based Org Srvcs" or "Professional/Specialized Svcs" to describe which services the contracts will provide and "95200 HUMAN SERVICES" for the product code.[3] These do not inform users about the specific types of services the contracts fund.
- PeopleSoft includes an additional field for more detailed product codes for internal use. However, the fields and filters available in SF OpenBook public reports do not include those more detailed codes. Additionally, even when departments do use more detailed codes, most of the codes currently in use do not provide sufficient detail to allow users

[3] The product codes in PeopleSoft are the National Institute of Government Purchasing (NIGP) codes. There are 3, 5, 7, and 11 digit codes available for use. SF OpenBook displays only 3-digit codes (followed by 00) while PeopleSoft allows departments to select 5-digit codes which can provide more detail about the goods or services.

to understand what each contract is for (e.g. the most used codes include "Grants, Community Service Programs" and "Human Services").

Finally, the City does not currently have a precise method for identifying which suppliers are nonprofits within the City's financial system. The Controller's Office's Supplier Management Team relies on tax forms submitted by suppliers at the time of registration to document tax status and supplier type within the financial system. Based on an individual supplier's circumstances, not all forms clearly indicate 501(c) or nonprofit status of suppliers, and it could require adding new fields to supplier registration forms to gather this information precisely. Additionally, when the City launched its current financial system, the Controller's Office ported thousands of historical supplier records, and these records may not include the level of detail needed to document nonprofit status.

As such, while the financial system has a "nonprofit flag" to allow sorting and filtering of financial data by nonprofit status, some nonprofit organizations do not appear when using this filter, and tax-exempt quasi-governmental entities (such as schools) may be flagged as a nonprofit. This can result in an incorrect understanding of nonprofit spending and the array of nonprofit contracts across departments.

Citywide Nonprofit Monitoring and Capacity Building Program

Through the Citywide Nonprofit Monitoring and Capacity Building Program, the Controller's Office coordinates participating departments to conduct fiscal monitoring of their nonprofit contractors. Each year, the Controller's Office publishes an Annual Report that summarizes the pool of contactors monitored through the program and the results of the fiscal monitoring for that year. Alongside the report, the Controller's Office releases a dataset that lists all findings for each nonprofit in the monitoring pool.

Controller's Office Performance Program

The Controller's Office's Performance Program publishes the Annual Performance Report and Online Viewer to present key performance metrics for every City department. For the largest contracting departments, this often relates to nonprofit contractor performance data (e.g. HSH's measure of the number of case-managed families that exit homelessness). However, it is not always clear that the metrics are relevant to nonprofit contracting unless the user has knowledge of that department and its work.

Controller's Office Report Search

The Controller's Office issues other one-time reports and audits on nonprofit spending and performance that can be found using the SF OpenBook Report Search tool. These reports provide detailed information on specific nonprofits or answer specific analytical questions about nonprofit contracting. However, the Controller's Office does not currently use keywords or tags in its Report Search tool in a systematic way. This means users must rely on report names to identify relevant content, and users must use multiple keywords in any search because of the variation in naming across these reports (e.g., "community-based organizations" or the names of specific organizations). For example, the Controller's Office published an audit on Citywide nonprofit program monitoring and an audit of grant agreements funding a specific nonprofit provider. These reports are highly relevant to nonprofit contracting, but a user would need to use variable search terms to find them within the Report Search tool.

Other Tools

The Controller's Office and other central City offices publish the following resources:

- **Suspended and Debarred Contractors:** The Suspended and Debarred Contractors list includes nonprofits and other businesses that are not permitted to do work for the City for a variety of reasons ranging from mismanagement to fraudulent and illegal conduct. The list also includes an email notification feature to receive the latest updates on the status of City contractors.
- **SF Open Data Portal:** The SF Open Data Portal, managed by Data SF, holds public datasets, including several related to nonprofit contracting, such as San Francisco Arts Commission Grants FY2004-2016. Datasets like these can be easily downloaded and queried. However, not all departments publish their datasets because it is not a part of current departmental public reporting processes and there are data privacy concerns that may make it inappropriate in some cases. The SF Open Data Portal can be a good resource for departments wanting to increase the accessibility of their data.
- **Mayor's Budget Book:** The Mayor's Budget Book includes general information on contractual services and presents the total budget for Professional & Contractual Services. Some departments outline information about contracting efforts within the Mayor's Budget Book. This may include informaion about spending and the department's work with nonprofits.

All of these resources share important information on nonprofit contracting, but often require users to have an understanding of where to look. In conjunction with this memo, the Controller's Office is publishing a new directory on our website to improve access to these resources and department products. The directory will provide an overview of the various types of reports and webpages that contain information about nonprofits, as well as provide necessary context on how the City conducts business with nonprofits. See later sections for more details.

4. Data systems need to meet the operational needs of departments; however, this can make some types of public reporting challenging.

Policy makers, members of the public, and department staff themselves are interested in understanding the impacts of the City's investments in nonprofit organizations. This often requires linking contract, spending, and performance data. Many departments have data systems in place to track and report on both nonprofit spending and performance that meet their day-to-day operational needs, but in most cases, departments use separate systems for tracking spending and performance. This means they may not be able to link this information and report on it in ways that stakeholders are interested in.

Separate data or technical systems are often necessary for departmental operations.

Departments use various systems to track data on nonprofit services and contracts, including some state and federal agency mandated systems. These systems meet different operational needs, such as tracking real-time client enrollments, facilitating invoicing, and tracking contracts and budgets. The types of systems that departments use typically fall into the following categories:

- **Contract systems:** Many departments have an internal Contract Management System (CMS) to track contract information.
- **Financial systems:** Departments have systems that facilitate invoicing, track spending, and support budgeting (often in addition to – but not connected to – the City's PeopleSoft financial system). Many of these systems are required, e.g. DPH uses a payment system that supports Medi-Cal and Medicare billing.
- **Client-level systems:** These systems allow providers to input client-level data and departments may use them to assess program utilization, support enrollments, and more. Federal or State funders often specify requirements for these systems. For example, HSH uses the ONE System, which is the department's client management system. The ONE System design meets federal requirements for any Continuum of Care receiving funding from the U.S. Department of Housing and Urban Development (HUD).
- **Miscellaneous systems:** Some department functions require collection of information that occurs outside of these other systems. This includes completing templates for program monitoring activities (such as a site visit checklist), gathering data from clients directly (such as satisfaction surveys through Survey Monkey), and anything nonprofits may calculate within their own data systems (e.g. nonprofits may report a calculated attendance rate in a report narrative rather than entering each individual client's attendance in a City record system).

Tying together data from separate systems is not always feasible.

While some departments, such as DCYF, have systems that integrate client service information (i.e., performance data) with invoice tracking (i.e., spending data), many do not. These tend to be larger departments with a high number of contractors and complex funding, invoicing, or reimbursement practices. DPH and HSH are two examples of departments that require multiple systems which may not be feasible to integrate.

DPH maintains systems to track contract spending and facilitate invoicing. Currently, a single DPH contract may include multiple programs. This means that while it is easy to pull total spending by nonprofit (the same data that SF OpenBook makes available), it is harder to add in the types of reporting that the public may be interested in, such as tracking spending by service area or program type or linking spending and performance measure data.

Similarly, HSH uses the ONE System to track client-level data and uses separate systems for managing contracts and for invoicing. Much of a program's detailed budget information also lives outside of these systems in excel templates as an appendix to a contract. Because these systems were designed to meet different needs, there is often not a one-to-one comparison between the systems, which makes comparing data points challenging (for example, a department may adjust budget documents in a contract management system but may not immediately adjust the financial system budget for that contract, leading to discrepancies between the two sources). The diversity of funding streams HSH receives further complicates this tracking and comparison, since many contracts have multiple funding sources and HSH tracks spending and budgets for those funding streams separately.

It is important to note that both DPH and HSH are already in the process of working to address these challenges. Both departments are planning to adopt a new comprehensive platform called Electronic Contract Management Systems (ECMS) and DPH is also working to align contracts and programs so that there will only be one contract per program.

5. Public reporting may not be appropriate for all situations, particularly when looking at the performance of specific nonprofits or other disaggregated information.

While there is increased public and internal interest in the City's nonprofit contracting practices, specific types of public reporting may not be appropriate in all cases.

Service area performance reporting is related to but distinct from contractor-level performance reporting.

Policymakers, the public, and department staff themselves are often interested in understanding the impact of the City's investment in nonprofit contracts. There are two ways to think about quantifying this impact: **service area performance** and **contractor performance**.

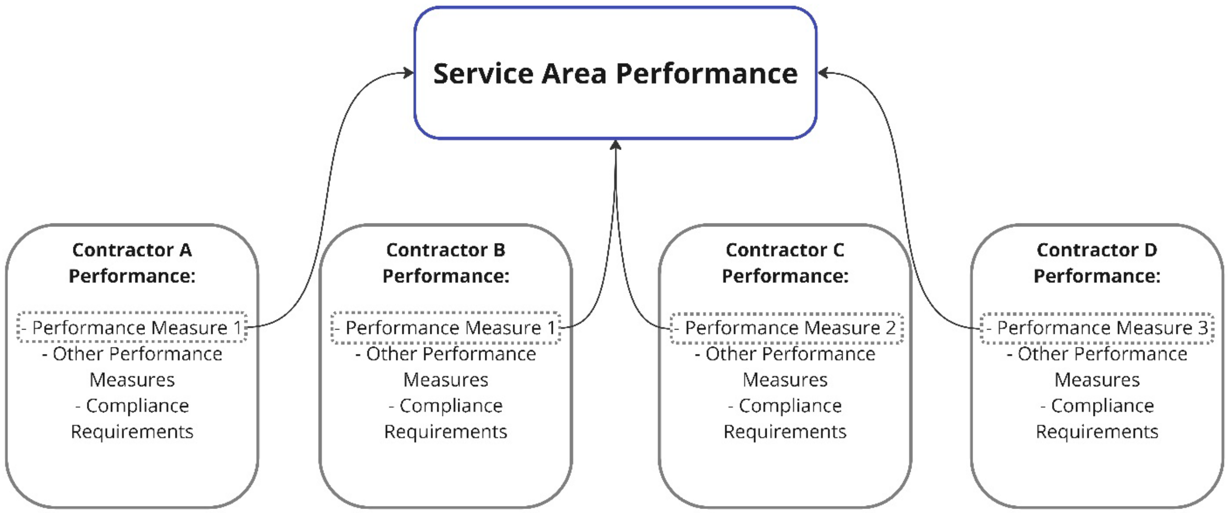
- Service area performance refers to the performance of a department-managed system of care or service area as whole, such as the homeless response system or workforce development.
- Contractor performance refers to the performance of one nonprofit contractor that may be one of many contractors contributing to a service area.

In some cases, reporting on service area performance may be most appropriate where contract or contractor-level performance reporting is not.

Service area performance measures aggregate results from many different contractors (or from contractors and department-staffed programs, depending on how the department approaches service delivery). These can, but do not always, draw from contract performance measures. For example, HSH reports on emergency shelter occupancy rates and contractors that provide emergency shelter have a minimum occupancy rate as a performance measure in their contracts. In contrast, a service area performance measure for workforce development programs may be the number of people who are employed as a result of participation in City programs. However, depending on the programs funded, the contract level measures may be hours of training completed, self-reported client empowerment, or proportion of clients receiving a specific certification.

Furthermore, departments evaluate contractor performance on multiple dimensions, not just on meeting performance measures. Departments monitor programs regularly and assess factors such as compliance with file storage requirements, having specific policies in place, meeting minimum fiscal stability requirements, and compliance with other components mandated by State or Federal grants. Figure 2 illustrates the relationship between contractor and service area performance.

Figure 2. Process Overview for Collecting Data on Service Area Performance



Service area performance may aggregate the performance of multiple contracts to assess how a system or service area is functioning, but it will not include all aspects of contractor performance. Contracts may be for similar programs and therefore have the same performance measures they are trying to meet that align to the service area performance measure. Contracts may also be for different types of programs so performance measures may differ, but still contribute to the department's overall goals.

When translating City investment into impact, there is often interest in receiving real-time data about performance. While departments may offer real-time data about the service area performance overall (such as HSH's public dashboards on the homelessness response system), real-time contract performance data is generally not feasible or appropriate. It often does not make sense to draw on performance data at a single point in time to understand contractor performance. Not all performance information is consistently available (such as end-of-year review metrics). Additionally, while most departments actively engage with contractors during the year and use monitoring activities to course-correct if a contractor may fall short of meeting performance goals, departments typically use periodic reports to gather performance data rather than a continuous performance review.

Performance and spending data requires contextual information.

Some departments prefer not to publicly report on performance data for specific nonprofit contractors because it could lead to inaccurate comparisons between nonprofits. There are a variety of external factors that could impact performance and spending data and that context is necessary for audiences to draw accurate conclusions. For example, HSH reports aggregate occupancy rates by site type for temporary shelter. However, the department does not report occupancy by site because units may be held offline which may make occupancy rates look artificially low, or the nonprofit may be experiencing operational challenges beyond its control that impact its ability to fill beds.

Additionally, reporting on spending or performance by location or other demographic dimensions may not be accurate or comparable and would require additional context to understand. For example, departments often get specific questions about which nonprofits operate in specific neighborhoods or districts. However, this is not straightforward to answer because most services are not limited to a single location. Nonprofits may deliver services in a different location from their headquarters, or nonprofits may deliver services virtually (virtual legal aid, for example).

There is also interest in understanding who receives services by demographics, but even this can be challenging to report. The City requires contractors to collect Sexual Orientation and Gender Identity (SOGI) data, for example. However, some departments reported challenges with getting clients to provide that data, leading to many unknown data points. This means that reporting on clients served by this demographic information requires departments to provide additional context about how nonprofits gather data and how much data is unknown.

Complexity and lack of standard definitions make service area reporting difficult.

A key gap for most departments is that there is currently no straightforward way to report on nonprofit spending and performance by service area. Departments often categorize their programming into service areas, such as separating Afterschool Enrichment Programs from Youth Employment Programs, or separating Housing Programs from Shelter Programs. Departments recognize there is interest in being able to understand nonprofit spending and performance in this way. However, departments have expressed challenges with efforts to report by service area, ranging from adapting Citywide systems to track this information to defining what is a relevant service area.

Additionally, in some cases, there are no standards for how a nonprofit or a department should report on certain information, and variation in what data is collected and how it is reported make it difficult to compare across programs or service areas. For example:

- **Blended Funding**: Many nonprofits receive funding from multiple departments or other sources. There is currently no standard for how a nonprofit or a department should report on performance when a department only funds a portion of a program. If a department reports on performance as if they fully fund the program, the service may appear more cost-effective than if the department provided 100% of funding.
- **Demographics:** Nonprofits may collect demographic information using variable categories, and departments may aggregate this information in different ways for their own reporting.

The administrative burden of reporting may not justify the benefits of reporting.

While some amount of public reporting on performance is reasonable to expect from departments, given the barriers presented here, it may be challenging for departments to do more granular or more frequent reporting without a clear use-case for it.

Both departments and nonprofits experience significant administrative burden related to ensuring data is accurate and complete. Often, performance measures require aggregating client-level data (such as tracking program exits for HSH clients or student participation in DCYF-funded programs). Departments typically perform cleaning and validation at set intervals (e.g. annually or quarterly), but it is not clear that expending the effort to do that level of data validation more frequently would be feasible or useful to a broad audience. Furthermore, it is difficult to build reports to meet everyone’s needs because there is no single audience or clear use case for such granular reporting.

One example of the administrative burden of performance data reporting is that State and Federal requirements often govern departments that track client data in specific ways and mandate what information to gather, how to gather it, and how to protect it. This poses a key implication for the ease of aggregating this data to report on performance. For many departments, client data includes Personally Identifiable Information (PII) and Protected Health Information (PHI) that need to be anonymized prior to being reported. Before departments can publish the data anywhere, they need to go through a privacy toolkit with Data SF to make sure data is not identifiable and protect the privacy of those receiving services. This contributes to the extra time and effort needed to prepare the data before making it available for public consumption.

In addition, departments receive what some described as “weekly” requests for a wide variety of specific information on nonprofit contracting from both internal and external stakeholders. Publicly reporting on this information may not be efficient, as it is difficult to build public reporting that can provide the level of specificity needed to answer all the questions a department may receive. It is likely that stakeholders want answers to specific questions and departments can provide that information to them directly if those questions are not answered through existing public reporting.

Finally, there may not be sufficient interest in more granular public reporting. MOHCD reported that the department used to publish online dashboards on nonprofit spending and performance, but that there was very little traffic to the site, and they ultimately decided to take it down. While there is significant public interest in the City’s nonprofit partnerships, that interest does not necessarily translate to interest in consuming detailed performance and spending data. Higher-level information about how the City manages contracts with nonprofits or service area performance reporting may better meet the needs of a wide audience.

NEW WEBSITE CONTENT

The Controller's Office considered the findings of this memo and, as a result, developed a series of new, related webpages to better explain the work the City does with nonprofits and the Controller's Office's role in oversight of nonprofit contracting practices. The new site includes:

- An overview of the Controller's Office's role and associated work on nonprofit contracting oversight.
- An aggregation of City policies and legislation impacting nonprofits.
- Updates to the Citywide Nonprofit Monitoring and Capacity Building Program website, including resources available to nonprofits and departments receiving or conducting monitoring.
- A directory of auditing firms that are interested in conducting audits for nonprofits that contract with the City, to support nonprofits in complying with the new CPA Audit Policy.

Additionally, the site includes two new webpages designed to address several key takeaways listed above, as required by legislation.

Directory: How to Find Information about City Contracting with Nonprofits

The Controller's Office created a new directory webpage describing the type of public information on nonprofits currently available and how to access it. The goal of the webpage is to make it easier for the public to quickly find information on nonprofit spending, performance, and services. This directory addresses key pain points identified above by organizing information into simple categories based on desired information. The page is organized by the type of resource (i.e. Controller's Office, Department, Citywide)

Spending Dashboards: Trends and Details on City Spending on Nonprofit Contracts

The spending dashboard helps address several pain points listed above regarding accessing and using SF OpenBook information, including:

- Cleaning the underlying data to include a more accurate list of nonprofit contractors and filtering for relevant nonprofit contracts.
- Visualizing spending data in simple graphs and tables so that users can easily see summaries of spending Citywide, by department, and by nonprofit.
- Allowing the user to interact with the data by filtering for year, department or nonprofit.

RECOMMENDATIONS

The Controller's Office can take a lead role in organizing and improving access to existing information about nonprofit contracts and spending while departments continue to improve their own reporting practices.

Recommendations for the Controller's Office

1. As part of the Controller's Office project to move SF OpenBook's Report Search tool to SF.gov, **the Controller's Office should partner with Digital Services to improve search functionality.** Currently, the tool does not extend the search to the body of a report. Instead, it only finds reports based on search terms that appear in the title or in a tag. In the long term, the Controller's Office is working with Digital Services to update the report search tool, which will ensure keyword searches also apply to the content of the report. In the meantime, as this work unfolds, the Controller's Office can improve searchability by adding the word or tag "nonprofit" to recent and future reports relating to nonprofits, so that the current search tool will be more likely to return all relevant reports on nonprofit contracting.

2. **The Controller's Office should explore ways to both improve data collection about nonprofit services in PeopleSoft and improve the utility of PeopleSoft information made available to the public.** The Controller's Office and City Administrator's Office often partner to plan new initiatives to streamline and improve contracting processes and there is an opportunity to collaborate on improvements to data collection processes. Improvements to the data associated with contracts would make it easier to understand what services each contract is delivering.

   One approach is to improve the use of National Institute of Governmental Purchasing (NIGP) codes to capture and report more detailed information on the purpose of nonprofit contracts. NIGP Codes are universal procurement codes for government purchasing. SF OpenBook current displays only 3-digit NIGP codes (followed by 00) in the payments and contracts data, which are general categories of goods or services. While more specific 5-digit codes are available for use internally, most departments currently code nonprofit contracts using NIGP codes that are not sufficiently detailed to explain what each contract is for. Examples of the codes inputted include "Human Services," "Grants, Community Service Programs," and "Professional Services (Not Otherwise Classified)." There are additional existing 5-digit subcategories that would allow for tracking nonprofit spending and performance in more detail (such as "Housing Services" or "Case Management"). Using these codes would require working with departments to determine which codes align best with the services they fund, determining what changes to processes and workflows would be needed to enable use of these codes, and then training staff to use those codes. The Controller's Office would then have to explore how to use these codes to improve public access to information. This may include either exporting data from internal systems to use in the spending dashboards or implementing changes to SF OpenBook so that the reports include that data.

The Controller's Office should partner with the City Administrator's Office to design a process to assess whether the NIGP code updates or other data tracking improvements are feasible and determine what system changes, process improvements, or training development is necessary to implement those changes.

3. **The Controller's Office should work to ensure the nonprofit indicator in the PeopleSoft financial system is more accurate.** The nonprofit indicator currently excludes approximately 150 identified nonprofit contractors, which the Controller's Office manually adds when presenting data in the new spending dashboard referenced above. Improving the nonprofit indicator would allow users to pull their own accurate information from publicly available data and would make SF OpenBook a more accurate central data source. This recommendation would require designing a process that includes further research into why the supplier intake forms result in an inaccurate nonprofit indicator and what options or changes to the system would be required to make this data more accurate.

4. **The Controller's Office should improve access to our own datasets that relate to nonprofit performance.** The Controller's Office should add a "nonprofit" tag to both future and existing datasets in the SF Open Data Portal, such as the Nonprofit Wage and Equity Survey dataset. This will allow for more relevant results to appear when users search for datasets related to nonprofit contracting and performance. This would also establish the tag for other departments to use as they upload relevant datasets.

Recommendations for Department Implementation

5. Oftentimes publicly available information is not explicitly linked to "nonprofits," so extra context is needed for a layperson to understand the connection. **Departments should be clearer in future reporting or website updates about whether department staff, nonprofit contractors or a mix of both deliver the department's services, wherever feasible and appropriate**. For example, departments can add contextual information to future annual reports on how information and data relate to services that nonprofit contractors provide. In addition, departments can add contextual information to existing dashboards if nonprofits contribute to service delivery data. On webpages that describe the services the department provides, departments can be more explicit about which work is performed by nonprofit contractors.

   Adding in this contextual information may address some of the challenges described in the Findings section:
   - Making it clear that the information and data presented connects to nonprofits.
   - Reducing the burden of finding reports related to nonprofits.
   - Improving transparency of nonprofit public reporting by departments.

6. If departments create reports that are appropriate for public consumption and related to nonprofit contracting, **departments should publish those reports to their websites**. While departments are not expected to retroactively search for past reports and upload them, they

should establish protocols to make future reports accessible and transparent. Examples of the types of reports that departments should proactively publish include:

- Copies of budget presentation made to commissions or to the Board of Supervisors.
- Annual reports that assess department impact as a whole, if department operations include contracting with nonprofits to deliver services.
- Strategic plans, that include programs or services to be delivered via nonprofit contractors.
- Reports submitted to State or Federal agencies providing funding to the department, when those reports include measures or activities of nonprofit contractors.

This is not an exhaustive list but serves as a guide for different types of publications that are appropriate to publish.

7. **If the department produces datasets related to public reports, when appropriate, departments should publish them to the SF Open Data Portal** per the City's Open Data Policy. This will help centralize data on nonprofit contractor spending and performance and allow the public to be able to pull and use data to create their own summaries. Examples of the types of datasets that are appropriate to publish include:
   - Data used to compile annual reports
   - Aggregate datasets behind service area performance dashboards
   - Performance measure results

   This list is not exhaustive but serves as a guide for different types of datasets that are appropriate to publish. The Controller's Office recognizes that not all datasets can and should be made public, such as datasets that include protected or confidential information. This recommendation's aim is to make existing public reporting more accessible and transparent, where it is appropriate to do so. This may require departments to develop internal protocols and training around how to upload to the SF Open Data Portal. Thus, the level of effort will vary by department depending on staff capacity, the sensitivity of underlying data, and what data is already publicly available.

   Applicable datasets can relate to nonprofit spending, performance, and services. Examples of existing datasets on the SF Open Data Portal include:

   - San Francisco Arts Commission Grants FY2004-2016
   - Nonprofit Wage and Equity Survey - Organization-Level Survey Data

   Departments should follow some best practices when uploading or updating datasets on the Open Data Portal. This includes:

   a. To improve searchability of nonprofit datasets on the SF Open Data Portal, **departments should use the "nonprofit" tag on their datasets**. This would allow departments to organize datasets under a specific category and allow users to filter that information easily. This could help users find existing datasets faster and allow for future datasets to be easily searchable.

   b. Wherever possible, departments should **follow DataSF's recommended best practices and data standards**, which include uploading datasets in the rawest format possible (e.g. instance-level data rather than aggregated data) and including common standard fields and/or unique identifiers where possible (e.g. a supplier ID number). See the DataSF Publishing Process guide and the Data Standards Guide for more information on data standards, or contact the DataSF team for support.

8. Finally, many departments already have projects in place or plans to improve data quality and reporting capacity. Examples include MOHCD moving from annual to quarterly data validation and the implementation of DPH's and HSH's ECMS system to track spending and performance data in one place. As departments implement these improvement projects, **departments should consider if this work makes previously infeasible public reporting more feasible and if there is an opportunity to make more information publicly available**. The capacity for taking on these projects will differ from department to department.