



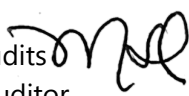
OFFICE OF THE CONTROLLER

CITY AND COUNTY OF SAN FRANCISCO

Ben Rosenfield
Controller
Todd Rydstrom
Deputy Controller

MEMORANDUM

TO: Citizens' General Obligation Bond Oversight Committee

FROM: Mark de la Rosa, Director of Audits 
Audits Division, City Services Auditor

DATE: October 16, 2023

SUBJECT: CSA Audits Activity Update

The following are highlights of the City Services Auditor (CSA) Audits Division's activity from August 18 through October 16, 2023.

Date Issued	Report
8/29/2023	Citywide Project Labor Agreement, Fiscal Year 2022-23 <p>The San Francisco Administrative Code, Section 6.27, Citywide Project Labor Agreement Ordinance, directed the City the County of San Francisco (City) to negotiate a Project Labor Agreement (PLA) with the San Francisco Building Construction Trades Council. During fiscal year 2022-23, departments advertised and awarded additional PLA-covered projects. The construction of some of these projects is underway, and the first of these is anticipated to be completed in fiscal year 2023-24. This memorandum provides an update on city departments' efforts to administer the PLA and improve data collection and tracking processes to ensure comprehensive reporting in the coming years. This memorandum also provides a look ahead at the PLA-covered projects that are currently planned.</p>

Date Issued	Report
9/5/2023	<p data-bbox="402 310 1398 415">San Francisco Public Utilities Commission: SFPUC Spent Revenue Bond Funds for Allowable Purposes but Should Strengthen Its Compliance and Monitoring Controls</p> <p data-bbox="402 457 1398 751">The Public Utilities Revenue Bond Oversight Committee (RBOC) engaged CSA, which, in turn, engaged HKA Global, Inc. (HKA) and, as its subcontractor, Yano Accountancy Corporation (YAC), to conduct an audit to determine whether revenue bond funds were spent in accordance with the stated purposes and permissible use of such bonds. The audit concluded that nearly all revenue bond expenditures were spent appropriately. However, the audit identified \$15.36 million in questionable expenditures related to internal control weaknesses over SFPUC’s control environment and monitoring of its procurement policies and procedures.</p>
9/21/2023	<p data-bbox="402 793 1398 867">City Services Auditor Recommendations Not Implemented After More Than Two Years, as of June 30, 2023</p> <p data-bbox="402 909 1398 1014">CSA issued a summary of its recommendations not implemented after more than two years on June 30, 2023. Of the 129 recommendations that had not been implemented, 20 (16 percent) were more than two years old.</p>
9/21/2023	<p data-bbox="402 1056 1398 1129">City Services Auditor Summary of the Implementation Status of Recommendations, January 1, 2023, Through June 30, 2023</p> <p data-bbox="402 1171 1398 1245">During January 1 through June 30, 2023, CSA followed up on 86 recommendations, of which 38 (44 percent) are now closed.</p>
10/2/2023	<p data-bbox="402 1287 1398 1318">Whistleblower Program Fiscal Year 2023 Annual Report and Quarter 4 Results</p> <p data-bbox="402 1360 1398 1438">During fiscal year 2022-23, the Whistleblower Program received 562 reports and closed 581 reports, of which 333 (57 percent) reached closure after an investigation.</p>