File No.	250869	Committee Item No.	7
		Board Item No.	1

COMMITTEE/BOARD OF SUPERVISORS

AGENDA PACKET CONTENTS LIST

Committee: Government Audit and Oversight Board of Supervisors Meeting: Date: September 18, 2025 Date: September 30, 2025				
Cmte Board Motion	iter and/or Report			
OTHER				
Prepared by: Monique Crayton Prepared by: Monique Crayton Prepared by:	Date: September 26, 2025 Date: September 12, 2025 Date:			

1 [5	ettlement of Unlitigated Claim and Resolution of Debarment Proceeding - Providence
Fo	oundation of San Francisco - Affected Employees and the City and County of San Francisco
2 to	Receive \$1,000,000, Suspension Order Rescinded]

Resolution approving the settlement of an unlitigated claim by the City and County of San Francisco ("City") against Providence Foundation of San Francisco ("Providence") for \$1,000,000 with \$480,724.25 distributed to affected employees, and the remainder returning to the City; the claim arises out of a Debarment Proceeding initiated on May 6, 2024, by the City Attorney, acting as Charging Official pursuant to Chapter 28 of the Administrative Code; the claim involves underpayment of employees, reimbursement to the City for work that was not done, and other failures to comply with grant agreements and the San Francisco Municipal Codes; additional material terms of the settlement are rescission of the existing suspension order issued against Providence upon delivery of certain payments, and agreement to a Five-Year Suspended Debarment Order that would only be entered upon violation of the settlement agreement.

WHEREAS, The City Attorney, acting as Charging Official pursuant to Chapter 28 of the San Francisco Administrative Code, initiated debarment proceedings against Providence Foundation of San Francisco ("Providence") on May 6, 2024; and

WHEREAS, The debarment proceedings involve underpayment of employees, reimbursement to the City for work that was not done, and other failures to comply with grant agreements and the San Francisco Municipal Codes; and

WHEREAS, Providence has admitted that its prior management engaged in "willful misconduct," as that term is defined by Chapter 28 of the San Francisco Administrative Code and has delivered to the City, as a condition precedent to submission by the City Attorney of

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the settlement agreement for approval by the Board of Supervisors, the	first payment of
\$105,000 due to the City; and	

WHEREAS, Providence has begun the process of delivering payments to employees who were underpaid by Providence's prior management; and

WHEREAS, The City Attorney, the Department of Homelessness and Supportive Housing, and the Office of Labor Standards and Enforcement have recommended settlement of the debarment proceedings by accepting immediate payment from Providence of \$105,000, payment of \$480,724.75 to affected employees, and payment of \$414,275.75 to the City over five years; and

WHEREAS, Additional material terms of the settlement include rescission of the existing suspension order issued against Providence upon delivery of certain payments, and agreement to a Five-Year Suspended Debarment Order that would only be entered upon violation of the settlement agreement; now, therefore, be it

RESOLVED, That pursuant to Administrative Code, Section 10.24, the Board of Supervisors hereby authorizes the City Attorney to settle and compromise the debarment proceeding for \$1,000,000, with \$480,724.25 distributed to affected employees, and the remainder returning to the City, and rescinding the existing suspension order issued against Providence upon delivery of certain payments, and agreement to a Five-Year Suspended Debarment Order that would only be entered upon violation of the settlement agreement; and, be it

FURTHER RESOLVED, That the Board of Supervisors hereby authorizes the City Attorney to take further actions in connection with the settlement and the debarment proceedings as necessary to achieve the purposes described in this Resolution.

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1	APPROVED:	RECOMMENDED:
2	DAVID CHIU	DEDARTMENT OF HOMELESSNIESS AND
3	City Attorney	DEPARTMENT OF HOMELESSNESS AND SUPPORTIVE HOUSING
4	/s/ KESLIE STEWART	101
5	Chief of Public Integrity and Investigations	/s/ SHIREEN MCSPADDEN Executive Director
6		Executive Director
7		
8		RECOMMENDED
9 10		OFFICE OF LABOR STANDARDS AND ENFORCEMENT
11		101
12		/s/ PATRICK MULLIGAN Director
13		Director
14		
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