



OFFICE OF THE CONTROLLER
CITY AND COUNTY OF SAN FRANCISCO

Ben Rosenfield
Controller
Todd Rydstrom
Deputy Controller

August 24, 2023

The Honorable Anne-Christine Massullo
Presiding Judge, Superior Court of California, County of San Francisco
400 McAllister Street, Room 008
San Francisco, CA 94102

Dear Judge Massullo:

The following is in response to the 2022-2023 Civil Grand Jury report, *Hitting the Performance Bullseye: Contracting for Better Outcomes in Homelessness Services (June 28, 2023)*. In accordance with California Penal Code §933, our response is being submitted to the Presiding Judge.

Thank you for the opportunity to comment on this Civil Grand Jury report. If you have any questions, please contact me at Todd.Rydstrom@sfgov.org.

Respectfully submitted,

Todd Rydstrom /s/
Deputy Controller

cc: Ben Rosenfield, Controller
Mark de la Rosa, Director of Audits
Claire Stone, Manager of Special Projects and Key Initiatives
Anatolia Lubos, Civil Grand Jury Analyst
Stephanie Cabrera, Board of Supervisors Clerk

| # | Finding | Respondent Assigned by CGJ | Response | Response Text |
|----|---|--|------------------------|--|
| | | | Agree with the finding | No explanation needed |
| | | | Disagree, partially | Specify portion disputed and reason |
| | | | Disagree, wholly | Specify disputation and reason |
| F1 | Inconsistent use of specific results-based outcome measures in contracts and grants impairs the Department of Homelessness and Supportive Housing's ability to measure and evaluate the success of its programs and the performance of the CBOs who provide homelessness services. | MYR, CON, HSH, Homelessness Oversight Commission | Agree with the finding | The Controller's Office concurs that when departments have inconsistent use of outcome measures in their contract it can impair a department's ability to measure success. |
| F2 | Insufficient on-site program monitoring limits HSH's ability to evaluate and support CBOs and improve contract performance. | MYR, CON, HSH, Office of Contracts Admin. | Agree with the finding | The Controller's Office has not conducted a review of HSH's monitoring practices and cannot speak to whether there was sufficient on-site monitoring conducted by that department in the past. However, the Controller's Office will be developing guidelines and standards for performance monitoring of nonprofit contractors in the coming year, including guidelines for on-site monitoring practices by City departments. |
| F3 | The existing City Performance Scorecard for Homelessness Benchmarking does not adequately track progress in reducing homelessness within specific subpopulations over time, including the chronically homeless, which limits HSH's ability to credibly assess and publicly report its progress toward achieving its strategic goals for these subpopulations. | MYR, CON, HSH, ADM | Disagree, partially | <p>The Controller's Office <u>Scorecards</u> are designed to provide timely information on the efficiency of San Francisco government services. Scorecards choose a few key indicators to provide a high-level view of a department's performance over time. This product is not intended to illustrate all of a department's goals and outcomes but can be used to spotlight high-priority measures, as relevant to the department.</p> <p>The Controller's Office <u>Benchmarking</u> products are designed to compare areas of San Francisco government to other peer jurisdictions. The Controller's Office published the Homelessness Benchmarking Report on July 26, 2023, which compares population and inventory of services across 17 peers between 2019 and 2022.</p> <p>Annual <u>Performance Measures</u> can be defined by a department to align to both the strategic and operational goals that department outlines in its strategic plan. This tool may be the preferred option to support the Department of Homelessness and Supportive Housing to monitor its progress toward achieving specific results with priority populations. The Controller's Office publishes an "Annual Performance Report" which documents annual measures and spotlighted trends each fall.</p> |

| # | Recommendation | Respondent Assigned by CGJ | Response | Response Text |
|---------------|---|--|--------------------------|--|
| | | | Has been implemented | Summary regarding implemented action |
| | | | Will be implemented | Timeframe for implementation |
| | | | Require further analysis | Explain scope and parameter of analysis, timeframe (should not exceed 6-months) |
| | | | Will not be implemented | Explain thereof |
| R1.1 [for F1] | By the end of Fiscal Year 2024, HSH, working with the Controller's Office and the Homelessness Oversight Commission, should develop a set of contract performance outcomes that will be consistently applied across all contracts for the provision of homelessness services and that will link directly to HSH's Home By the Bay strategic goals. | MYR, CON, HSH, Homelessness Oversight Commission, Office of Contracts Admin. | Will be implemented | The Department of Homelessness and Supportive Housing is working with consultants on the goals of this recommendation presently. The Controller's Office staff are available to support as needed. |
| R1.2 [for F1] | By the end of Fiscal Year 2024, HSH should include, in all contracts for the provision of homelessness services, measures to facilitate tracking the outcome of the services provided across all homelessness subpopulations identified in the Home By the Bay plan, including the chronically homeless. | MYR, CON, HSH, Homelessness Oversight Commission, Office of Contracts Admin. | Will be implemented | The Controller's Office will be developing guidelines and standards for performance monitoring of nonprofit contractors in the coming year, including guidelines for on-site monitoring practices by City departments, and standards for the types of performance measures departments should apply. It may not be feasible for City departments to implement these standards within the timeline of this recommendation. |
| R2 [for F2] | By the end of FY24, HSH, working with the Controller's office, should develop standards for program and contract monitoring designed to increase on-site program monitoring; improve evaluation of, collaboration with, and support for CBOs; and minimize burdens on CBOs by consolidating overall contract and program monitoring visits from multiple agencies to the extent possible. | MYR, CON, HSH, Office of Contracts Admin. | Will be implemented | The Controller's Office will be developing guidelines and standards for performance monitoring of nonprofit contractors in the coming year, including guidelines for on-site monitoring practices by City departments, and standards for the types of performance measures departments should apply. It may not be feasible for City departments to implement these standards within the timeline of this recommendation. |
| R3 [for F3] | By the end of FY24, HSH, working with the City Controller and the City Administrator, should augment the City Performance Scorecard for Homelessness Benchmarking to provide regular reports on progress made in reducing homelessness for all subpopulations of homeless identified in the Home By the Bay strategic plan, including the chronically homeless. | MYR, CON, HSH, ADM | Require further analysis | <p>The Controller's Office <u>Scorecards</u> are designed to provide timely information on the efficiency of San Francisco government services. Scorecards choose a few key indicators to provide a high-level view of a department's performance over time. This product is not intended to illustrate all of a department's goals and outcomes but can be used to spotlight high-priority measures, as relevant to the department.</p> <p>The Controller's Office <u>Benchmarking</u> products are designed to compare areas of San Francisco government to other peer jurisdictions. The Controller's Office published the Homelessness Benchmarking Report on July 26, 2023, which compares population and inventory of services across 17 peers between 2019 and 2022.</p> <p>Annual <u>Performance Measures</u> can be defined by a department to align to both the strategic and operational goals that department outlines in its strategic plan. This tool may be the preferred option to support the Department of Homelessness and Supportive Housing to monitor its progress toward achieving specific results with priority populations. The Controller's Office publishes an "Annual Performance Report" which documents annual measures and spotlighted trends each fall.</p> |