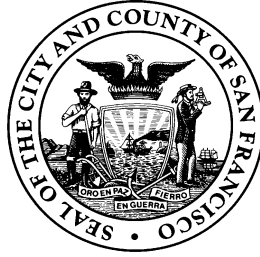


BOARD of SUPERVISORS



City Hall  
1 Dr. Carlton B. Goodlett Place, Room 244  
San Francisco 94102-4689  
Tel. No. 554-5184  
Fax No. 554-5163  
TDD/TTY No. 554-5227

## MEMORANDUM

GOVERNMENT AUDIT AND OVERSIGHT COMMITTEE

SAN FRANCISCO BOARD OF SUPERVISORS

TO: Supervisor Gordon Mar, Chair  
Government Audit and Oversight Committee

FROM: John Carroll, Assistant Clerk

DATE: July 11, 2019

SUBJECT: **COMMITTEE REPORT, BOARD MEETING**  
Tuesday, July 16, 2019

The following file should be presented as a COMMITTEE REPORT at the regular Board meeting, Tuesday, July 16, 2019. This resolution was acted upon at the special Government Audit and Oversight Committee meeting on Thursday, July 11, 2019, at 3:00 p.m., by the votes indicated.

**Item No. 54**                      **File No. 190735**

**Resolution retroactively authorizing the Department of Children, Youth, and Their Families to enter into a Memorandum of Understanding with the San Francisco Community College District for the City to provide financial support to the Free City College program for the period between July 1, 2019, and June 30, 2029, subject to the budgetary and fiscal provisions of the Charter.**

RECOMMENDED AS AMENDED AS A COMMITTEE REPORT

Vote: Supervisor Gordon Mar - Aye  
Supervisor Vallie Brown - Aye  
Supervisor Aaron Peskin - Aye

Cc: Board of Supervisors  
Angela Calvillo, Clerk of the Board  
Alisa Somera, Legislative Deputy  
Jon Givner, Deputy City Attorney

File No. 190735

Committee Item No. 4

Board Item No. 54

## COMMITTEE/BOARD OF SUPERVISORS

### AGENDA PACKET CONTENTS LIST

Committee: Government Audit and Oversight

Date: July 11, 2019

Board of Supervisors Meeting:

Date: July 16, 2019

#### Cmte Board

- |                                     |                                     |  |
|-------------------------------------|-------------------------------------|--|
| <input type="checkbox"/>            | <input type="checkbox"/>            | Motion                                       |
| <input checked="" type="checkbox"/> | <input checked="" type="checkbox"/> | Resolution - VERSION 2                       |
| <input type="checkbox"/>            | <input type="checkbox"/>            | Ordinance                                    |
| <input type="checkbox"/>            | <input type="checkbox"/>            | Legislative Digest                           |
| <input type="checkbox"/>            | <input type="checkbox"/>            | Budget and Legislative Analyst Report        |
| <input type="checkbox"/>            | <input type="checkbox"/>            | Youth Commission Report                      |
| <input type="checkbox"/>            | <input type="checkbox"/>            | Introduction Form                            |
| <input type="checkbox"/>            | <input type="checkbox"/>            | Department/Agency Cover Letter and/or Report |
| <input type="checkbox"/>            | <input type="checkbox"/>            | MOU  |
| <input type="checkbox"/>            | <input type="checkbox"/>            | Grant Information Form                       |
| <input type="checkbox"/>            | <input type="checkbox"/>            | Grant Budget                                 |
| <input type="checkbox"/>            | <input type="checkbox"/>            | Subcontract Budget                           |
| <input type="checkbox"/>            | <input type="checkbox"/>            | Contract/Agreement                           |
| <input type="checkbox"/>            | <input type="checkbox"/>            | Form 126 – Ethics Commission                 |
| <input type="checkbox"/>            | <input type="checkbox"/>            | Award Letter                                 |
| <input type="checkbox"/>            | <input type="checkbox"/>            | Application                                  |
| <input type="checkbox"/>            | <input type="checkbox"/>            | Public Correspondence                        |

#### OTHER

- |                                     |                                     |  |
|-------------------------------------|-------------------------------------|--|
| <input type="checkbox"/>            | <input type="checkbox"/>            | _____  |
| <input type="checkbox"/>            | <input type="checkbox"/>            | _____  |
| <input type="checkbox"/>            | <input type="checkbox"/>            | _____  |
| <input type="checkbox"/>            | <input checked="" type="checkbox"/> | <u>Tentative Agreement Terms - June 27, 2019</u>         |
| <input checked="" type="checkbox"/> | <input checked="" type="checkbox"/> | <u>Presidential Action Transfer Memos - July 3, 2019</u> |

Prepared by: John Carroll

Date: July 5, 2019

Prepared by: John Carroll

Date: July 11, 2019

1 [Memorandum of Understanding - Department of Children, Youth, and Their Families - San  
2 Francisco Community College District - Funding for Free City College Program]

3 **Resolution retroactively authorizing the Department of Children, Youth, and Their**  
4 **Families to enter into a Memorandum of Understanding with the San Francisco**  
5 **Community College District for the City to provide financial support to the Free City**  
6 **College program for the period between July 1, 2019, and June 30, 2029, subject to the**  
7 **budgetary and fiscal provisions of the Charter.**

8  
9 WHEREAS, Section 10.100-288 of the Administrative Code established the San  
10 Francisco City College Financial Assistance Fund (the "Fund") and an Oversight Committee  
11 that provides recommendations regarding the administration of the Fund; and

12 WHEREAS, The City entered into a Memorandum of Understanding with the San  
13 Francisco Community College District ("City College") in 2017 to provide financial assistance  
14 to San Francisco residents attending City College (the "Free City College Program" or  
15 "Program") and appropriated over \$12,000,000 to the Fund for that purpose for the period  
16 between June 1, 2017, through June 30, 2019; and

17 WHEREAS, Through annual appropriations during the City's budget approval process,  
18 the City intends to continue to appropriate monies to the Fund for the Free City College  
19 Program, and the City has reached a tentative agreement with City College to continue  
20 funding the Program; and

21 WHEREAS, As a condition of the tentative agreement, the Board of Supervisors  
22 intends to enact an ordinance that would modify the Fund Oversight Committee by changing  
23 the membership of the Committee and make other changes to conform to the tentative  
24 agreement; and

1           WHEREAS, The City seeks to integrate an equity-focused lens to the Free City College  
2 Program through the incorporation of annual progress reports on student equity outcomes for  
3 historically underrepresented student populations; and

4           WHEREAS, The Mayor has included in the proposed annual FY2019-2020 budget an  
5 allocation of \$15,000,000 to fund the Free City College Program, and \$5,400,000 to reimburse  
6 City College for past costs associated with the Free City College Program; and

7           WHEREAS, The Department of Children, Youth, and Their Families (“Department”)  
8 and City College are working together to finalize a Memorandum of Understanding, which the  
9 two parties will sign after negotiations are complete; now, therefore, be it

10           RESOLVED, That the Department is authorized to enter into a Memorandum of  
11 Understanding with City College retroactive to July 1, 2019, concerning the Free City College  
12 Program containing the following material terms:

13           (a)     Subject to the budgetary and fiscal provisions of the Charter, the City will  
14 provide City College at least \$15,000,000 per year to fund the Free City College Program for a  
15 ten-year period beginning on July 1, 2019, and ending on June 30, 2029;

16           (b)     Subject to the budgetary and fiscal provisions of the Charter, the City will  
17 provide City College the following annual allocations to fund the Free City College program:  
18 \$15,000,000 for FY2019-2020; \$15,700,000 for FY2020-2021; \$16,400,000 for FY2021-2022;  
19 and for FYs 2022-2023 through 2028-29, the Controller will annually adjust the funding  
20 allocation to account for changes in the consumer price index using \$16,400,000 as a  
21 baseline;

22           (c)     Subject to the budgetary and fiscal provisions of the Charter, the City will  
23 provide City College an additional \$5,400,000 in FY2019-2020 to reimburse City College for  
24 past costs associated with the Free City College Program;

1 (d) City College will use funds allocated by the City to the Free City College  
2 Program to fund enrollment fees (\$46 per unit) and/or offset educational expenses for all  
3 enrolled San Francisco residents; this funding could be in addition to any other financial  
4 assistance that the student may receive; and notwithstanding the foregoing, City College may  
5 use excess funds remaining in the annual allocation after funding enrollment fees and/or  
6 offsetting educational expenses to cover administrative costs associated with the Free City  
7 College Program with the Department's approval;

8 (e) Any unexpended funds remaining after funding enrollment fees and/or offsetting  
9 educational expenses and agreed-upon administrative costs in a given fiscal year shall be  
10 treated as follows: for FYs 2019-2020 through 2022-2023, such funds will be transferred to  
11 the existing reserve account for the Free City College Program; for FYs 2023 through 2028-  
12 2029, 50% of such unexpended funds will be transferred to the City, and 50% will be  
13 transferred to the reserve account, provided that the total funds in the reserve account will not  
14 exceed 50% of the total funding allocation for the fiscal year following the transfer of funds into  
15 the reserve;

16 (f) City College will maintain accurate records documenting its use of the funds  
17 provided by the City for the Free City College Program; an auditor selected by the Controller  
18 will conduct an annual audit of the Free City College Program, funded by City's annual  
19 allocation to the Program as an approved administrative cost of the Program; and the auditor  
20 will deliver an annual audit report to the Oversight Committee;

21 (g) Any subsequent expansion or adjustment of the MOU will be by mutual  
22 agreement of the City and City College after recommendations from the Oversight Committee;  
23 and be it

24 FURTHER RESOLVED, That in addition to the material terms identified in this  
25 Resolution, the Department is authorized to include in such Memorandum of Understanding or

1 in any amendment or modification to such Memorandum of Understanding, in consultation  
2 with the City Attorney, any terms that are in the best interest of the City, do not otherwise  
3 materially increase the obligations or liabilities of the City or materially conflict with the terms  
4 identified above, are necessary or advisable to effectuate the purposes of the Memorandum  
5 of Understanding, and are in compliance with all applicable laws; and be it

6           FURTHER RESOLVED, That within 30 days of the execution of the Memorandum of  
7 Understanding, the Department shall provide the executed Memorandum of Understanding to  
8 the Clerk of the Board for inclusion in the official file.

9  
10 n:\govern\as2019\9690082\01373891.docx

**Tentative Summary Agreement on Free City**  
**Between the City of San Francisco and City College of San Francisco**

**REFERENCE**

**ITEM NO: 181206-III-Resolution of Support for Free City Charter Amendment, December 6, 2018**

“The Board of Trustees of City College of San Francisco supports the Free City Charter Amendment now before the San Francisco Board of Supervisors **with the proviso that the program be improved for our students and provides the flexibility necessary for the successful administration of the program.**”

*Recommended by Chancellor Mark Rocha; Moved and Seconded: Thea Selby, Ivy Lee.*

*Approved by the Board of Trustees 12/6/2018*

**Tentative Summary Agreement**

At its Board of Trustees meeting on June 27th the Chancellor will recommend approval of the Tentative Summary Agreement with the City and County of San Francisco below. The Chancellor will submit for approval a successor resolution to rescind Item #181206-III above and to substitute a new resolution of support to withdraw the charter amendment per this agreement between the City of San Francisco and City College:

**I. PROGRAM FUNDING**

1. **MOU**. The MOU between the City and County of San Francisco and City College of San Francisco shall take effect, July 1, 2019.
2. **Base Funding**. The Free City Program will be funded by the City for a base level of at least \$15M per year for ten years, beginning with FY 2020 that begins on July 1, 2019.
3. **Annual Base Funding Increases**. Per the current Charter Amendment language, the annual funding will be: Year 1 - \$15M; Year 2 - \$15.7M; Year 3 - \$16.4M; years 4-10 - \$16.4M plus the CPI factor.
4. **Prior Years Cost Reimbursement to City College**. The City will fund City College the amount of \$5.4M to reimburse the college for previous out-of-pocket costs, payable September 1, 2019.
5. **Budgeted Funding**. The annual funding of Free City will be an annual budgeted transfer to City College.
6. **Reserve Fund**. The purpose of the reserve is to fund certified San Francisco residents in the event that the total costs exceeds the annual baseline funding in a given year. For years 1-4 of the MOU all unspent funds will be returned to the current reserve account. For years 5-10, any unspent funds shall be returned half to the City and half to the reserve. The parties agree that the reserve fund will not grow above 50% of the baseline funding for the following year.
7. **Adjustments and Changes in the MOU**. The parties agree to an annual review to consider expansion and adjustments to the Free City Program MOU. Any expansion and/or adjustment to the program would be by mutual agreement of the City and City College. In the event of an agreed upon expansion, the first source of funds would be the Free City reserve fund.
8. **Independent Audit**. All costs will be fully documented and verified by an independent audit funded by the Free City budget.

Thursday, June 27, 2019

## II. PROGRAM OPERATIONS

1. SF Resident Student Entitlement. Fully fund enrollment fees (\$46 per unit) for all enrolled SF residents for Fall/Spring/Summer semesters. Free City is an entitlement program for SF residents, rather than a conditional financial aid program. The funding for each student is in addition to any other financial aid for which the student qualifies.
2. FAFSA. All funded students will therefore be encouraged but not required to complete a FAFSA and apply for financial aid.
  - City College will document counseling, outreach and support services to achieve the goal of increasing the number of students applying for financial aid and completing the FAFSA.
  - While a completed FAFSA is not required to apply and receive Free City tuition fee funding, CCSF will continue financial aid outreach to increase the number of Free City students applying for financial aid.
3. City College Administrative Costs. After all SF registered students have received Free City tuition funding, CCSF may use funding provided by this MOU for approved administrative costs associated with the program, up to the agreed upon annual budget. These costs are to be documented in the annual independent audit.

## III. PROGRAM OVERSIGHT

1. The Free City MOU Oversight Committee will have thirteen members. The co-chairs of this committee will be the Mayor, or Mayor's designee; and the President of the CCSF Board of Trustees, or designee.
  - a. The thirteen additional members will be:
    - i. Two current City College students; one appointed by Mayor, one appointed by BOS.
    - ii. A member of the Board of Supervisors, or designee.
    - iii. A representative of SFUSD.
    - iv. The City of SF Controller, or designee.
    - v. A DCYF staff member
    - vi. A City College administrator responsible for the program at the college.
    - vii. One City College faculty member and one City College classified staff member appointed by the City College Board president.
    - viii. The City College student trustee as *ex officio* member.
2. The independent auditor will be selected by the City of SF Controller and will deliver an annual audit report to the Oversight Committee.
3. Annual Reports to the Oversight Committee:
  - a. The independent auditor will provide a financial audit report;
  - b. The Chancellor of City College, or designee, will provide an annual report to the Oversight Committee that will include a response to the financial audit.
  - c. The Chancellor of City College, or designee, will provide an annual progress report on student success outcomes and student equity outcomes.



Thursday, June 27, 2019

For City College of San Francisco

For the City and County of San Francisco

*Recommended to the Board of Trustees  
June 27, 2019*

---

Dr. Mark W. Rocha, Chancellor

*Approved by the Board of Trustees  
June 27, 2019*

---

Alex Randolph, President, Board of Trustees

JB  
egrep  
eg Clerk  
GAB Clerk

Member, Board of Supervisors  
District 4



City and County of San Francisco

**GORDON MAR**  
馬兆明

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DATE: July 8, 2019

TO: Angela Calvillo  
Clerk of the Board of Supervisors

FROM: Supervisor Mar   
Chairperson

RE: Government Audit and Oversight Committee  
COMMITTEE REPORT

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RECEIVED  
BOARD OF SUPERVISORS  
SAN FRANCISCO  
2019 JUL 11 AM 9:52  
BY: 

Pursuant to Board Rule 4.20, as Chair of the Government Audit and Oversight Committee, I have deemed the following matter is of an urgent nature and request it be considered by the full Board on Tuesday, July 16, 2019, as a Committee Report:

**File No. 190735 [Memorandum of Understanding - Department of Children, Youth, and Their Families - San Francisco Community College District - Funding for Free City College Program]**  
Resolution authorizing the Department of Children, Youth, and Their Families to enter into a Memorandum of Understanding with the San Francisco Community College District for the City to provide financial support to the Free City College program for the period between July 1, 2019, and June 30, 2029, subject to the budgetary and fiscal provisions of the Charter.

This matter will be heard in the Government Audit and Oversight Committee during a special meeting on July 11, 2019, at 3:00 p.m.

JS-4  
DB, Ades  
10/23 GAO  
10/23 Leg Rep  
Playoffs Office  
Rep City Hall

President, District 7  
BOARD of SUPERVISORS



City Hall  
1 Dr. Carlton B. Goodlett Place, Room 244  
San Francisco, CA 94102-4689  
Tel. No. 554-6516  
Fax No. 554-7674  
TDD/TTY No. 544-6546

Norman Yee

**PRESIDENTIAL ACTION**

Date: 7/3/2019

To: Angela Calvillo, Clerk of the Board of Supervisors

Madam Clerk,  
Pursuant to Board Rules, I am hereby:

Waiving 30-Day Rule (Board Rule No. 3.23)

File No. [redacted] [redacted]  
(Primary Sponsor)

Title. [redacted]

Transferring (Board Rule No 3.3)

File No. 190735 Mayor  
(Primary Sponsor)

Title. Memorandum of Understanding - Department of Children, Youth, and  
Their Families - San Francisco Community College District - Funding

From: Rules Committee  
To: Government Audit & Oversight Committee

Assigning Temporary Committee Appointment (Board Rule No. 3.1)

Supervisor [redacted]  
Replacing Supervisor [redacted]  
For: [redacted] Meeting  
(Date) (Committee)

Norman Yee, President  
Board of Supervisors

205-11  
208, Pides  
Rules Clerk  
Leg Dep, Mayor's  
Office, Dep City Atty

President, District 7  
BOARD of SUPERVISORS



City Hall  
1 Dr. Carlton B. Goodlett Place, Room 244  
San Francisco, CA 94102-4689

Tel. No. 554-6516  
Fax No. 554-7674  
TDD/TTY No. 544-6546

Norman Yee

**PRESIDENTIAL ACTION**

Date: 7/2/2019

To: Angela Calvillo, Clerk of the Board of Supervisors

Madam Clerk,  
Pursuant to Board Rules, I am hereby:

Waiving 30-Day Rule (Board Rule No. 3.23)

File No. [redacted] (Primary Sponsor)

Title. [redacted]

Transferring (Board Rule No 3.3)

File No. 190735 Mayor (Primary Sponsor)

Title. Memorandum of Understanding - Department of Children, Youth, and Their Families - San Francisco Community College District - Funding

From: Government Audit & Oversight Committee

To: Rules Committee

Assigning Temporary Committee Appointment (Board Rule No. 3.1)

Supervisor [redacted]

Replacing Supervisor [redacted]

For: [redacted] Meeting  
(Date) (Committee)

*Norman Yee*

Norman Yee, President  
Board of Supervisors

RECEIVED  
BOARD OF SUPERVISORS  
SAN FRANCISCO  
2019 JUL -2 PM 1:05  
BY [signature]





SK

TO: Angela Calvillo, Clerk of the Board of Supervisors  
FROM: Sophia Kittler  
RE: Authority to Enter Into Memorandum of Understanding - San Francisco  
Community College District - Funding for Free City College Program  
DATE: Tuesday, June 25, 2019

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**Resolution authorizing the Department of Children, Youth, and Their Families to enter into a Memorandum of Understanding with the San Francisco Community College District for the City to provide financial support to the Free City College program for the period between July 1, 2019 and June 30, 2029, subject to the budgetary and fiscal provisions of the Charter.**

Please note that Supervisor Mar is a co-sponsor of this legislation.

Should you have any questions, please contact Sophia Kittler at 415-554-6153.

RECEIVED  
BOARD OF SUPERVISORS  
SAN FRANCISCO  
2019 JUN 25 PM 4:41  
BY [Signature]