

File No. 240067

Committee Item No. 3

Board Item No. \_\_\_\_\_

## COMMITTEE/BOARD OF SUPERVISORS

### AGENDA PACKET CONTENTS LIST

Committee: Government Audit and Oversight

Date: February 15, 2024

Board of Supervisors Meeting:

Date: \_\_\_\_\_

#### Cmte Board

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- Youth Commission Report
- Introduction Form
- Department/Agency Cover Letter and/or Report
- MOU - FY2022-2024 - Clean
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- Grant Information Form
- Grant Budget
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- Contract / DRAFT Mills Act Agreement
- Form 126 – Ethics Commission
- Award Letter
- Application
- Public Correspondence

#### OTHER

- SF Safe Assessment Report 011824
- FYI Referral 020224
- \_\_\_\_\_
- \_\_\_\_\_
- \_\_\_\_\_
- \_\_\_\_\_
- \_\_\_\_\_

Prepared by: Monique Crayton

Date: February 9, 2024

Prepared by: \_\_\_\_\_

Date: \_\_\_\_\_

Prepared by: \_\_\_\_\_

Date: \_\_\_\_\_

**Introduction Form**

(by a Member of the Board of Supervisors or the Mayor)

RECEIVED  
BOARD OF SUPERVISORS  
SAN FRANCISCO  
2024 JAN 23 PM 3:20

I hereby submit the following item for introduction (select only one):

- 1. For reference to Committee (Ordinance, Resolution, Motion or Charter Amendment)
- 2. Request for next printed agenda (For Adoption Without Committee Reference)  
*(Routine, non-controversial and/or commendatory matters only)*
- 3. Request for Hearing on a subject matter at Committee
- 4. Request for Letter beginning with "Supervisor \_\_\_\_\_ inquires..."
- 5. City Attorney Request
- 6. Call File No. \_\_\_\_\_ from Committee.
- 7. Budget and Legislative Analyst Request (attached written Motion)
- 8. Substitute Legislation File No. \_\_\_\_\_
- 9. Reactivate File No. \_\_\_\_\_
- 10. Topic submitted for Mayoral Appearance before the Board on \_\_\_\_\_

The proposed legislation should be forwarded to the following (please check all appropriate boxes):

- Small Business Commission     Youth Commission     Ethics Commission
- Planning Commission     Building Inspection Commission     Human Resources Department

General Plan Referral sent to the Planning Department (proposed legislation subject to Charter 4.105 & Admin 2A.53):

- Yes                       No

*(Note: For Imperative Agenda items (a Resolution not on the printed agenda), use the Imperative Agenda Form.)*

Sponsor(s):

Aaron Peskin


Subject:

Hearing on the Controller's report on the assessment of invoices of San Francisco SAFE (SF SAFE)

Long Title or text listed:

Hearing on the Controller's report on the assessment of invoices reviewed under a grant agreement between the San Francisco Police Department and San Francisco SAFE (SF SAFE); and requesting the Controller's Office, the San Francisco Police Department, Mayor's Office of Economic Workforce Development, and SF SAFE Board of Directors to report.

Signature of Sponsoring Supervisor:






# OFFICE OF THE CONTROLLER

## CITY AND COUNTY OF SAN FRANCISCO

Ben Rosenfield  
Controller  
Todd Rydstrom  
Deputy Controller

### MEMORANDUM

**TO:** President and Commissioners  
San Francisco Police Commission  
  
William Scott, Chief of Police  
San Francisco Police Department

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

**DATE:** January 18, 2024

**SUBJECT:** **The San Francisco Police Department Did Not Adequately Review Expenses and Subsequently Approved Ineligible or Unsupported Expenses Incurred Under Its Grant Agreement With SF SAFE**

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### EXECUTIVE SUMMARY

At the request of the San Francisco Police Department (Police Department), the Office of the Controller (Controller), City Services Auditor (CSA), Audits Division, presents its memorandum on its review of invoices under a five-year grant agreement between the Police Department and San Francisco SAFE (SF SAFE). We conducted this assessment in conjunction with the Office of the City Attorney (City Attorney). The grant agreement expired on June 30, 2023.

The assessment concluded that the Police Department did not adequately review invoices or supporting documentation to determine whether the expenditures incurred by and reimbursed to SF SAFE are allowable under the grant agreement. Based on our analysis of a sample of \$910,000 in grant funds paid to SF SAFE for crime prevention education services from July 2022 through March 2023, we found at least \$79,655 (9 percent) was spent on ineligible and/or excessive expenses, including those for luxury gift boxes, a Lake Tahoe symposium trip, recurring parking fees/permits, and ride-hailing services. The total amount of ineligible and/or excessive expenses for the entire term of the grant agreement is likely significantly higher than what we found for our nine-month assessment period.

We recommend that the Police Department review all invoices submitted under its grant agreement with SF SAFE to determine whether SF SAFE billed for expenses that are unallowable under the agreement and recover any amounts found to be incorrectly paid to SF SAFE.

## BACKGROUND, OBJECTIVE & METHODOLOGY

### Background

The Police Department contracts with SF SAFE, a nonprofit organization, to provide community-based crime prevention and education services to San Francisco residents and employees. CSA tested invoices that SF SAFE submitted for reimbursement to the Police Department under a now-expired<sup>1</sup> grant agreement, which had a total not-to-exceed amount of \$5,332,791, as shown in Exhibit 1.

#### Exhibit 1: Reimbursements to SF SAFE, July 2018 through March 2023

| Service Performed                               | Reimbursed Amount  |
|---|--------------------|
| Crime Prevention Education Services             | \$4,550,000        |
| Rent and Tenant Improvements                    | 372,093            |
| D10 Safety Plan                                 | 300,000            |
| SafeCity Crime Prevention Cameras – West Portal | 50,000             |
| SafeCity Crime Prevention Cameras – Irving      | 25,000             |
| Castro Community on Patrol                      | 20,562             |
| Richmond National Night Out                     | 15,136             |
| <b>Total</b>                                    | <b>\$5,332,791</b> |

Source: Police Department

The Police Department's current agreement with SF SAFE has a not-to-exceed amount of \$1,076,122 and a term of one year, from July 1, 2023, through June 30, 2024, with an option to extend the term for up to four additional years.

### Objective

At the Police Department's request and in conjunction with the City Attorney, CSA reviewed the grant funds spent by SF SAFE under its grant agreement with the Police Department to provide crime prevention and education services. The scope of our assessment was limited to expense reimbursements and did not include a test of whether SF SAFE achieved the program deliverables outlined in the grant agreement.

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<sup>1</sup> After two, one-year extensions, the grant agreement's term was July 1, 2018, through June 30, 2023.

## Methodology

To achieve the objective, we:

- Reviewed the Police Department's grant agreement with SF SAFE and supporting documentation provided by SF SAFE to the Police Department.
- Reviewed the scope of work outlined in the Police Department's request for proposal and in SF SAFE's written proposal.
- With City Attorney investigators, interviewed SF SAFE's executive director. SF SAFE was represented at the meeting by legal counsel, Dylan Hackett.
- Analyzed \$976,741 in SF SAFE's accounting records (general ledger) and \$910,000 in amounts reimbursed from July 1, 2022, through March 31, 2023, for crime prevention education services.
- Conducted detailed sample testing of \$910,000 in grant funds spent by SF SAFE from July 1, 2022, through March 31, 2023, on crime prevention education services, based on accounting records and any invoices SF SAFE provided, to determine whether expenditures were allowed by the grant agreement and were reasonable.

This assessment is for a nonaudit service. Generally accepted government auditing standards do not cover nonaudit services, which are defined as professional services other than audits or attestation engagements. Therefore, the Police Department is responsible for the substantive outcomes of the work performed during this assessment and is responsible to be in a position, in fact and appearance, to make an informed judgment on the results of the nonaudit service.

## RESULTS

**Observation – The Police Department does not regularly request or review supporting documentation from SF SAFE to ensure that its invoices include only eligible expenses. SF SAFE spent at least \$79,655 in grant funds on various ineligible and/or excessive expenses that are inconsistent with the grant agreement's purpose.**

By analyzing supporting documentation provided by the Police Department, we found that the Police Department does not regularly request or review supporting documentation to ensure that SF SAFE's invoices include only expenses that are eligible under the grant agreement. Until SF SAFE provided additional supporting documentation for our assessment, the Police Department did not have documentation to support \$3,822,228 (72 percent) of the \$5,332,791 spent by and reimbursed to SF SAFE from July 2018 through March 2023. Further, according to the Police Department, although it reviews a sample of SF SAFE's expenditures during its annual monitoring site visit, the Police Department has not conducted monitoring since 2019 due to limited resources. Thus, without our assessment, the Police Department would have been unable to identify the ineligible expenses we identified.

By analyzing accounting records and invoices provided for a sample of expenses reimbursed from July 1, 2022, through March 31, 2023, for crime prevention education services, we found that SF SAFE spent \$79,655 (9 percent) of \$910,000 on ineligible and/or excessive expenses. These expenses included the cost of luxury gift boxes, a Lake Tahoe symposium trip, recurring parking fees, and ride-hailing services. According to the grant agreement, “personal or business-related costs or expenses related to meals, catering, transportation, lodging, fundraising or education activities” are ineligible expenditures. SF SAFE’s ineligible and/or excessive expenses are summarized in the sections below.

***Luxury Gift Boxes for Community Police Advisory Board Symposium and Other Community Events***

On October 22, 2022, SF SAFE hosted a citywide Community Police Advisory Board (CPAB) Symposium and provided some attendees with gift boxes and raffle prizes. At least 100 people attended the symposium, including Police Department and District Attorney employees and CPAB members. SF SAFE provided a cost breakdown of the \$32,482 it spent for 200 gift boxes for the symposium purchased from Olive Grey and Company, a known vendor of curated luxury gift boxes. Each gift box cost \$162 and contained items such as Silver Needle Tea, a portfolio, and a mug. However, SF SAFE requested partial reimbursement (and was reimbursed by the Police Department) \$8,120 for the CPAB symposium. The Police Department also reimbursed SF SAFE for \$5,180 in valet parking fees it incurred at the CPAB symposium, which is mentioned in Exhibit 4.

On February 25, 2023, a Black History Month and Lunar New Year Celebration event was held at the Visitacion Valley neighborhood. SF SAFE provided a cost breakdown of the \$228,105 that was spent on Olive Grey and Company gift boxes for this event. Each gift box cost approximately \$152 and contained items such as loose tea, a tea infuser, pins, keychains, and snacks. However, SF SAFE only requested (and was reimbursed by the Police Department) \$25,000 for the event.

Exhibit 2 summarizes the expenses SF SAFE requested reimbursement, and was reimbursed for, due to purchases it made from Olive Grey and Company.

**Exhibit 2: Reimbursements to SF SAFE for luxury gift boxes**

| Expense Description  | Vendor Name            | Amount          |
|--|------------------------|-----------------|
| Luxury Gift Boxes for Black History Month and Lunar New Year Celebration Event | Olive Grey and Company | \$25,000        |
| Luxury Gift Boxes for CPAB Symposium   | Olive Grey and Company | 8,120           |
| Unknown Purchases  | Olive Grey and Company | 2,921           |
| <b>Total</b>   |                        | <b>\$36,041</b> |

Source: SF SAFE

### *California Crime Prevention Officers' Association Symposium at Lake Tahoe*

SF SAFE spent \$14,525 for its employees to attend a training symposium hosted by the California Crime Prevention Officers' Association (CCPOA) at a resort hotel in South Lake Tahoe, California, for four days in September 2022. SF SAFE did not provide any documentation to support the expenses it incurred to have staff attend this event, except for the executive director's registration fee of \$350. Further, SF SAFE spent an excessive amount—\$12,299—on lodging (\$7,367) and transportation including limo services (\$4,933). Although the symposium was held at a hotel that had an estimated room cost of approximately \$129 per night, SF SAFE staff stayed in another hotel nearby, incurring lodging costs of \$7,367. Because SF SAFE did not provide the supporting documents to verify its hotel expenses, we could not determine the breakdown of the costs and do not know if SF SAFE spent more on lodging than it would have at the hotel where the symposium was held.

Exhibit 3 summarizes the expenses SF SAFE incurred, and was reimbursed for, to attend this event.

#### **Exhibit 3: Reimbursements to SF SAFE for September 2022 Lake Tahoe symposium expenses**

| <b>Expense Description</b>                                   | <b>Vendor Name(s)</b>            | <b>Amount</b>   |
|--|----------------------------------|-----------------|
| Hotel in South Lake Tahoe, California                        | Hotel Azure                      | \$7,367         |
| Roundtrip Limo Services                                      | Mgl Limo                         | 4,514           |
| Membership/Registration Fees to CCPOA                        | CCPOA                            | 2,225           |
| Taxis in South Lake Tahoe, California, and Stateline, Nevada | Tahoe Taxi / Roberto Taxi / Taxi | 419             |
| <b>Total</b>   |                                  | <b>\$14,525</b> |

Source: SF SAFE

### *Parking Expenses*

During the nine-month period we reviewed, SF SAFE spent \$21,863 on recurring and non-recurring parking expenses. SF SAFE had at least three recurring parking expenses, totaling \$11,270, two of which are under the executive director's name and outside of San Francisco: one in San Leandro and the other in El Cerrito. SF SAFE did not provide supporting documentation for \$3,347 (20 percent) of the \$16,683 reimbursed by the Police Department for recurring parking expenses. SF SAFE also billed the Police Department for non-recurring parking expenses, including \$5,180 in valet parking services for the CPAB symposium, \$1,965 in valet parking services at an exclusive private club in San Francisco, \$1,600 at an unknown location in San Francisco, \$1,500 for parking spots at Union Square, and \$348 in other parking expenses.

Exhibit 4 summarizes the parking expenses SF SAFE incurred, and was reimbursed for, during the period we analyzed.

**Exhibit 4: Reimbursements to SF SAFE for parking expenses, July 2022 through March 2023**

| Expense Description   | Vendor Name       | Amount          |
|---|-------------------|-----------------|
| <b>Recurring Parking Expenses</b>                               |                   |                 |
| Ten Parking Spots for SF SAFE Location                          | Vera Cort         | \$9,660         |
| Monthly <b>El Cerrito del Norte</b> Parking Permit (\$105 each) | BART              | 840             |
| Monthly <b>San Leandro</b> Parking Fees (\$110 each)            | Marea Alta Garage | 770             |
| <b>Non-Recurring Parking Expenses</b>                           |                   |                 |
| Valet Parking Services for CPAB Symposium                       | ACE Parking       | 5,180           |
| Valet Parking Services at <i>The Battery</i>                    | Peninsula Parking | 1,965           |
| Parking at Unknown Location in San Francisco                    | Imperial Parking  | 1,600           |
| Six Union Square Parking Spots for February 2023                | LAZ Parking       | 1,500           |
| Other Parking Expenses  | Multiple Vendors  | 348             |
| <b>Total</b>  |                   | <b>\$21,863</b> |

Source: SF SAFE

**Ride-Hailing Services**

During the nine-month period we reviewed, SF SAFE was reimbursed for the cost of 156 rides with Lyft and Uber, some of which are for rides outside of San Francisco or California. These include rides between the executive director’s home in Richmond and San Francisco, rides to or from San Francisco International Airport, and rides in Las Vegas, Nevada, and Austin, Texas. SF SAFE did not provide supporting documentation for \$227 (4 percent) of the \$5,927 reimbursed for such rides.

Exhibit 5 summarizes the ride-hailing service expenses SF SAFE incurred and was reimbursed for during the period we analyzed.

**Exhibit 5: Reimbursements to SF SAFE for ride-hailing service expenses, July 2022 through March 2023**

| Expense Description   | Vendor Name | Amount         |
|---|-------------|----------------|
| 147 Lyft Rides, 3 Cancellation Fees, 8 Membership Subscriptions | Lyft        | \$5,769        |
| 9 Uber Rides  | Uber        | 158            |
| <b>Total</b>  |             | <b>\$5,927</b> |

Source: SF SAFE



### *Other Ineligible Personal or Office Expenses*

SF SAFE also billed \$1,299 in personal or office expenses that appear to be inconsistent with the grant agreement and may be ineligible. The actual amount of such expenses may be higher because we were not provided with all the invoices that would be needed to support the expenses incurred. Arriving at the actual total would require a thorough, line-item analysis of each invoice.

Although the grant agreement includes “stationery and office supplies” as eligible expenses, some of the supplies seem unrelated to providing community-based crime prevention and education services. For example, during the nine-month period we analyzed, SF SAFE billed the Police Department for:

- \$464 in recurring expenses for water delivery.
- \$223 for household items such as pest control products and rust stain remover.
- \$130 for Amazon prime membership.
- \$60 for an annual Costco membership.

### **Recommendation**

The San Francisco Police Department should review all invoices submitted under its grant agreement with SF SAFE to determine whether SF SAFE billed for expenses that are unallowable under the grant agreement and recover any amounts found to be incorrectly paid.

cc: Police Department  
Catherine McGuire

Controller  
Ben Rosenfield  
Todd Rydstrom  
Amanda Sobrepeña  
Selena Wong

City Attorney  
Keslie Stewart  
Maureen Robinson

SF SAFE  
Kyra Worthy  
Dylan Hackett

Board of Supervisors  
Budget Analyst  
Citizens Audit Review Board  
City Attorney  
Civil Grand Jury  
Mayor  
Public Library

# Attachment A

## Department Response



**LONDON N. BREED**  
MAYOR

CITY AND COUNTY OF SAN FRANCISCO  
**POLICE DEPARTMENT**  
HEADQUARTERS  
1245 3<sup>rd</sup> Street  
San Francisco, California 94158



**WILLIAM SCOTT**  
CHIEF OF POLICE

Friday, January 5, 2024

Mark de la Rosa  
Director of Audits  
Controller's Office  
1 Dr. Carlton B Goodlett Place  
San Francisco, CA 94102

**Re: The San Francisco Police Department Did Not Adequately Review Expenses and Subsequently Approved Ineligible or Unsupported Expenses Incurred Under Its Grant Agreement With SF SAFE**

Dear Director de la Rosa,

Thank you for providing us the opportunity to review and respond to the non-audit service assessment, "*San Francisco Police Department Did Not Adequately Review Expenses and Subsequently Approved Ineligible or Unsupported Expenses Incurred Under Its Grant Agreement With SF SAFE.*" Your work has allowed SFPD to identify and correct for risks related to our partnership with SFSAFE. Given our fiscal division's reduced capacity in the last four years, your review was welcomed and we have taken immediate steps to address SFSAFE's improper expenditures. Ineligible expenses identified in the Controller's Office's assessment will be recovered from the current year grant with SFSAFE. The Department has also taken steps to ensure only eligible costs are invoiced and paid in the future, including telling SF SAFE that it must improve its accounting practices and undergo remediation steps in partnership with the city.

In early November, SFPD Chief Financial Officer Patrick Leung conducted a monitoring visit in response to the SF SAFE findings by the Controller's Office regarding ineligible expenses. SFPD reviewed the accounting and expenditures with SF SAFE Executive Director Kyra Worthy and requested substantive financial documentation to ensure city resources were spent appropriately. SFPD CFO Patrick Leung's site visit resulted in findings that were consistent with the Controller's Office assessment. With a goal to ensure the City's resources were, and will be, properly accounted for, SFPD has completed the following steps:

1. Conducted a site visit, which resulted in several findings:
  - a. SFSAFE's general ledger for FY22-23 showed a total of \$1.58M in eligible expenses. SFSAFE's grant authority totaled \$1.17M, the entirety of which SFSAFE invoiced and SFPD paid. The original invoices included the ineligible expenses identified by the Controller's Office. However, the total

of those ineligible expenses were less than other expenses that SFSAFE could have invoiced legitimately. Nevertheless, SFPD will be recovering the payments for ineligible expenditures through SFSAFE's current agreement.

- b. Cost centers were not clearly defined, such that expenditures were not appropriately assigned to cost centers, including those associated with SFPD.
  - c. In the past year, SFSAFE experienced accounting personnel turnover – a known risk factor to accounting controls and practices.
2. Developed a remediation plan for SFSAFE as follows:
- a. SFPD will engage with the SFSAFE Board of Directors and request regular updates on the implementation of the corrective action plan. SFPD will work with the Board of Directors to determine whether other steps can be taken to improve the financial health and literacy of SFSAFE.
  - b. SFSAFE has been referred to the San Francisco Citywide Nonprofit Monitoring and Capacity Building Program and will have to develop and implement a corrective action plan, to meet the City's Nonprofit Corrective Action Policy.
  - c. SFSAFE will send the General Ledger with invoices for a closer review by SFPD finance personnel.
  - d. San Francisco SAFE will declare the value of any gifts disbursed during any community event involving City employees.
3. SFPD made improvements to SFSAFE invoice review and other processes:
- a. General Ledger will be (provided by SFSAFE) and reviewed by SFPD finance staff for consistency with invoicing/billing from SFSAFE.
  - b. The San Francisco Police Department will participate in the City's joint-monitoring program to partner with other City agencies to keep a timely monitoring schedule.
  - c. SFPD will work with the SFSAFE Board of Directors to monitor for compliance with improvements required above and in the corrective action plan referenced in 2.a. above.
  - d. The San Francisco Police Department will issue, and all staff will acknowledge, a department-wide notice reminding them of the requirements of the Department's "Statement of Incompatible Activities," which include a prohibition on the acceptance of gifts. (Political Reform Act, Gov't Code § 89503, C&GC Code §§ 3.1-101, 3.216, Gov't Code §§ 82028, 89503; 2 Cal.Code Regs. §§ 18940-18950.4.)

Separately, SFPD has identified concerns with SF SAFE events and the acceptance of gifts by city employees. SFPD noted that the value of gift boxes were higher than the

threshold for mandated reporting of gifts. City employees and attendees were not informed of the value of the gift boxes and the value was not apparent. However, SFPD has required SFSAFE to inform attendees about the value of any such gifts (noted in 2c) and will reissue guidance to personnel (noted in 3d) regarding reporting and acceptance of gifts to ensure compliance with the city's ethics rules.

Also of note, is that, under normal staffing levels and circumstances, SFPD's monitoring visits would have caught and corrected the invoicing errors possibly a few months earlier than the Controller's Office. Since 2019, SFPD's fiscal division has had up to five vacancies and limited capacity due to the impacts of the pandemic, resulting in no monitoring to ensure appropriate expenditures. However, given the risks outlined in the Controller's Office assessment, SFPD will ensure monitoring visits and close review of invoices occur. To address the staffing shortages that prevented closer monitoring, SFPD has interviewed and identified candidates for all five of its current Fiscal Division vacancies.

SFPD appreciates the Controller's Office's identification of issues needing remediation and is committed to ensuring City funding is properly disbursed and managed.

Sincerely



**WILLIAM SCOTT**  
Chief of Police

## Recommendation and Response

For each recommendation, the responsible agency should indicate in the column labeled Agency Response whether it concurs, does not concur, or partially concurs and provide a brief explanation. If it concurs with the recommendation, it should indicate the expected implementation date and implementation plan. If the responsible agency does not concur or partially concurs, it should provide an explanation and an alternate plan of action to address the identified issue.

| Recommendation   | Agency Response   | CSA Use Only<br>Status Determination*  |
|--|---|--|
| <p>The San Francisco Police Department should review all invoices submitted under its grant agreement with SF SAFE to determine whether SF SAFE billed for expenses that are unallowable under the grant agreement and recover any amounts found to be incorrectly paid.</p> | <p> <input checked="" type="checkbox"/> Concur                          <input type="checkbox"/> Do Not Concur                          <input type="checkbox"/> Partially Concur                 </p> <p>With a goal to ensure the City's resources were, and will be, properly accounted for, SFPD has completed the following steps:</p> <ol style="list-style-type: none"> <li>1. Conducted a site visit.                         <ol style="list-style-type: none"> <li>a. The site visit found that SFSAFE's general ledger for FY22-23 showed a total of \$1.58M in eligible expenses. SFSAFE's grant authority totaled \$1.17M, the entirety of which SFSAFE invoiced and SFPD paid. The original invoices included the ineligible expenses identified by the Controller's Office. However, the total of those ineligible expenses were less than other expenses that SFSAFE could have invoiced legitimately. Nevertheless, SFPD will be recovering the payments for ineligible expenditures through SFSAFE's current agreement.</li> </ol> </li> <li>2. Developed a remediation plan for SFSAFE.                         <ol style="list-style-type: none"> <li>a. SFPD will engage with the SFSAFE Board of Directors and request regular updates on the implementation of the corrective action plan. SFPD will work with the Board of Directors to determine whether other steps can be taken to improve the financial health and literacy of SFSAFE.</li> <li>b. SFSAFE will send the General Ledger with invoices for a closer review by SFPD finance personnel.</li> </ol> </li> <li>3. Made improvements to SFSAFE invoice review and other processes.                         <ol style="list-style-type: none"> <li>a. General Ledger will be (provided by SFSAFE) and reviewed by SFPD finance staff for consistency with invoicing/billing from SFSAFE.</li> </ol> </li> </ol> | <p> <input checked="" type="checkbox"/> Open<br/> <input type="checkbox"/> Closed<br/> <input type="checkbox"/> Contested                 </p> |

\* Status Determination based on audit team's review of the agency's response and proposed corrective action.

# Attachment B

## SF SAFE's Legal Counsel Response

**The Hackett Law Firm**  
**PO Box 330168**  
**San Francisco, California 94133**

January 10<sup>th</sup>, 2024

Mr. Mark de la Rosa  
Director of Audits Division,  
City Services Auditor City and County of San Francisco  
1 Dr. Carlton B. Goodlett Place  
San Francisco, CA 94102

Re: Addendum to Controller's Office Memorandum

Dear Mr. Mark de la Rosa,

I hope all is well.

My name is Dylan Hackett, and I am writing on behalf of my clients, Ms. Kyra Worthy and SF SAFE. We appreciate the opportunity to extend our gratitude for your valuable assistance and for providing us with the chance to present our corrective action plan.

This letter is to confirm receipt of the audit report titled "**The San Francisco Police Department Did Not Adequately Review Expenses and Subsequently Approved Ineligible or Unsupported Expenses Incurred Under Its Grant Agreement with SF SAFE**".

SF SAFE acknowledges the findings outlined in the memo received on December 19, 2023. We take these findings seriously and are committed to implementing immediate corrective measures to address the issues identified. As part of our commitment to transparency and improvement, we aim to put the following measures into effect with our monthly invoice submissions:

SF SAFE and Ms. Kyra Worthy hereby agree to implement the following measures as part of our commitment to transparency and continual improvement in our collaboration with the City and County of San Francisco:

1. **Monthly GL of Expenses:**
  - o SF SAFE is dedicated to enhancing transparency by providing a detailed breakdown of expenses in each invoice. This measure aims to ensure a clear understanding of the allocation of funds, reinforcing our commitment to open communication and accountability.
2. **Progress Report Template (Appendix F):**
  - o SF SAFE will include a progress report template with links to all work performed for each deliverable. This will enable both parties to easily track and review project progress, fostering a collaborative and informed working relationship.

3. **Payroll Reports/Registers:**
  - o As part of SF SAFE's commitment to clarity, each invoice will incorporate the payroll register for employees charged against the contract. This measure aims to provide transparency in labor costs, ensuring that both parties are well-informed about personnel expenses related to the project.
4. **Detailed Project Breakdown:**
  - o SF SAFE will provide a detailed breakdown of project tasks or activities in each invoice, further elucidating the allocation of funds across different aspects of the project. This measure strengthens our dedication to open communication and cooperative project management.
5. **Key Performance Indicators (KPIs):**
  - o In alignment with our commitment to project success, SF SAFE will incorporate relevant Key Performance Indicators (KPIs) in the progress report. This will demonstrate the project's achievements and performance against established benchmarks, promoting a results-driven approach.
6. **Review and Approval Process:**
  - o SF SAFE will clearly outline the process for reviewing and approving invoices, ensuring that both parties are well-informed and aligned. This measure aims to streamline the approval process and enhance efficiency in our collaborative efforts.
7. SF SAFE's contract is with the San Francisco Police Department (SFPD) and not solely with the Community Engagement Division (CED). SF SAFE is contracted with SFPD to act as a liaison between the SFPD and the community.
8. SF SAFE consistently provides monthly notifications, as evidenced by the following links: <https://sfsafe.org/cpab-nov-23/> and <https://sfsafe.org/meeting-announcements-nov-23/>.
9. SF SAFE's collaboration with the San Francisco Police Department is detailed in the provided links: <https://sfsafe.org/cpab-nov-23/> and <https://sfsafe.org/meeting-announcements-nov-23/>.
10. SF SAFE's role, as outlined in their contract, encompasses community policing and engagement work with each district station. The Contractor, SF SAFE, serves as a vital liaison between the SFPD and the community. Assigned staff work on community policing issues, participate in monthly Captains' meetings, and co-facilitate monthly Community Police Advisory Board (CPAB) meetings, playing a crucial role in communication and collaborative problem-solving efforts with each district station.

SF SAFE is enthusiastic about the implementation of these measures, which underscore our dedication to transparency, collaboration, and continuous improvement. We believe that these steps will strengthen our partnership and contribute to the overall success of our shared objectives.

As a result of the investigation, the Controller's Office noted a need for improvement by SFPD to regularly request and review documentation from SF SAFE. The new invoicing process SF SAFE will implement will ensure and enhance the inclusion of only eligible expenses in invoices being submitted for payment, fostering transparency and efficiency of service delivery.

Regards,

*Dylan Hackett*

Dylan Hackett

Enclosures:


- 1.) SFPD Monthly CPAB Meeting Schedule
- 2.) SFPD Monthly Community Meeting Schedule



## Exhibit 1



**SAFE**  
SAFETY  
ANALYSIS  
FOR  
EVERYONE



## SFPD MONTHLY CPAB MEETING SCHEDULE

|  |   |
|--|---|
| <b>Central Station</b>   | <b>3rd Wednesday of the month,<br/>4:00-5:00 P.M.</b> |
| <b>Southern Station</b><br>In-Person at Southern Station<br>1251 3rd St      | <b>2nd Wednesday of the month,<br/>6:00-7:00 P.M.</b> |
| <b>Bayview Station</b><br>Virtual  | <b>1st Thursday of the month,<br/>5:00-6:00 P.M.</b>  |
| <b>Mission Station</b><br>In-Person at Mission Station<br>630 Valencia St    | <b>Last Tuesday of the month,<br/>4:00-5:00 P.M.</b>  |
| <b>Northern Station</b><br>In-Person at Northern Station<br>1125 Fillmore St | <b>Last Tuesday of the month,<br/>6:00-7:00 P.M.</b>  |
| <b>Park Station</b><br>Virtual   | <b>4th Wednesday of the<br/>month, 5:00-6:00 P.M.</b> |
| <b>Richmond Station</b><br>In-Person at Richmond Station<br>461 6th Ave      | <b>2nd Wednesday of the<br/>month, 6:00-7:00 P.M.</b> |
| <b>Ingleside Station</b>   | <b>4th Tuesday of the month,<br/>5:30-7:00 P.M.</b>   |
| <b>Taraval Station</b>   | <b>2nd Thursday of the month,<br/>6:00-7:00 P.M.</b>  |
| <b>Tenderloin Station</b><br>In-Person at Tenderloin Station<br>301 Eddy St  | <b>Last Tuesday of the month,<br/>5:00-6:00 P.M.</b>  |

[info@sfsafe.org](mailto:info@sfsafe.org) | [sfsafe.org](http://sfsafe.org) | [sanfranciscopolice.org](http://sanfranciscopolice.org)

If you have any additional questions, please contact  
SF SAFE at (415) 553-1984 or email us at [community@sfsafe.org](mailto:community@sfsafe.org).

## Exhibit 2



## SFPD MONTHLY COMMUNITY MEETING SCHEDULE

|  |  |
|--|--|
| <b>Central Station</b><br>In-Person  | <b>3rd Thursday of the month,<br/>5:00 - 6:00 P.M.</b> |
| <b>Southern Station</b><br>In-Person   | <b>3rd Wednesday of the month,<br/>6:00-7:00 P.M.</b>  |
| <b>Bayview Station</b>   | <b>1st Tuesday of the month,<br/>5:00-6:00 P.M.</b>    |
| <b>Mission Station</b><br>In-Person  | <b>Last Tuesday of the month,<br/>5:00-6:00 P.M.</b>   |
| <b>Northern Station</b><br>In-Person at Northern Station<br>1125 Fillmore St         | <b>2nd Tuesday of the month,<br/>5:00-6:00 P.M.</b>    |
| <b>Park Station</b><br>Virtual   | <b>4th Wednesday of the<br/>month, 6:30-7:30 P.M.</b>  |
| <b>Richmond Station</b><br>In-Person   | <b>4th Tuesday of the month,<br/>5:00-6:00 P.M.</b>    |
| <b>Ingleside Station</b><br>In-Person at Ingleside Station<br>1 Sgt. John V Young Ln | <b>3rd Tuesday of the month,<br/>6:00-7:00 P.M.</b>    |
| <b>Taraval Station</b><br>In-Person at Taraval Station<br>2345 24th Ave              | <b>3rd Thursday of the month,<br/>6:00-7:00 P.M.</b>   |
| <b>Tenderloin Station</b><br>In-Person at Tenderloin Station<br>301 Eddy St          | <b>Last Tuesday of the month,<br/>6:00-7:00 P.M.</b>   |

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If you have any additional questions, please contact SF SAFE at (415) 553-1984 or email us at [community@sfsafe.org](mailto:community@sfsafe.org).

BOARD of SUPERVISORS



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## MEMORANDUM

TO: Ben Rosenfield, City Controller, Office of the Controller  
William Scott, Police Chief, San Francisco Police Department  
Sarah Dennis-Phillips, Executive Director, Office of Economic and Workforce Development

FROM: Monique Crayton, Assistant Clerk, Government Audit and Oversight Committee

DATE: February 2, 2024

SUBJECT: HEARING MATTER INTRODUCED

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The Board of Supervisors' Government Audit and Oversight Committee has received the following hearing request, introduced by Supervisor Peskin on January 23, 2024:

**File No. 240067**

**Hearing on the Controller's report on the assessment of invoices reviewed under a grant agreement between the San Francisco Police Department and San Francisco SAFE (SF SAFE); and requesting the Controller's Office, San Francisco Police Department, Mayor's Office of Economic Workforce Development, and SF SAFE Board of Directors to report.**

If you have any comments or reports to be included with the file, please forward them to me at the Board of Supervisors, City Hall, Room 244, 1 Dr. Carlton B. Goodlett Place, San Francisco, CA 94102 or by email at: [monique.crayton@sfgov.org](mailto:monique.crayton@sfgov.org)

CC:  
Todd Rydstrom, Office of the Controller  
Crezia Tano, Office of Economic and Workforce Development  
Catherine Mcguire, Police Department  
Diana Aroche, Police Department  
Lili Gamero, Police Department  
David Lazar, Police Department  
Rima Malouf, Police Department  
Alesandra Lozano, Office of Economic and Workforce Development  
Marissa Bloom, Office of Economic and Workforce Development  
Dylan Hackett, The Hackett Law Firm  
SF Safe Board of Directors