

File No. 091158

Committee Item No. 4

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

## COMMITTEE/BOARD OF SUPERVISORS

### AGENDA PACKET CONTENTS LIST

Committee: Government Audit and Oversight Date November 12, 2009

Board of Supervisors Meeting Date \_\_\_\_\_

#### Cmte Board

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| <input type="checkbox"/>            | <input type="checkbox"/> | Motion                                       |
| <input checked="" type="checkbox"/> | <input type="checkbox"/> | Resolution                                   |
| <input type="checkbox"/>            | <input type="checkbox"/> | Ordinance                                    |
| <input type="checkbox"/>            | <input type="checkbox"/> | Legislative Digest                           |
| <input type="checkbox"/>            | <input type="checkbox"/> | Budget Analyst Report                        |
| <input type="checkbox"/>            | <input type="checkbox"/> | Legislative Analyst Report                   |
| <input type="checkbox"/>            | <input type="checkbox"/> | Youth Commission Report                      |
| <input type="checkbox"/>            | <input type="checkbox"/> | Introduction Form (for hearings)             |
| <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"/> | Award Letter                                 |
| <input type="checkbox"/>            | <input type="checkbox"/> | Application                                  |
| <input type="checkbox"/>            | <input type="checkbox"/> | Public Correspondence                        |

#### OTHER (Use back side if additional space is needed)

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Completed by: Alisa Somera Date November 6, 2009

Completed by: \_\_\_\_\_ Date \_\_\_\_\_

An asterisked item represents the cover sheet to a document that exceeds 25 pages.  
The complete document can be found in the file and the online version.

1 [Board response to the 2008-2009 Civil Grand Jury Report entitled "Nonprofits, The Good,  
2 The Bad, The Ugly"]

3 **Resolution responding to the Presiding Judge of the Superior Court on the findings**  
4 **and recommendations contained in the 2008-2009 Civil Grand Jury Report entitled**  
5 **"Nonprofits, The Good, The Bad, The Ugly," and urging the Mayor to cause the**  
6 **implementation of accepted findings and recommendations through his/her**  
7 **department heads and through the development of the annual budget.**

8  
9 WHEREAS, Under California Penal Code Section 933 et seq., the Board of  
10 Supervisors must respond, within 90 days of receipt, to the Presiding Judge of the Superior  
11 Court on the findings and recommendations contained in Civil Grand Jury Reports; and,

12 WHEREAS, In accordance with Penal Code Section 933.05(c), if a finding or  
13 recommendation of the Civil Grand Jury addresses budgetary or personnel matters of a  
14 county agency or a department headed by an elected officer, the agency or department head  
15 and the Board of Supervisors shall respond if requested by the Civil Grand Jury, but the  
16 response of the Board of Supervisors shall address only budgetary or personnel matters over  
17 which it has some decision making authority; and,

18 WHEREAS, The 2008-2009 Civil Grand Jury Report entitled "Nonprofits, The Good,  
19 The Bad, The Ugly" is on file with the Clerk of the Board of Supervisors in File No. 090844,  
20 which is hereby declared to be a part of this resolution as if set forth fully herein; and,

21 WHEREAS, The Civil Grand Jury has requested that the Board of Supervisors respond  
22 to Finding No. 4, 7, 8, 9, 11, 12, 13 and 14 as well as Recommendation No. 7, 8, 9, 10, 13  
23 and 15 contained in the subject Civil Grand Jury report; and,

24 WHEREAS, Finding No. 4 states: "The magnitude of money and the lack of tracking  
25 and coordination of grants provide a potential for abuse in the allocation of grants;" and,

1           WHEREAS, Finding No. 7 states: "Sole Source Waivers issued are tracked by number  
2 of waivers issued to a department and not to whom the waivers were given or for what  
3 purpose;" and,

4           WHEREAS, Finding No. 8 states: "Targeted Addbacks to the city budget are taking  
5 place, even though they are against Procurement Rules: City Charter (2.114. Non  
6 Interference in Administration);" and,

7           WHEREAS, Finding No. 9 states: "Targeted Addbacks are often a result of lobbying by  
8 special interest groups;" and,

9           WHEREAS, Finding No. 11 states: "Targeted Addbacks negate the expertise of the city  
10 departments;" and,

11           WHEREAS, Finding No. 12 states: "Targeted Addbacks do not follow the budget  
12 amendment process established by the City Charter and circumvent the regular competitive  
13 solicitation processes that City departments must follow, sometimes causing departments [to]  
14 enter sole source contracts;" and,

15           WHEREAS, Finding No. 13 states: "Targeted Addbacks impede the ability of city  
16 departments to hold nonprofit contractors accountable for poor performance. (Partnering with  
17 Nonprofits in Tough Times: Recommendations from SF Community Based Task Force, April  
18 2009);" and,

19           WHEREAS, Finding No. 14 states: "The Board of Supervisors has violated the Charter  
20 by making direct contracting decisions through targeted Addbacks. Through this procedure,  
21 the Board of Supervisors has continued the longstanding practice of allocating some City  
22 funds directly to specific contractors;" and,

23           WHEREAS, Recommendation No. 7 states: "The practice of targeted Addbacks should  
24 be stopped"; and,

1           WHEREAS, Recommendation No. 8 states: "The City Charter (2.114. Non-Interference  
2 in Administration) should be enforced to prevent district supervisors from directing funds to  
3 specific nonprofits through circuitous means. (For example, naming a street where a nonprofit  
4 exists or specifying a service offered only by a specific nonprofit);" and,

5           WHEREAS, Recommendation No. 9 states: "The Supervisors can have a greater role,  
6 in the process, by submitting budget proposals and funding priorities during a department's  
7 normal budget preparation process, e.g. hearings, commissions and/or citizen advisory  
8 committee meetings rather than last-minute adjustments through the targeted add-back  
9 process;" and,

10           WHEREAS, Recommendation No. 10 states: "To comply with the San Francisco  
11 Charter and encourage the use of competitive processes, and to strengthen the requirements  
12 for the content of City contracts, the Board of Supervisors should no longer direct funds  
13 toward specific City contracts or contractors through the targeted addback process or  
14 otherwise;" and,

15           WHEREAS, Recommendation No. 13 states: "The Nonprofit Review/Appellate Panel  
16 should be given the directive to study the compliance rate on joint monitoring within and  
17 among all City departments and to make recommendations to bring compliance to 100%;" and,  
18

19           WHEREAS, Recommendation No. 15 states: "The Board of Supervisors should give  
20 the Nonprofit Review/Appellate Panel responsibility for developing a monitoring and  
21 performance measurement system based on a taxonomy of nonprofit outcomes for human  
22 and health services' programs provided by nonprofits and their indicators as developed by the  
23 Urban Institute/The Center for What Works or a similar system;" and,

24           WHEREAS, In accordance with Penal Code Section 933.05(c), the Board of  
25 Supervisors must respond, within 90 days of receipt, to the Presiding Judge of the Superior

1 Court on Finding No. 4, 7, 8, 9, 11, 12, 13 and 14 as well as Recommendation No. 7, 8, 9, 10,  
2 13 and 15 contained in the subject Civil Grand Jury report; now, therefore, be it

3 RESOLVED, That the Board of Supervisors reports to the Presiding Judge of the  
4 Superior Court that it agrees with Finding No. \_\_\_\_\_ as well as Recommendation No. \_\_\_\_\_  
5 of the 2008-2009 Civil Grand Jury Report entitled "Nonprofits, The Good, The Bad, The Ugly";  
6 and, be it

7 FURTHER RESOLVED, That the Board of Supervisors reports that it disagrees wholly  
8 or partially with Finding No. \_\_\_\_\_ as well as Recommendation No. \_\_\_\_\_, for reasons as  
9 follows \_\_\_\_\_; and, be it

10 FURTHER RESOLVED, That the Board of Supervisors urges the Mayor to cause the  
11 implementation of accepted findings and recommendations through his/her department heads  
12 and through the development of the annual budget.