



**City and County of San Francisco Overview and Quotes from
*Basic Financial Statements and Single Audit Reports for the
Year Ended June 30, 2023***

Presentation to the SF HCH Co-Applclicant Board May 13th, 2024

Presented by:

Beth Neary, Assistant Director of HIV Health Services, SFDPH

Where to Find the Audit Report



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- Each year the annual City and County of San Francisco Audit Report is posted to the City website to be publicly available
- **Can be found and downloaded** at <https://openbook.sfgov.org/> (posted on April 3, 2024) under “Find A Report” then search for “Single Audit”
- Also posted to the HCH CAB Website under May 13th Meeting Materials at <https://sf.gov/public-body/health-care-homeless-board>
- San Francisco Department of Public Health and our Health Care for the Homeless program all fall within the larger fiscal unit of the City and County of San Francisco (CCSF) and follow citywide accounting policies and procedures

Audit Roles and Responsibilities



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- City and County of San Francisco Controller's Office and Management are responsible for preparing the annual financial statements
- An Independent Auditor is responsible to express opinions on the financial statements and their accuracy based on their audit
 - In FY 2023 Macias Gini & O'Connell LLP (MGO Certified Public Accountants), 2121 N. California Boulevard, Suite 750, Walnut Creek, CA 94596 conducted the audit

Independent Auditor Opinions



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- “In our opinion, based on our audit and the reports of the other auditors, the accompanying financial statements present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, each major fund, and the aggregate discretely presented component unit and remaining fund information of the City, as of June 30, 2023, and the respective changes in financial position, and, where applicable, cash flows thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.” (p. 1 in text, p. 3 in PDF)

Independent Auditor Other Information



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- “Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the City’s basic financial statements. The schedule of expenditures of federal awards is presented for purposes of additional analysis as required by Title 2 U.S. Code of Federal Regulations Part 200, Uniform Administrative requirements, Cost Principles and Audit Requirements for Federal Awards, and is not a required part of the basic financial statements. The schedule of expenditures of federal awards is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with GAAS. **In our opinion, the schedule of expenditures of federal awards is fairly stated, in all material respects, in relation to the basic financial statements as a whole.**”
(p. 3 in text, p. 5 in PDF)

Single Audit Section focuses on Federal Grants



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CITY AND COUNTY OF SAN FRANCISCO
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
FOR THE YEAR ENDED JUNE 30, 2023

Federal Grantor/Pass-Through Grantor/Program Title	Assistance Listing	Pass-Through Identifying Number	Federal Expenditures	Amount Provided to Subrecipients
Passed through SF Community Clinic Consortium				
Health Center Program Cluster				
Health Center Program (Community Health Centers, Migrant Health Centers, Health Care for the Homeless, and Public Housing Primary Care)	93.224	H8OCS00049	338,900	-
Grants for New and Expanded Services under the Health Center Program	93.527	H8OCS00049	871,456	-
Subtotal Health Center Program Cluster			<u>1,210,356</u>	<u>-</u>

* FY 2023 CCSF Single Audit Report p. 228 in page numbers in report text, or p. 232 in full PDF

**CITY AND COUNTY OF SAN FRANCISCO
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
FOR THE YEAR ENDED JUNE 30, 2023**

Section I – Summary of Auditor’s Results

Financial Statements:

Type of auditor’s report issued on whether the financial statements audited were prepared in accordance with accounting principles generally accepted in the United States of America: Unmodified

Internal control over financial reporting:

- Material weakness(es) identified? None reported
- Significant deficiency(ies) identified? None reported

Noncompliance material to financial statements noted? No

Federal Awards:

Internal control over major federal programs:

- Material weakness(es) identified? None reported
- Significant deficiency(cies) identified?..... Yes

Type of auditor’s report issued on compliance for major federal programs Unmodified

Any audit findings disclosed that are required to be reported in accordance with 2 CFR 200.516(a)?..... Yes

Section III - Federal Awards Findings

Finding Reference:	2023-001
Federal Agency:	U.S. Department of Health and Human Services
Federal Program Title:	Adoption Assistance
Assistance Listing Number:	93.659
Pass Through Entity:	California Department of Social Services
Grant Number:	None
Category of Finding:	Eligibility
Classification of Finding:	Significant Deficiency in Internal Control over Compliance

Criteria

States are required to adopt and adhere to their own statutes and regulations for Adoption Assistance Program (AAP) implementation, consistent with the requirements of Title IV-E of the Social Security Act and the approved Title IV-E Plan. California Code of Regulations, Title 22, Division 2, section 35333 *Determination of Amount and Duration of AAP Benefit for All Children* states that "reassessment of the AAP benefit shall be required every two (2) years beginning from the date of a signed Adoption Assistance Program Agreement (AD 4320) between the agency and the adoptive parents."

CFR Title 75, section 75.303 *Internal Controls* requires the non-federal entity to establish and maintain effective internal control over the Federal award that provides reasonable assurance that the non-Federal entity is managing the Federal award in compliance with Federal statutes, regulations, and the terms and conditions of the Federal award.

Condition

The City's Human Services Agency (Department) administers the program and oversees the assessments and continued reassessments of participant eligibility. We tested a statistically valid sample of 60 participants selected from a population of 1,087 receiving AAP benefits for the period of July 1, 2022 through June 30, 2023. Of the 60 cases tested, seven cases did not contain documentary evidence of supervisory review of reassessments performed by eligibility caseworkers.

Notes on Resolution of Last Year's Audit Findings



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- Not applicable this year since there were no findings in last year's audit
- For the new finding this year, the City included a Plan of Action which appears on the last two pages of the full Single Audit PDF
- Next year, there will presumably be an update on the resolution of that finding in the next Single Audit report
- The finding related to a federal grant administration concern, specifically about insufficient completeness of supervisory review of eligibility documentation in a different program, in a different department, though part of the larger City & County fiscal umbrella

Q&A



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- Let us know if you have any questions