



**San Francisco Department of Public
Health** Grant
Colfax, MD
Director of Health

City and County of San Francisco
London N. Breed
Mayor

6/25/2024

Chuan Teng
Executive Director
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PRC
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San Francisco, CA 94103

Subject: Citywide Fiscal and Compliance Monitoring of Current Contracts/Grants for PRC and Baker Places for FY23-24

List of City Contracts with PRC:

Department / Program	Contract Name / Description
Mayor's Office of Housing and Community Development	SSI For Families
Mayor's Office of Housing and Community Development	Pre-Employment Program
Mayor's Office of Housing and Community Development	Financial and Capital Asset Management Capacity Building
Mayor's Office of Housing and Community Development	Critical Water Access Upgrade for Health and Hygiene
Department of Public Health	HHS: Castro County Club-On the Job Training (#1000028537)
Department of Public Health	HHS: HIV Work Re-entry srvs (#1000028537)
Department of Public Health	CHEP: Frontline Workers Group (#1000002658)
Department of Public Health	HHS: Castro County Club-LiftUp (#1000028537)
Department of Public Health	HHS: Emergency Financial Assistance (#1000009024)

Department of Public Health	HHS: Benefits Counseling/Equal Access to HealthCare Program (#1000010913)
Department of Public Health	HHS: Emergency Financial Assistance (#1000009024)
Department of Public Health	HHS: Emergency Financial Assistance (#1000009024)
Department of Public Health	HHS: Emergency Financial Assistance for Eviction Prevention (#1000009024)
Department of Public Health	CHEP: GTZ Employment SVs (#1000002521)
Department of Public Health	HHS: Benefit Counseling Svs (#1000024911)
Department of Public Health	HHS: EAHP/ Trainings/Benefit Counseling (#1000010913)
Department of Public Health	MH-Adult: Benefits Counseling Program (#1000024911)
Mayor's Office of Housing and Community Development	Leland House
Office of Economic and Workforce Development	Adult Workforce Services - Specialized Job Centers - Disability Services - First Amendment
Office of Economic and Workforce Development	Funds to Support the Black Community - Industries of Opportunity - 1st Amendment

List of City Contracts with Baker Places:

Department / Program	Contract Name / Description
Department of Public Health	SA-Adult: COBD (#1000009940)
Department of Public Health	MH-Adult: Odyssey House (#1000009940)
Department of Public Health	SA-Adult: Acceptance Place (#1000009940)
Department of Public Health	SA-Adult: Ferguson Place (#1000021574)
Department of Public Health	MH-Adult: Robertson Place (#1000009940)
Department of Public Health	SA-Adult: Baker Supportive Living Program (BSLP) & Rent Subsidies (#1000021574)
Department of Public Health	MH-Adult: San Jose Place (#1000009940)
Department of Public Health	MH-Adult: Baker Street House (#1000009940)
Department of Public Health	MH-Adult: Jo Ruffin Place (#1000009940)
Department of Public Health	MH-Adult: Grove Street House (#1000009940)
Department of Public Health	MH-Adult: AILP (Assisted Independent Living) (#1000009940)
Department of Public Health	MH-Adult: 1156 Valencia Hummingbird Respite (#1000017071)

Department of Public Health	MH-Adult: Baker Places Hummingbird (#1000012788)
Department of Public Health	SA-Adult: Joe Healy Medical Detox (#1000009940)

Dear Chuan Teng:

This letter conveys the results of the Citywide Fiscal and Compliance Monitoring conducted for FY23-24. The monitoring was led by Wasim Samara from Department of Public Health jointly with other city department's representatives.

The fiscal and compliance monitoring reviewed multiple standards, including but not limited to the following categories: Agency-Wide Budget, Audited Financial Statements, Financial Reports and Invoice Review.

We are pleased to report that there were no findings identified in our fiscal and compliance monitoring.

The annual Citywide Fiscal and Compliance review of the consolidated agency, PRC and Baker Places, Inc. (Agency), indicates a significant improvement from prior year losses and findings. The agency has managed to complete its FY22-23 audit within the 9 months city standard. The agency also resolved prior finding in FY21-22's audit and had no new findings.

Furthermore, the agency has met all the city's financial metric standards. These metrics include at least 1.0 of working capital ratio, 30 days of operating cash reserve and positive net income for the year.

This overall improvement is likely attributable to the efforts proposed in the Agency's financial sustainability plan (developed by Agency management in coordination with and submitted to the City at the end of 2022) identifying programmatic restructuring plans to ensure each program was cost-neutral, along with cost cutting measures, and the Agency's debt repayment plan to the City. This progress was boosted by the Employee Retention Tax Credit that it received at the end of FY 22-23 and beginning of FY 23-24.

Here is a snapshot of the agency's historical financial metrics up to the year ending 6/30/23:

Fiscal Year Ending in	Audit Findings Expressed by CPA auditors	Audit Completed Within # of Months of year-end	Total Agency Expenses (in Thousands)	Working Capital Ratio	Net Surplus/(Deficit) for the Fiscal Year (in Thousands)	Days of Operating Cash Reserves
6/30/2023	None	9	\$ 30,480	3.6	\$ 4,905	30
6/30/2022	Significant Deficiencies in internal Control	11	\$ 31,902	0.7	\$ (1,414)	21
6/30/2021	Significant Deficiencies in internal Control	15	\$ 31,320	0.5	\$ (4,276)	21
6/30/2020	Significant Deficiencies in internal Control	20	\$ 29,810	0.9	\$ (2,594)	57

Fiscal Year Ending in	Audit Findings Expressed by CPA auditors	Audit Completed Within # of Months of year-end	Total Agency Expenses (in Thousands)	Working Capital Ratio	Net Surplus/(Deficit) for the Fiscal Year (in Thousands)	Days of Operating Cash Reserves
01/01/2019 – 6/30/2049 (half year)	Going Concern; doubt about the agency's ability to continue operations.	9	\$ 14,032 (6 months only)	1.8	\$ (1,560)	29
<i>Total losses over the 4.5 year period</i>					<i>\$ (4,939)</i>	

Please extend our appreciation to your staff for their preparation in advance of the monitoring and assistance during the process. We thank you for your work in serving the San Francisco community.

Sincerely,

Wasim Samara

Wasim Samara, CMA – Department of Public Health

cc: Dolly Sithounnolat, Mayor's Office of Housing and Community Development

Yazmin Escorcia, Office of Economic and Workforce Development