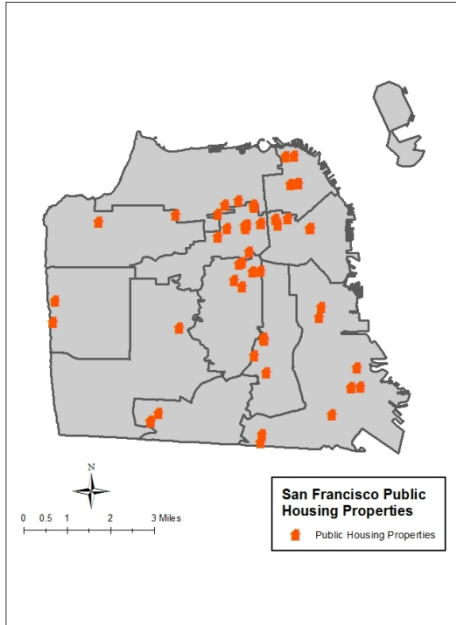


Case Study

Performance Audit of the San Francisco Housing Authority



Project Results

- Replacement of six of the seven Authority Commission members.
- Reduction in the number of Section 8 eligibility workers, as recommended.
- Reinstatement of a maintenance collection policy for tenant-caused damage.
- Approval of a policy to enforce late fee payments for delinquent rent.
- Recommendation that the waiting lists for both Section 8 and Public Housing be updated annually.

Project Summary

In 2013, the Board of Supervisors directed HMR (in our role as the contracted Budget and Legislative Analyst) to conduct a performance audit of the San Francisco Housing Authority. While not directly governed by the Board, the Housing Authority plays a critical role in providing housing to low-income San Franciscans and its ability to do so was in question. Despite having an extensive waitlist, for example, the Authority had allowed several hundred housing units to remain vacant, depriving people of homes and the Agency of revenue.

This audit included a comprehensive review of the Housing Authority's governance, financial oversight and controls, management of public resources and staff, and performance compared to other housing authorities nationally.

The methodology included interviews with agency management and staff; site visits to public housing properties; surveys of property managers, clients, and other housing authorities; a comprehensive review of local and federal regulations governing Section 8 and other housing authority programs; and reviews of staffing plans, contracts, job descriptions, policies and procedures, financials, HUD assessments and program reports.

The audit found that the Housing Authority Commission had provided inadequate oversight of the Authority's finances and operations for several years. As a result of a decline in federal operating subsidies, the SFHA had a budget shortfall and no cash reserves to cover the shortfall. The SFHA had not implemented recommended property and asset management systems that would allow it to qualify for additional federal funding. The Executive Director had also been given broad authority to approve costly contracts. Lastly, the Agency did not update its waiting list annually, in accordance with HUD guidelines, placing a burden on the eligibility process.

Service and Topics Highlighted

Performance Audits, Housing and Redevelopment