



**SINGLE AUDIT
FOR THE YEAR ENDED JUNE 30, 2024**

SUMMARY SCHEDULE OF PRIOR AUDIT FINDINGS

FINANCIAL STATEMENT FINDINGS – PRIOR AUDIT

There were no prior year financial statement findings.

FEDERAL AWARD FINDINGS – PRIOR AUDIT

Finding Reference Number: SA2023-001
Assistance Listing Number: 14.218
Assistance Listing Title: Community Development Block Grant – Entitlement Grants (CDBG)
Name of Federal Agency: U.S. Department of Housing and Urban Development (HUD)

Name(s) of the contact person: Adam Marcus, Housing & Community Services Division Manager

Fiscal Year of Initial Finding: 2022-2023

Current Status:

The City has taken corrective action related to the issues regarding this finding. The City submitted a Timeliness Workplan to HUD on December 6, 2024, outlining a sixteen-month plan with strategies and goals to spend federal funding and become compliant by May of 2026. The Workplan was approved by HUD on December 19, 2024.

The Workplan includes the following corrective actions:

- The City will process HUD drawdowns every one to two months to ensure the City is on track with its spending and to allow for faster analysis and pivots when spending is delayed.
- The City will maintain a five-year capital project schedule that tracks milestones, spending deadlines, and the cash balance for each capital project to address the accumulation of program income.
- The City will also take other additional steps outlined in the workplan to ensure it adheres to CDBG's timeliness ratio, and will continue to communicate with the San Francisco CPD Field Office as it makes progress on this sixteen-month plan.

Finding Reference Number: SA2023-001 (Continued)

In addition to the workplan, HUD recommends that the City monitor its progress, including its current program year 2024 and projected 2025 CDBG funding expenditures. Provide quarterly reports to the field office until the City's next 60-day test, to assist in reaching the 1.5 timeliness standard as proposed in the City's workout plan. The quarterly reports should compare and update the goals and benchmarks stated in the workout plan and actual accomplishments. Quarterly workout plan reports should be submitted to HUD at sfcpd@hud.gov within 15 days after the end of each federal quarter: July-September, October-December, January-March, and April-June.

Anticipated Completion Date: May 2026