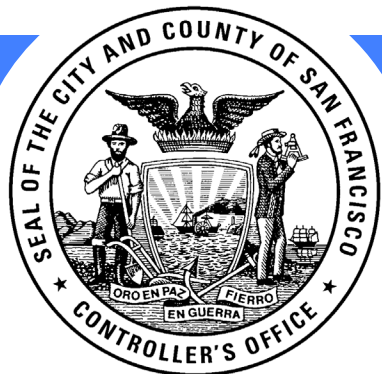


Controller's Office Performance Plan FY 21-22



CITY & COUNTY OF SAN FRANCISCO

Office of the Controller

FY 2021-2022

About the Controller's Office

Our Mission:

The Controller's Office works to ensure the City's financial integrity and to promote efficient, effective, and accountable government.

Our Vision:

We strive to be a model for good government and to make the City a better place to live and work.

Our Core Values:

Teamwork, Trust, Respect, Equal Opportunity, Communication, Excellence and Service



FY20-21 CON Performance Plan: In Review

Our city and our department have come through an historically challenging period - unlike any in most of our lifetimes - requiring us to stretch to provide entirely new emergency public services while sustaining our critical core work. We've had to meet those demands while working in entirely new environments, in some cases working fully remotely and in others as disaster service workers in new multi-departmental organizations.

We have been extraordinarily successful, thanks mostly to the skill, dedication, and spirit of our employees. Some highlights of our accomplishments during last fiscal year include:

- **Emergency leadership.** We ran the City's emergency financial operations, and supported all other branches of the City's combined emergency response with project management, analysis, operational and audit work.
- **Sustaining our core services, remotely.** Our team provided all of our core financial services, almost exclusively remotely. We issued \$1.1B of bonds, cut 900k paychecks, and processed over \$13B of expenditures.
- **Helped chart the City's financial path forward.** Supported the development of a budget that bridged a \$350M shortfall, and regularly reported on the City's volatile financial and economic condition.
- **Promoted ethical government.** In partnership with the City Attorney, investigated, assessed, and offered recommendations on a host of processes, systems, and implicated in the DOJ's investigation of various City officials.
- **Modernized our systems.** Continued our push to modernize all of the City's core business systems, completing a key upgrade, going live with a new property tax system, and designing a new budget system.
- **Recognized for excellence by our peers.** Completed our audit peer review, received awards from GFOA and ALGA.

FY21-22 CON Performance Plan: Our Larger Context

The fiscal year ahead will be one of transitions out of the emergency state that drove the prior year:

- **COVID will likely shift from driving an acute public health emergency to a still-present but manageable endemic public health situation.** Our city will use vaccines and other public health strategies to live and work with lower levels of the virus in our communities, likely for years.
- **Our department will be transitioning out of many of our emergency roles,** and in some cases helping hand off functions to other departments that will manage them on an ongoing basis. Transitioning from this emergency work ensures we can return to other priority work that has been deferred during the last two years and respond to new challenges and opportunities ahead.
- **We will be shifting out of our fully remote working environment,** piloting a new hybrid approach to remote and on-site work. Our pilot hybrid working approach will start this year, go through June 2022, and provide experience to see where we may want to adjust our approach in the future.
- **Performing our mission-critical core work is our priority,** and we will begin to gradually restore other high-value work as we are able to. But this will take time and we will prioritize employee wellbeing and balance in the process. Taking time away from work, amassed by many of us during the emergency, will be strongly encouraged and our "to do" lists need to plan around it.
- **We are moving from one period of tremendous change to another one.** We need to be patient with each other and ourselves. A lot of what we will try will be new, we won't get all of it right, and we need and want feedback to adjust plans as we go.

Our Strategic Goals in Summary

1. Emergency management. Help the City manage the ongoing public health emergency.

2: City policy, operations, and accountability. Promote the effective, efficient, and ethical operation of our government and its services.

3: Financial services. Provide high-quality financial services required to support government operations.

4: Financial systems. Operate and improve the systems used to support the City's core business functions.

5: Financial health. Plan for and manage the City's long-term financial health and sustainability.

6: Department management, develop, and growth. Support the development of our employees and our department.

FY21-22 CON Performance Plan – Key Goals and Projects

Goal 1: Emergency management

- a. Support implementation of key Citywide emergency response activities. Help HSH reach the City's goals of placing all clients out of the SIP hotels into housing, rent subsidy or other programs during the fiscal year through accelerated housing placements, implementation of new housing supports, and the reactivation of shelters. (Perf)
- b. Successfully transition the City's COVID emergency response functions into stable operations in the appropriate departments. Assist DPH, DEM, and others with this work, including building and staffing the data and analytics teams needed over the longer term. Return our employees to their standard assignments. (Perf / Admin)
- c. Manage ongoing and accelerated claiming, recovery, and accounting of over \$1 billion of federal emergency aid. Manage citywide claiming with the Federal Emergency Management Agency (FEMA), California Governor's Office of Emergency Services (OES), and U.S. Treasury Department's Office of Inspector General. (Audits / AOSD / BAD)
- d. Implement follow-up items from the after-action planning underway regarding the City's emergency response. Likely actions in the finance branch include improved joint training and communication strategies and the adoption of improved internal control of electronic payment cards and other emergency tools. (Admin / AOSD)
- e. Perform ongoing internal CON emergency exercises, including two emergency notification tests, testing of our back-up data center, and other activities. (Admin / Systems / AOSD)

FY21-22 CON Performance Plan – Key Goals and Projects

Goal 2: City policy, operations, and accountability

- a. Continue our Public Integrity investigation and review in collaboration with the City Attorney's Office, including publication of assessments of implicated processes, procedures, and controls at DBI, the PUC, and other agencies surfaced through that and related investigations. Monitor the implementation of corrective actions in response to our public integrity recommendations (Audits)
- b. Restart a host of high-value reporting and assessment activities designed to inform city operations and decision-making. Restart evaluations of the City's streets, sidewalks and parks under our standards programs. Citywide performance reporting using the Performance Scorecards and benchmarks will be resumed and updated with new content, mapping, and web formats for better visualization, accessibility, and utility. (Perf)
- c. Support the Office of Racial Equity in their work, including the development of a citywide budget equity assessment tool, implementation of diversity tracking of contract awards, and other legislated steps. Contribute to citywide diversity, inclusionary and racial equity goals and activities throughout FY 2021-2022. (Perf / Systems / Admin)
- d. Continue to proactively address critical risk areas for the City through performance audits of city operations, information technology (IT) system penetration tests, and assessments of departments' compliance with IT risk management policies. Expand the division's data analytics program (Audits)
- e. Increase access to city information through continued SF OpenBook trainings for media and other interested parties. Aim to set a regular cadence for members of the press/media outlets and other frequent public information requestors. (Admin)

FY21-22 CON Performance Plan – Key Goals and Projects

Goal 3: Financial services

- a. With the Treasurer's Office, prepare for and transition the City to new banking relationships. (AOSD / Systems)
- b. Efficiently manage our \$5 billion non-enterprise debt portfolio, following applicable federal, state, and local laws and policies. Issue in excess of \$700M for high priority approved projects. (OPF & AOSD)
- c. Provide enhanced user training and support through SF Learning, including expanded dashboards, payroll training series, establishment of learning academies, and other enhancements. (Systems / Payroll)
- d. Implement new accounting standards, including GASB87 Lease Accounting, GASB84 Fiduciary Activities and GASB90 Majority Equity Interests, as part of the Comprehensive Annual financial report. (AOSD)
- e. Implement and expand adoption of electronic financial service processing, including payroll corrections, online invoicing adoption, legal claims, open enrollment, and employee self-service features (Systems / AOSD / Payroll)
- f. Complete and roll-out prior pay period adjustment capability, beginning with the Payroll Division in Summer 2022 followed by pilot departments in early 2023. (Payroll / Systems)

FY21-22 CON Performance Plan – Key Goals and Projects

Goal 4: Financial systems

- a. Go-live with a new citywide budget system for the development of the subsequent year's budget. (Systems / BAD)
- b. Complete development and deployment of Controller functionality in the City's new Controller/Treasurer property tax system. (BAD)
- c. Complete development and initiate deployment of AP accrual automation, union expense authorization, and billing integration. (AOSD / Systems)
- d. Support development, integrations, and testing with related systems in partner departments, including the planned new components of Assessor's new property tax system and DHR's hiring modernization systems. (Systems / BAD / AOSD)

FY21-22 CON Performance Plan – Key Goals and Projects

Goal 5: Financial health

- a. Actively manage the City's budget during this volatile period through active monitoring and management practices. (BAD)
- b. Regularly report on the status of the City's economic and financial recovery. Support the update of the City's five-year financial plan and ten-year capital plan. (OEA / BAD / OPF)
- c. Support the negotiation of new labor contracts for all non-safety employees with financial analysis and other information. (BAD)
- d. Facilitate the State Controller's Office audit of FY 2016-17 through FY 2019-20 property tax apportionments, the first audit of nearly \$800M in excess ERAF revenue. (BAD)
- e. Implement recently adopted and new taxes (Prop F gross receipts, homelessness gross receipts, commercial rent, CEO, and vacancy taxes) and support policy-maker requests regarding future ballot measures with financial implications. (BAD)
- f. Assess progress in recent years towards the City's longer-term goals regarding the City's long-term pension and retiree health liabilities. (BAD)

FY21-22 CON Performance Plan – Key Goals and Projects

Goal 6: Department management, development, & growth

- a. Continue assessment and follow-up steps stemming from the department's 2020 employee climate survey. (Admin and All Divisions)
- b. Manage the department's return to a new hybrid office-remote working approach, assess that pilot, and develop adjustments for the following fiscal year. (Admin and All Divisions)
- c. Complete space and physical space modifications, driven in part by this hybrid working approach. Complete consolidation of the Payroll Division into City Hall space by October 2021. (Admin)
- d. Continue implementation of the second year of work detailed in the Controller's Office Racial Equity Action Plan. Use quarterly departmentwide "spotlights" to focus and organize progress on key areas, including recruitment, hiring, promotions, professional development, and organizational culture. Complete a joint RFP process with the Assessor and Treasurer for racial equity support services in our three departments in support of that work, that includes contract/pool shared use by all City departments. Standardize and implement a base racial equity curriculum for all staff and supplement courses with facilitated discussions for additional self-reflection and learning. (Admin and All Divisions)
- e. Resume our full slate of staff-driven committees focused on employee wellbeing, racial equity, professional development, management, recognition, and other key supports in our workplace. (Admin and All Divisions)
- f. Conduct the critical work required to support all the department's operation – operations, budget management, technology, public records, human resources, and contracting – at targeted service levels. (Admin)
- g. Begin the strategic planning process regarding the department's long-term goals and actions, culminating in the completion of a new department strategic plan in 2022. (Admin and All Divisions)

FY21-22 CON Performance Plan – Key Performance Measures

1. Emergency management

- Percent of 16 major departments that have been trained this year on cost recovery policies and procedures and related topics (FY20-21 actuals = 100%)

2. City policy, operations, and accountability

- 90% of audit recommendations implemented within two years (FY20-21 actuals = 94%)
- Complete 100% of economic impact reports by hearing date (FY20-21 actuals = 100%)
- 75% of whistleblower cases closed within 90 days (FY20-21 actuals = 82%)
- Count of code required audits completed (FY20-21 actuals = 19)
- Percent of auditee ratings that are good or excellent (FY20-21 actuals = 69%)
- Percent of audits completed within hours budgeted (FY20-21 actuals = 63%)
- Percent of planned audits completed within scheduled deadline (FY20-21 actuals = 81%)
- Completion rate of ballot analysis by hearing date (FY20-21 actuals = 100%)

FY21-22 CON Performance Plan – Key Performance Measures

3. Financial services

- Number of findings of material weakness in annual City audit (FY20-21 actuals = 2)
- 99% employee payroll accuracy (FY20-21 actuals = 98.7%)
- CAFR issuance by December 2021 (on track for December 2021)

4. Financial systems

- System availability 99.5% of scheduled uptime (FY20-21 actuals = 99.9%)

5. Financial health

- Variance between budgeted and actual revenues of <2.0% (FY20-21 actuals = -4.4%)
- Maintain rainy day reserves ending balance of 7.0% (FY20-21 actuals = 10%)
- Maintain AAA G.O. bond rating with Moody's rating agency (FY20-21 actuals = AAA)

6. Department management, development & growth

- 90% of Controller recruitments completed within 100 days (FY20-21 actuals = 61%)
- 80% of technology helpdesk tickets resolved within two days of receipt (FY20-21 actuals = 87%)

Please reach out to us with questions or comments at Controller@sfgov.org

