

1 [Administrative Code Revision – Chapter 12]
2 ORDINANCE AMENDING CHAPTER 12 OF PART I OF THE SAN FRANCISCO MUNICIPAL
3 CODE (ADMINISTRATIVE CODE), BY REPEALING SECTIONS 12.3, 12.4, 12.5, 12.6, AND
4 12.7, REGARDING 1985 CONTRACT AUTHORIZATION FOR TEMPORARY CITY
5 OVERSIGHT OF ACCOUNTING, BUDGETARY, AND REPORTING PROCEDURES AT THE
6 HOUSING AUTHORITY.

7 Note: Additions or substitutions are underlined;
8 deletions are in ((double parentheses)).

9 Be it ordained by the People of the City and County of San Francisco:

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11 Section 1. Chapter 12 of the San Francisco Administrative Code is hereby amended
12 by repealing Sections 12.3 through 12.7.

13 ((SEC. 12.3. FINDINGS. (a) The San Francisco Housing Authority was established to
14 provide housing for residents of the City and County of San Francisco otherwise not able to
15 secure decent, safe and sanitary dwellings, without overcrowding, through the private
16 marketplace.

17 (b) The Housing Authority's accounting, fiscal and budgetary reporting systems are
18 inadequate to enable the Housing Authority to keep expenditures within budgetary limits.

19 (c) For the past 12 months, the Housing Authority's monthly expenditures far
20 exceeded budgeted amounts.

21 (d) The Mayor has determined that the absence of an ongoing and modern accounting
22 and reporting system that provides accurate and sufficient data to enable the San Francisco
23 Housing Commission and Housing Authority management to make informed judgments in
24 approving budgets, authorizing expenditures or determining whether the Housing Authority
25 expenditures are remaining within budgetary limits is a major weakness.

1 (e) The Housing Authority has agreed to reform its accounting, budgetary, and
2 reporting procedures to ensure that information necessary to make informed, prudent and
3 fiscally sound decisions timely and available.))
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5 ((**SEC. 12.4. CONTRACT AUTHORITY.** The Mayor and the Controller of the City and
6 County of San Francisco (hereinafter referred to as "the Controller") are authorized to enter
7 into a contract for a period not to exceed one year except for the first contract which is
8 authorized to run through September 30, 1986, on behalf of the City and County of San
9 Francisco, between the City and the Housing Authority wherein the City and the Housing
10 Authority agree that the Controller shall perform certain functions and the Housing Authority
11 agrees to comply with the standards of accounting and reporting recommended by the
12 Controller. The standards governing the Controller's rights and duties and the Housing
13 Authority's rights and duties under such a contract are set forth in Sections 12.5 and 12.6 of
14 this Ordinance.))
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16 ((**SEC. 12.5. RIGHTS AND DUTIES OF THE HOUSING AUTHORITY.** (a) The
17 Housing Authority shall within 90 days after the formation of the contract adopt and implement
18 budgetary and accounting procedures and reporting practices that have been approved by the
19 Controller in consistent with the Housing Authority's annual contribution contract with the
20 United States Department of Housing and Urban Development and shall from time to time
21 make such changes in said procedures and practices that the Controller deems necessary or
22 appropriate. These accounting and budgetary procedures and reporting practices shall be
23 designed to provide adequate and accurate information to the Housing Authority management
24 and the Housing Commission, so that they may make budgetary, management and
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1 expenditure decisions consistent with the basic principal that expenditures shall remain within
2 budgetary limits.

3 (b) The Housing Authority shall provide monthly reports to the Mayor and the
4 Controller in such form and containing such information as the Controller deems appropriate.

5 (c) Subject to the prior approval of the Department of Housing Urban Development the
6 Housing Authority shall maintain such reserves and in such amounts and of such assets as
7 the Controller deems necessary to ensure that Housing Authority expenditures not exceed
8 budgetary limits.

9 (d) Prior to submitting its budget to the United States Department of Housing and
10 Urban Development, the Housing Authority shall: (i) First, obtain the certification of the
11 Controller that the budget complies with the budgetary standards imposed by this ordinance
12 and by the Controller under the authority of this ordinance, and, (ii) thereafter obtain the
13 approval of the Mayor as to the substance and content of the budget. In no event shall the
14 review of the Housing Authority budget by the Controller delay the submission of that budget
15 to the United States Department of Housing and Urban Development beyond the deadline
16 established by HUD.

17 (e) The Housing Authority shall afford to the Controller or his designated
18 representatives access to all its accounts and records to whatever extent the Controller
19 deems necessary to discharge his duties under the contract.

20 (f) Subject to the prior approval of the Department of Housing and Urban Development
21 the Housing Authority shall employ at its own expense an independent accounting firm, to be
22 approved by the Controller, to conduct an annual audit of its records. Copies of said audit
23 report shall be delivered to the Mayor, the Board of Supervisors, the Controller, the Housing
24 Commission, the Attorney General, and the United States Department of Housing and Urban
25 Development.))

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2 **((SEC. 12.6. RIGHTS AND DUTIES OF THE CONTROLLER.** (a) The Controller
3 shall review and approve, pursuant to the standards set down in Section 12.5(a) of this
4 Ordinance, the budgetary and accounting procedures, and reporting practices to be adopted
5 and implemented by the Housing Authority.

6 (b) The Controller shall specify the form and content of the monthly reports to be
7 submitted by the Housing Authority.

8 (c) The Controller shall review on a quarterly basis the expenditures, revenues,
9 accounts receivable and accounts payable of the Housing Authority, as well as any other
10 records or transactions as the Controller deems appropriate.

11 (d) The Controller shall issue quarterly reports to the Mayor, the Board of Supervisors
12 and the Housing Authority with such comments and recommendations for accounting,
13 budgetary, and reporting changes that the Controller deems appropriate to ensure that the
14 Housing Authority operates in compliance with the standards set down in Section 12.5(a) of
15 this Ordinance.

16 (e) In the event the Housing Authority fails to comply with its obligations under the
17 contract or to adhere to any of the budgetary, accounting, reporting, or fiscal standards
18 specified by the Controller, the Controller shall immediately issue a written report of said
19 failure to the Mayor, the Board of Supervisors, and the Housing Commission.))

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1 ((SEC. 12.7. TERMINATION OF CONTRACT. The contract authorized by this
2 Ordinance shall be terminable upon 90 days written notice by the Mayor on behalf of the City
3 and County of San Francisco or by the Executive Director on behalf of the Housing
4 Authority.))

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8 APPROVED AS TO FORM:

9 LOUISE H. RENNE, City Attorney

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11 By: 
12 THOMAS J. OWEN
13 Deputy City Attorney

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SUPERVISOR KAUFMAN
BOARD OF SUPERVISORS



City and County of San Francisco

City Hall
1 Dr. Carlton B. Goodlett Place
San Francisco, CA 94102-4689

Tails Ordinance

File Number: 991549

Date Passed:

Ordinance amending Administrative Code by repealing Sections 12.3, 12.4, 12.5, 12.6, and 12.7 regarding 1985 contract authorization for temporary City oversight of accounting, budgetary, and reporting procedures at the Housing Authority.

September 27, 1999 Board of Supervisors — PASSED, ON FIRST READING

Ayes: 10 - Ammiano, Becerril, Bierman, Katz, Kaufman, Leno, Newsom, Teng,
Yaki, Yee

Absent: 1 - Brown

October 4, 1999 Board of Supervisors — FINALLY PASSED

Ayes: 10 - Ammiano, Becerril, Bierman, Brown, Katz, Kaufman, Leno, Newsom,
Teng, Yaki

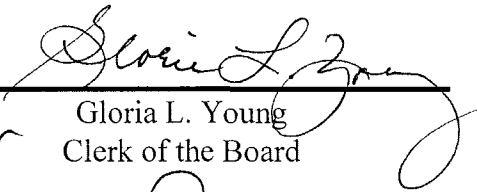
Absent: 1 - Yee

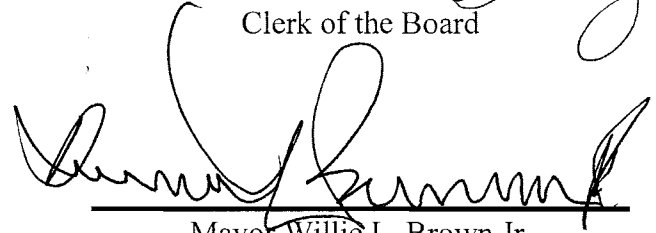
File No. 991549

I hereby certify that the foregoing Ordinance
was **FINALLY PASSED** on **October 4, 1999**
by the **Board of Supervisors of the City and**
County of San Francisco.

OCT 15 1999

Date Approved


Gloria L. Young
Clerk of the Board


Mayor Willie L. Brown Jr.