

## AGENDA ITEM

**DATE:** November 18th, 2025

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**TO:** Board of Supervisors

#### **SUBJECT**

TRANSPARENCY AND ACCOUNTABILITY AUDIT OF HOMELESSNESS SPENDING REGIONWIDE (DISTRICTS: ALL)

#### **OVERVIEW**

Over the past decade, homelessness across California has grown into a humanitarian, public health, and fiscal crisis. While taxpayers have invested billions of dollars in programs, the results have been deeply inadequate: more people are living on the streets, shelters are strained, and the public has lost confidence in government's ability to address this issue effectively.

The County of San Diego has taken important steps to improve transparency in its homelessness response. In early 2026, the County will launch a public-facing dashboard displaying key data such as the number of homeless individuals in the unincorporated area and participation levels in County programs. These efforts have contributed to measurable progress, including an 11 percent reduction in homelessness in the unincorporated area, as reflected in the most recent Point-in-Time Count.

However, homelessness is a regional challenge that demands regional accountability. Without greater transparency in how homelessness dollars are spent across jurisdictions, taxpayers will continue to lose faith, and lives will continue to be lost on our streets. This is unacceptable.

Recent state audits have revealed major deficiencies in how funds are tracked, measured, and evaluated. Between 2018 and 2023, more than \$24 billion in state homelessness funding was spent without consistent statewide tracking of outcomes or effectiveness. The California State Auditor concluded that the lack of oversight, transparency, and measurable outcomes is preventing meaningful progress.

Taxpayers are being asked to sustain an ever-expanding bureaucracy without clear performance metrics, accountability, or tangible results—failing both the public and those most in need of support.

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# SUBJECT: TRANSPARENCY AND ACCOUNTABILITY AUDIT OF HOMELESSNESS SPENDING REGIONWIDE (DISTRICTS: ALL)

Today's action directs the Chief Administrative Officer (CAO) to work with County staff to explore the feasibility of a regionwide audit to determine annual homelessness-related spending. The purpose of this audit which could be a collaborative effort with other entities is to clearly identify how much money was received, how much was spent, by which entities, and where funds remain unaccounted for.

### RECOMMENDATION(S) SUPERVISOR JIM DESMOND

- 1. Direct the Chief Administrative Officer to work County staff to explore the feasibility of a regionwide audit to determine annual homelessness-related spending and report back to the Board within 90 days. The report back should include options for an audit that could be a collaborative effort with other entities and should also include:
  - 1. All homelessness-related public funding allocated annually in the San Diego region.
  - 2. Annual expenditures by category from Cities, the County, and non-governmental organizations.
  - 3. Identification of any funding that remains unspent or is not being disclosed to the public.

### **EQUITY IMPACT STATEMENT**

This proposed audit supports equity by increasing transparency in how homelessness resources are distributed across communities. Marginalized populations are disproportionately represented in the homeless population, and understanding where resources have been allocated—or withheld—will help guide future efforts to ensure funds are distributed equitably and fairly across all areas of San Diego County.

#### SUSTAINABILITY IMPACT STATEMENT

This initiative aligns with the County of San Diego's Sustainability Goals related to social equity, fiscal responsibility, and public accountability. By accounting for all funds allocated to homelessness-related efforts, the County will be better equipped to evaluate resource use, inform future planning, and ensure tax dollars are being managed efficiently and sustainably. Increased transparency enhances public trust and supports long-term governance that is equitable and resilient.

#### FISCAL IMPACT

Funds for today's recommendations are included in the Fiscal Year 2025-26 Operational Plan based on existing staff time in various departments in the Finance & General Government Group and Health & Human Services Agency funded by General Purpose Revenue. Additional costs associated with conducting a feasibility assessment or potential audit will be evaluated by County staff and brought back to the Board as part of a future action. There will be no change in net General Fund cost and no additional staff years as a result of today's Recommendations.

### **BUSINESS IMPACT STATEMENT**

N/A

#### ADVISORY BOARD STATEMENT

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N/A

#### **BACKGROUND**

The April 2024 report by the California State Auditor, titled "Homelessness in California: The State Must Do More to Assess the Cost-Effectiveness of Homelessness Programs," brought to light serious concerns about how billions of dollars in homelessness-related funds have been tracked and reported throughout the state. The audit concluded that more than \$24 billion in state funding allocated from 2018-2023 has not been accompanied by any consistent, reliable accounting system. The lack of centralized oversight or standardized fiscal reporting has made it difficult to determine how funds were spent, where they were spent, or whether dollars were left unused. This audit, which included San Diego as one of the focus regions, revealed troubling inconsistencies and gaps in data that hinder local and statewide efforts to develop a coordinated, financially transparent response to homelessness.

Over the past several years, the County of San Diego has made meaningful strides toward improving transparency, accountability, and data-driven decision-making in its homelessness response. Recognizing that effective solutions require public trust and clear reporting, the County has prioritized open access to information about homelessness trends, program outcomes, and resource allocation.

In early 2026, the County is set to launch a new public-facing homelessness dashboard that will provide residents with real-time data and insights. This tool will include detailed information such as the number of individuals experiencing homelessness in the unincorporated area, participation rates in County-administered programs, and other key performance indicators. The dashboard represents a significant step forward in ensuring that progress is visible not only to policymakers but also to the public.

The website will also feature detailed expenditure data for all County programs serving people experiencing homelessness. Although this data is currently available to the public, it will soon be consolidated and presented alongside the monthly dashboard for greater accessibility and transparency.

On November 7<sup>th</sup>, 2023 (27), the Board approved an item that directed staff to conduct an enterprise-wide assessment of countywide homelessness efforts. That action directed the Chief Administrative Officer to conduct a comprehensive review of all County programs, services, and resources related to homelessness. The goal of the enterprise-wide assessment was to identify which departments were involved in homelessness-related work, how programs intersected, and how County resources could be better aligned. The result was a detailed internal inventory that improved coordination across departments.

However, this assessment focused exclusively on County operations. It did not include a financial audit, nor did it examine funding managed or distributed by cities or non-governmental organizations operating across the San Diego region.

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Today's action builds on the work of the enterprise-wide assessment and shifts the focus toward regionwide fiscal transparency. By identifying where homelessness-related dollars have flowed—whether spent, unspent, or untraceable, we can improve public confidence, eliminate duplication of effort, and better position the County and its partners to address homelessness effectively and responsibly. This is not only a fiscal issue, it is a matter of governance, stewardship, and accountability to the residents we serve.

#### LINKAGE TO THE COUNTY OF SAN DIEGO STRATEGIC PLAN

Today's proposed action supports the Equity Initiative of the County of San Diego's 2025-2030 Strategic Plan by ensuring that all dollars spent on homelessness are accounted for and aiding the communities that need it the most.

Respectfully submitted,

JIM DESMOND

Supervisor, Fifth District

ATTACHMENT(S) N/A

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