



DATE: May 24, 2022

TO: Mayor and Members of the City Council

FROM: Tammi Royales, Director of Finance

VIA: Greg Humora, City Manager

SUBJECT: Single Audit of Federally Assisted Grant Programs for the Year Ending June 30, 2021 (Consent item for the meeting of May 24, 2022)

Attached is a copy of the Single Audit of Federally Assisted Grant Programs (Single Audit) for the Year Ending June 30, 2021. The Single Audit reports on the city's expenditures incurred that are reimbursable under federal programs of federal awards in compliance with Title 2, US Code of Federal Regulations, Part 200, Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards (Uniform Guidance).

The City received a significant deficiency in internal control based on a determination that an agreement that disbursed funds from the Federal program cast the part receiving the funds as a contractor and not a sub-recipient. As such, sub-recipients activities were not accurately documented with the City. The City implemented controls by hiring a Financial Grants Administrator to ensure future compliance. No monetary costs were questioned and this is not a repeat finding.

Recommendation:

That the City Council accepts the Single Audit of Federally Assisted Grant Programs for the Year Ending June 30, 2021, as prepared and submitted by the firm of Rogers, Anderson, Malody & Scott.