

CITY OF FORT LAUDERDALE, FLORIDA

SINGLE AUDIT REPORT

September 30, 2021

CITY OF FORT LAUDERDALE, FLORIDA

SINGLE AUDIT REPORT
September 30, 2021

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**INDEPENDENT AUDITOR'S REPORT ON INTERNAL CONTROL OVER FINANCIAL REPORTING
AND ON COMPLIANCE AND OTHER MATTERS BASED ON AN AUDIT OF FINANCIAL
STATEMENTS PERFORMED IN ACCORDANCE WITH GOVERNMENT AUDITING STANDARDS**

To the Honorable Mayor,
City Commission and City Manager
City of Fort Lauderdale, Florida
Fort Lauderdale, Florida

We have audited in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States, the financial statements of the governmental activities, the business-type activities, the discretely presented component unit, each major fund, and the aggregate remaining fund information of the City of Fort Lauderdale, Florida (the "City") as of and for the year ended September 30, 2021, and the related notes to the financial statements, which collectively comprise the City's basic financial statements, and have issued our report thereon dated June 21, 2022. Our report includes a reference to other auditors who audited the financial statements of the City of Fort Lauderdale Police and Fire Retirement System (the "System"), as described in our report on the City's financial statements. This report does not include the results of the other auditors' testing of internal control over financial reporting or compliance and other matters that are reported on separately by those other auditors.

Internal Control Over Financial Reporting

In planning and performing our audit of the financial statements, we considered the City's internal control over financial reporting (internal control) as a basis for designing audit procedures that are appropriate in the circumstances for the purpose of expressing our opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the City's internal control. Accordingly, we do not express an opinion on the effectiveness of the City's internal control.

A deficiency in internal control exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, misstatements on a timely basis. A *material weakness* is a deficiency, or a combination of deficiencies, in internal control such that there is a reasonable possibility that a material misstatement of the entity's financial statements will not be prevented, or detected and corrected on a timely basis. A *significant deficiency* is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies and therefore, material weaknesses or significant deficiencies may exist that were not identified. We did identify a deficiency in internal control, described in the accompanying schedule of findings and responses as item 2021-001 that we consider to be a material weakness.

(Continued)

Compliance and Other Matters

As part of obtaining reasonable assurance about whether the City's financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the financial statements. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

City's Response to Finding

The City's response to the finding identified in our audit is described in the accompanying schedule of findings and responses. The City's response was not subjected to the auditing procedures applied in the audit of the financial statements and, accordingly, we express no opinion on it.

Purpose of this Report

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the entity's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the entity's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.



Crowe LLP

Fort Lauderdale, Florida
June 21, 2022, except for Finding 2021-001,
for which the date is August 26, 2022

INDEPENDENT AUDITOR'S REPORT ON COMPLIANCE FOR EACH MAJOR FEDERAL PROGRAM AND STATE FINANCIAL ASSISTANCE PROJECT; REPORT ON INTERNAL CONTROL OVER COMPLIANCE; AND REPORT ON THE SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS AND STATE FINANCIAL ASSISTANCE REQUIRED BY THE UNIFORM GUIDANCE AND CHAPTER 10.550 RULES OF THE AUDITOR GENERAL

To the Honorable Mayor,
City Commission and City Manager
City of Fort Lauderdale, Florida
Fort Lauderdale, Florida

Report on Compliance for Each Major Federal Program and State Project

We have audited the City of Fort Lauderdale, Florida's (the "City") compliance with the types of compliance requirements described in the *OMB Compliance Supplement* and the requirements described in the *Department of Financial Services' State Projects Compliance Supplement*, that could have a direct and material effect on each of the City's major federal programs or state financial assistance projects for the year ended September 30, 2021. The City's major federal programs and state financial assistance projects are identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs.

Management's Responsibility

Management is responsible for compliance with federal and state statutes, regulations, and the terms and conditions of its federal and state awards applicable to its federal programs and state financial assistance projects.

Auditor's Responsibility

Our responsibility is to express an opinion on compliance for each of the City's major federal programs and state financial assistance projects based on our audit of the types of compliance requirements referred to above. We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; the audit requirements of Title 2 U.S. *Code of Federal Regulations Part 200, Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance); and Chapter 10.550, *Rules of the Auditor General*. Those standards, the Uniform Guidance, and Chapter 10.550, *Rules of the Auditor General*, require that we plan and perform the audit to obtain reasonable assurance about whether noncompliance with the types of compliance requirements referred to above that could have a direct and material effect on a major federal program and state financial assistance project occurred. An audit includes examining, on a test basis, evidence about the City's compliance with those requirements and performing such other procedures as we considered necessary in the circumstances.

(Continued)

We believe that our audit provides a reasonable basis for our opinion on compliance for each major federal program and state financial assistance project. However, our audit does not provide a legal determination of the City's compliance.

Opinion on Each Major Federal Program and State Financial Assistance Project

In our opinion, the City complied, in all material respects, with the types of compliance requirements referred to above that could have a direct and material effect on each of its major federal programs and state financial assistance projects for the year ended September 30, 2021.

Report on Internal Control Over Compliance

Management of the City is responsible for establishing and maintaining effective internal control over compliance with the types of compliance requirements referred to above. In planning and performing our audit of compliance, we considered the City's internal control over compliance with the types of requirements that could have a direct and material effect on each major federal program and state financial assistance project to determine the auditing procedures that are appropriate in the circumstances for the purpose of expressing an opinion on compliance for each major federal program and state financial assistance project and to test and report on internal control over compliance in accordance with the Uniform Guidance and Chapter 10.550, *Rules of the Auditor General*, but not for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, we do not express an opinion on the effectiveness of the City's internal control over compliance.

A deficiency in internal control over compliance exists when the design or operation of a control over compliance does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, noncompliance with a type of compliance requirement of a federal program or state financial assistance project on a timely basis. *A material weakness in internal control over compliance* is a deficiency, or combination of deficiencies, in internal control over compliance, such that there is a reasonable possibility that material noncompliance with a type of compliance requirement of a federal program or state financial assistance project will not be prevented, or detected and corrected, on a timely basis. *A significant deficiency in internal control over compliance* is a deficiency, or a combination of deficiencies, in internal control over compliance with a type of compliance requirement of a federal program or state financial assistance project that is less severe than a material weakness in internal control over compliance, yet important enough to merit attention by those charged with governance.

Our consideration of internal control over compliance was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control over compliance that might be material weaknesses or significant deficiencies and therefore, material weaknesses or significant deficiencies may exist that were not identified. We did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses. However, we identified a certain deficiency in internal control over compliance, as described in the accompanying schedule of findings and questioned costs as item 2021-002, that we consider to be a significant deficiency.

The City's response to the internal control over compliance finding identified in our audit is described in the accompanying *schedule of findings and questioned costs*. The City's response was not subjected to the auditing procedures applied in the audit of compliance and, accordingly, we express no opinion on the response.

The purpose of this report on internal control over compliance is solely to describe the scope of our testing of internal control over compliance and the results of that testing based on the requirements of the Uniform Guidance and Chapter 10.550, *Rules of the Auditor General*. Accordingly, this report is not suitable for any other purpose.

(Continued)

Report on Schedule of Expenditures of Federal Awards and State Financial Assistance Required by the Uniform Guidance and Chapter 10.550, *Rules of the Auditor General*

We have audited the financial statements of the governmental activities, the business-type activities, the discretely presented component unit, each major fund, and the aggregate remaining fund information of the City as of and for the year ended September 30, 2021, and the related notes to the financial statements, which collectively comprise the City's basic financial statements. We issued our report thereon dated June 21, 2022, which contained unmodified opinions on those financial statements. Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the basic financial statements. The accompanying schedule of expenditures of federal awards and state financial assistance is presented for purposes of additional analysis as required by the Uniform Guidance and Chapter 10.550, *Rules of the Auditor General* and is not a required part of the basic financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. The information has been subjected to the auditing procedures applied in the audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the schedule of expenditures of federal awards and state financial assistance is fairly stated in all material respects in relation to the basic financial statements as a whole.



Crowe LLP

Fort Lauderdale, Florida
August 26, 2022

CITY OF FORT LAUDERDALE, FLORIDA
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
AND STATE FINANCIAL ASSISTANCE
Year Ended September 30, 2021

Federal Programs/State Projects	Assistance Listing/ CFSA #	Contract/Grant Grant Number	Expenditures	Transfer to Subrecipient
FEDERAL FINANCIAL ASSISTANCE				
U. S. Department of Agriculture:				
Indirect Programs:				
Food and Nutrition Service				
Child Nutrition Cluster				
Summer Food Service Program for Children				
Passed Through Florida Department of Agriculture and Consumer Services				
Summer Food Service Program for Children - FY19	10.559	04-0987	\$ 4,887	\$ -
Summer Food Service Program for Children - FY20	10.559	04-0987	1,241	-
Summer Food Service Program for Children - FY21	10.559	18474	47,058	-
Total Child Nutrition Cluster			<u>53,186</u>	<u>-</u>
Child and Adult Care Food Program				
Passed Through Florida Department of Health Child Care				
Afterschool Snack Program - FY21	10.558	N/A	38,465	-
Total U. S. Department of Agriculture			<u>91,651</u>	<u>-</u>
U.S. Department of Housing and Urban Development:				
Direct Programs:				
Office of Community Planning and Development				
CDBG - Entitlement Grants Cluster				
Community Development Block Grants/Entitlement Grants	14.218	N/A	1,606,552	368,517
COVID19 Community Development Block Grants/Entitlement Grants	14.218	B-20-MW-12-0005	541,727	-
Total CDBG - Entitlement Grants Cluster			<u>2,148,279</u>	<u>368,517</u>
Home Investment Partnerships Program	14.239	N/A	881,295	96,243
Housing Opportunities for Persons with AIDS	14.241	N/A	6,735,843	6,441,502
COVID19 Housing Opportunities for Persons with AIDS	14.241	FLH20-FHW004	324,080	276,582
Total Assistance Listing #14.241			<u>7,059,923</u>	<u>6,718,084</u>
Total U.S. Department of Housing and Urban Development			<u>10,089,497</u>	<u>7,182,844</u>
U.S. Department of the Interior:				
Indirect Programs:				
Sport Fish Restoration - Boating Access				
Passed Through Florida Fish and Wildlife Service				
Clean Vessel Act Grant	15.616	MV379	30,256	-
Cooperative Endangered Species Conservation Fund	15.615	18252	10,649	-
Total U.S. Department of Interior, National Park Service			<u>40,905</u>	<u>-</u>
U.S. Department of Justice:				
Direct Programs:				
Office of Community Oriented Policing Services				
Public Safety Partnership and Community Policing Grants				
Cops Hiring Program	16.710	2016ULWX0022	15,681	-
Indirect Programs:				
Office of Juvenile Justice and Delinquency Prevention				
Juvenile Justice and Delinquency Prevention				
Passed Through Florida Department of Juvenile Justice				
Juvenile Justice Delinquency Program	16.540	10637	24,930	-
Office of Justice Programs				
Bureau of Justice Assistance				
Drug Court Discretionary Grant Program				
Passed Through City of New York				
2018 Community Court Grant Program	16.585	2015-DC-NY-K002	795	-
Direct Programs:				
Office of Justice Programs				
Bureau of Justice Assistance				
Bulletproof Vest Partnership Program				
FY 2020 BVP Program	16.607	N/A	14,034	-
National Sexual Assault Kit Initiative				
Sexual Assault Kit Initiative	16.833	2018-AK-BX-0022	88,413	-
FY 20 Sexual Assault Kit Initiative	16.833	2020-AK-BX-0007	1,433	-
Total Assistance Listing #16.833			<u>89,846</u>	<u>-</u>
Equitable Sharing Program				
Forfeiture Fund - Federal Equitable Sharing (Non Treasury)	16.922	N/A	774,892	-
Coronavirus Emergency Supplemental Funding Program				
COVID19 FY20 Fort Lauderdale Public Safety Response	16.034	2020-VD-BX-0846	93,388	-
Total U.S. Department of Justice			<u>1,013,566</u>	<u>-</u>

See accompanying notes to the Schedule of Expenditures of Federal Awards and State Financial Assistance.
(Continued)

CITY OF FORT LAUDERDALE, FLORIDA
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
AND STATE FINANCIAL ASSISTANCE
Year Ended September 30, 2021

Federal Programs/State Projects	Assistance Listing/ CFSA #	Contract/Grant Grant Number	Expenditures	Transfer to Subrecipient
U.S. Department of Transportation:				
Direct Programs:				
Federal Aviation Administration (FAA)				
Airport Improvement Program				
Construct Taxiway F	20.106	3-12-0024-032-2019	\$ 2,707,016	\$ -
Runway Incursion MITT	20.106	3-12-0024-033-2020	42,761	-
COVID19 FAA Coronavirus Response	20.106	3-12-0024-035-2021	17,371	-
Coronavirus Aid, Relief and Economic Security Act				
COVID19 CARES ACT Airport Grant	20.106	3-12-0024-034-2020	141,263	-
Total Assistance Listing #20.106			<u>2,908,411</u>	-
Indirect Programs:				
Federal Transit Administration (FTA)				
Federal Transit Cluster				
Federal Transit Formula Grants				
Passed Through Broward Metropolitan Planning Organization				
Downtown Fort Lauderdale Mobility Hub: Streetscape	20.507	FTA G-22	882,317	-
Total Federal Transit Cluster			<u>882,317</u>	-
Indirect Programs:				
Federal Highway Administration (FHWA)				
Highway Planning and Construction Cluster				
Passed Through University of South Florida				
FY20 FDOT Pedestrian & Bicycle Safety Enforcement Campaign	20.205	GIB36	69,626	-
Total Highway Planning and Construction Cluster			<u>69,626</u>	-
Indirect Programs:				
Highway Safety Cluster				
National Priority Safety Programs				
Passed Through Florida Department of Transportation				
FY21 State Safety Office Program	20.616	N/A	59,134	-
Total Highway Safety Cluster			<u>59,134</u>	-
Total U.S. Department of Transportation			<u>3,919,488</u>	-
U.S. Department of Treasury:				
Direct Programs:				
Indirect Programs:				
Coronavirus Aid Relief and Economic Security Act				
Passed Through Florida Housing Finance Corporation				
Coronavirus Relief Funds (CRF)				
COVID19 Coronavirus Relief Fund	21.019	N/A	839,352	81,000
US Treasury Pass Through Broward County ARPA				
COVID19 Broward County Non-Congregate Sheltering Program	21.023	N/A	189,375	-
Total U.S. Department of Treasury			<u>1,028,727</u>	<u>81,000</u>
U.S. Environmental Protection Agency:				
Indirect Programs:				
Nonpoint Source Implementation Grants				
Passed Through Florida Department of Environmental Protection				
River Oaks Preserve Project	66.460	NF019	34,216	-
Total U.S. Department of Environmental Protection			<u>34,216</u>	-
U.S. Department of Health and Human Services:				
Indirect Programs:				
Pass Through Broward County Department of Health				
Overdose Data to Action (OD2A)	93.136	N/A	10,000	-
Overdose Data to Action (OD2A)	93.136	N/A	73,309	-
Total U.S. Department of Health and Human Services			<u>83,309</u>	-
U.S. Department of Homeland Security:				
Direct Programs:				
Federal Emergency Management Agency (FEMA)				
Assistance to Firefighters Grant				
FY 2019 Assistance to Firefighters Grant	97.044	EMW-2019-FG-03283	819,808	-
Homeland Security Grant Program				
Passed Through City of Miami				
FY 2018 Urban Area Security Initiative (UASI) Grant Program	97.067	19-DS-04-11-23-02-319	1,489	-
FY 2019 Urban Area Security Initiative (UASI) Grant Program	97.067	R0075	141,184	-
FY 2019 Urban Area Security Initiative (UASI) Grant Program	97.067	R0075	46,503	-
FY 2020 Urban Area Security Initiative (UASI) Grant Program	97.067	R0232	24,432	-
Total Assistance Listing #97.067			<u>213,608</u>	-
Total U.S. Department of Homeland Security			<u>1,033,416</u>	-
Total Expenditures of Federal Financial Assistance			<u>\$ 17,334,775</u>	<u>\$ 7,263,844</u>

See accompanying notes to the Schedule of Expenditures of Federal Awards and State Financial Assistance.
(Continued)

CITY OF FORT LAUDERDALE, FLORIDA
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
AND STATE FINANCIAL ASSISTANCE
Year Ended September 30, 2021

Federal Programs/State Projects	Assistance Listing/ CFSA #	Contract/Grant Grant Number	Expenditures	Transfer to Subrecipient
STATE FINANCIAL ASSISTANCE				
Florida Department of Environmental Protection:				
Indirect Project:				
Passed Through Florida Department of Environmental Protection				
FRDAP HORTT Playground	37.017	A1123	\$ 50,000	\$ -
Clean Vessel Act Grant	37.084	MV379	30,256	-
Total U.S. Department of Environmental Protection			<u>80,256</u>	<u>-</u>
Florida Housing Finance Corporation:				
Direct Projects:				
State Housing Initiatives Partnership Program (SHIP)	40.901	N/A	1,080,888	-
Total Florida Housing Finance Corporation			<u>1,080,888</u>	<u>-</u>
Florida Department of State , Division Historical Resources				
Direct Projects:				
Intensive Level Architectural Resourse Surveys Grant	45.031	20.h.sm.200.002	10,000	-
Total Florida Department of State, Division Historical Resources			<u>10,000</u>	<u>-</u>
Florida Department of Transportation				
Direct Projects:				
Transit Corridor Development Program				
NW Community and Neighborhood Links Revised Routes	55.013	G1L58	15,187	15,187
Transit Corridor Development Program	55.013	n/a	13,688	10,296
Total CSFA # 55.013			<u>28,875</u>	<u>25,483</u>
Aviation Grant Program				
Design & Construct Airfield Signage Replacement at FXE	55.004	G0Z90	740,900	-
Design Taxiway Intersection Improvement	55.004	G1026	6,082	-
Design Mid-Field Taxiway Extens And Run-Up Area	55.004	G1B52	24,774	-
Taxiway Foxtrot Relocation 431024-19401	55.004	G1648	186,195	-
Total CSFA # 55.004			<u>957,951</u>	<u>-</u>
Total Florida Department of Transportation			<u>986,826</u>	<u>25,483</u>
Total Expenditures of State Financial Assistance			<u>\$ 2,157,970</u>	<u>\$ 25,483</u>

See accompanying notes to the Schedule of Expenditures of Federal Awards and State Financial Assistance.

CITY OF FORT LAUDERDALE, FLORIDA
NOTES TO THE SCHEDULE OF EXPENDITURES OF
FEDERAL AWARDS AND STATE FINANCIAL ASSISTANCE
Year Ended September 30, 2021

NOTE 1 – GENERAL

The accompanying Schedule of Expenditures of Federal Awards and State Financial Assistance (the Schedule) presents the activity of all federal awards programs and state financial assistance projects of the City of Fort Lauderdale, Florida (the City), for the year ended September 30, 2021. Federal awards programs and state financial assistance projects received directly, as well as passed through other government agencies, are included on the Schedule.

The information in this Schedule is presented in accordance with the requirements of the Title 2 U.S. Code of Federal Regulations Part 200, *Uniform Administrative Requirements, Costs Principles, and Audit Requirements for Federal Awards* (Uniform Guidance) and Chapter 10.550, *Rules of the Auditor General*.

NOTE 2 – BASIS OF ACCOUNTING

The accompanying Schedule is presented using the modified accrual basis of accounting for expenditures accounted for in the governmental funds and the accrual basis of accounting for expenditures in the proprietary funds. Under the modified accrual basis expenditures are recognized in the period liabilities are incurred, if measurable. Under the accrual basis, expenditures are recognized in the period liabilities are incurred.

The expenditures are recognized following the cost principles contained in Title 2 U.S. Code of Federal Regulations Part 200, *Uniform Administrative Requirements, Costs Principles, and Audit Requirements for Federal Awards*, wherein certain types of expenditures are not allowable or are limited as to reimbursement.

NOTE 3 – PROGRAM CLUSTERS

The Uniform Guidance defines a cluster of programs as a grouping of closely related programs that share common compliance requirements. Based on this definition, similar programs are presented accordingly.

NOTE 4 – CONTINGENCY

The grant revenue amounts received are subject to audit and adjustment. If any expenditures or expenses are disallowed by the grantor agencies as a result of such an audit, any claim for reimbursement to the grantor agencies would become a liability of the City. In the opinion of management, all grant expenditures are in compliance with the terms of the grant agreements and applicable federal and state laws and regulations.

NOTE 5 – NON-CASH AND FEDERAL INSURANCE

The City did not receive non-cash assistance in the current fiscal year.

NOTE 6 – DE MINIMIS COST

The City did not elect to use the 10% de minimis cost rate allowed under the Uniform Guidance in fiscal year 2021.

CITY OF FORT LAUDERDALE, FLORIDA
 SCHEDULE OF FINDINGS AND QUESTIONED COSTS
 Year Ended September 30, 2021

SECTION I - SUMMARY OF AUDITOR'S RESULTS

FINANCIAL STATEMENTS

Type of report the auditor issued on whether the financial statements audited were prepared in accordance with GAAP: Unmodified

Internal control over financial reporting:

Material weakness(es) identified? Yes
 Significant deficiency(ies) identified? None reported

Noncompliance material to financial statements noted? No

FEDERAL AWARDS AND STATE FINANCIAL ASSISTANCE

Internal control over major federal programs and state financial assistance projects:

Material weakness(es) identified? No
 Significant deficiency(ies) identified? Yes

Type of auditor's report issued on compliance for major federal programs and state financial assistance projects: Unmodified

Any audit findings disclosed that are required to be reported in accordance with 2 CFR 200.516(a) and Chapter 10.550 *Rules of the Auditor General*? Yes

Identification of major federal programs and state financial assistance projects:

<u>Federal Awards Assistance Listing Number</u>	<u>Name of Program or Cluster</u>
14.218	CDBG Entitlement Grants Cluster
	COVID-19 – CDBG Entitlement Grants Cluster
20.106	Airport Improvement Program
	COVID-19 – Airport Improvement Program
21.019	COVID-19 – Coronavirus Relief Funds
14.239	Home Investment Partnership Program
97.044	Assistance to Firefighters Grant

State Financial Assistance

<u>CSFA Number</u>	
40.901	State Housing Initiatives Partnership Program
55.004	Aviation Grant Program

Dollar threshold used to distinguish between Type A and Type B programs/projects:
 Federal \$750,000
 State \$647,391

Auditee qualified as low-risk auditee? Yes

(Continued)

CITY OF FORT LAUDERDALE, FLORIDA
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
Year Ended September 30, 2021

SECTION II - FINANCIAL STATEMENT FINDINGS

Finding 2021-001 – Schedule of Expenditures of Federal Awards and State Financial Assistance –
Material Weakness

Criteria or specific requirement: Internal control should be in place to ensure the Schedule of Expenditures of Federal Awards and State Financial Assistance (“SEFA”) is prepared correctly including identification of the proper Assistance Listing Number (“ALN”) and inclusion of grant expenditures that should be reported on the SEFA.

Condition: The City inappropriately listed a grant under the incorrect ALN. In addition, the City reported grant expenditures on the SEFA that should not have been reported on the SEFA. Finally the City reported expenditures as state financial assistance that should have been reported as Federal financial assistance.

Context: Crowe noted in the original SEFA prepared and presented in January, 2022 an amount of approximately \$1 million for Assistance Listing Number (ALN) 97.036 passed through the County. Upon receipt of a revised SEFA in early February 2022, the amount increased to approximately \$8.7 million. Upon further review of the grant agreement, Crowe noted that the City incorrectly reported this under the wrong ALN. The City reported this under 97.036 when it should have been reported under 21.019. Subsequent to this the City provided a letter from the County dated January 19, 2021 indicating the \$8.7 million should not be put on the SEFA and that local funds were used from the County versus Federal funds so the City removed the \$8.7 million from the SEFA. In addition, the City reported approximately \$5.7 million on the SEFA under ALN 97.036 that should not have been reported as funds have yet to be obligated by the grantor and therefore are not available to the City. Finally the City reported approximately \$83 thousand as state financial assistance that should have been reported as Federal financial assistance.

Effect: The grant expenditures were not originally classified properly on the SEFA. Recording a grant on the SEFA that should not have been reported on the SEFA resulted in a material misstatement of the SEFA.

Cause: The SEFA is prepared by staff in the Treasury Division by reviewing the grant agreements, revenues and expenditures in the City’s accounting system. The SEFA is then submitted to grant coordinators for review. Once the SEFA has been reviewed by grant coordinators, supervisory personnel in the Treasury Division reviews and provides final approval. During multiple reviews, the grants in question were inadvertently overlooked causing the wrong classifications.

Recommendation: Crowe recommends the City implement effective internal control to ensure the SEFA is prepared in accordance with appropriate standards.

Views of responsible officials and planned corrective actions: Staff preparing the SEFA will submit copies of the grant agreements along with the SEFA for review and approval.

SECTION III - FEDERAL AWARD FINDINGS AND QUESTIONED COSTS

Finding 2021-002 – Sub-Recipient Monitoring – Significant Deficiency

Assistance Listing Number – 14.239
U.S. Department of Housing and Urban Development
HOME Investment Partnership Program

Criteria or specific requirement: Internal control should be in place to ensure that information submitted by the Sub-Recipient is reviewed by the City and that the review is documented.

(Continued)

CITY OF FORT LAUDERDALE, FLORIDA
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
Year Ended September 30, 2021

Condition: The City could not provide documentation that the Single Audit Report for the Sub-Recipient of the City was reviewed by appropriate personnel of the City.

Context: The City requires that their Sub-Recipient provide a Single Audit Report on an annual basis. The City was able to provide the completed Single Audit Report of the Sub-Recipient but was unable to provide documentation that the City reviewed the Single Audit Report to determine if the Sub-Recipient had any findings and/or questioned costs in the Single Audit Report.

Effect: The Sub-Recipient could have had findings and/or questioned costs and the City would be unaware of the findings and/or questioned costs.

Cause: Staff responsible for receiving and reviewing the Sub-Recipient's Single Audit Report separated from the City and the current staff could not locate evidence of receipt or review.

Questioned Costs: None

Recommendation: Crowe recommends the City implement effective internal control to ensure the Sub-Recipients Single Audit Report is reviewed and that the review is documented.

Views of responsible officials and planned corrective actions: The City will ensure that all single audit reviews for sub-recipients are documented in a central repository and can be retrieved when required if staff turnover occurs.

SECTION IV - STATE FINANCIAL ASSISTANCE FINDINGS AND QUESTIONED COSTS

No items noted.

CITY OF FORT LAUDERDALE, FLORIDA
SUMMARY OF PRIOR AUDIT FINDINGS
Year Ended September 30, 2021

SUMMARY OF PRIOR AUDIT FINDINGS

There were no prior audit findings.