

CITY OF GLENDALE, CALIFORNIA
SINGLE AUDIT OF FEDERALLY ASSISTED
GRANT PROGRAMS
YEAR ENDED JUNE 30, 2023



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**INDEPENDENT AUDITORS' 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**

Honorable Mayor and Members of City Council
City of Glendale
Glendale, California

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, each major fund, and the aggregate remaining fund information of City of Glendale (the City), as of and for the year ended June 30, 2023, and the related notes to the financial statements, which collectively comprise the City's basic financial statements, and have issued our report thereon dated November 20, 2023.

Report on 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 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. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. However, material weaknesses or significant deficiencies may exist that were not identified.

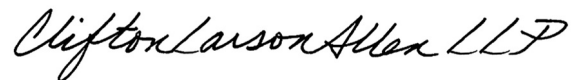
Honorable Mayor and Members of City Council
City of Glendale

Report on Compliance and Other Matters

As part of obtaining reasonable assurance about whether 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*.

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.

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CliftonLarsonAllen LLP

Irvine, California
November 20, 2023



**INDEPENDENT AUDITORS' REPORT ON COMPLIANCE FOR EACH MAJOR
FEDERAL PROGRAM, REPORT ON INTERNAL CONTROL OVER COMPLIANCE, AND
REPORT ON THE SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
REQUIRED BY THE UNIFORM GUIDANCE**

Honorable Mayor and Members of City Council
City of Glendale
Glendale, California

Report on Compliance for Each Major Federal Program

Opinion on Each Major Federal Program

We have audited the City of Glendale's (the City) compliance with the types of compliance requirements identified as subject to audit in the OMB *Compliance Supplement* that could have a direct and material effect on each of the City's major federal programs for the year ended June 30, 2023. The City's major federal programs are identified in the summary of auditors' results section of the accompanying schedule of findings and questioned costs.

In our opinion, the City complied, in all material respects, with the compliance requirements referred to above that could have a direct and material effect on each of its major federal programs for the year ended June 30, 2023.

Basis for Opinion on Each Major Federal Program

We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America (GAAS); the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States; and 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). Our responsibilities under those standards and the Uniform Guidance are further described in the Auditors' Responsibilities for the Audit of Compliance section of our report.

We are required to be independent of the City and to meet our other ethical responsibilities, in accordance with relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion on compliance for each major federal program. Our audit does not provide a legal determination of the City's compliance with the compliance requirements referred to above.

Responsibilities of Management for Compliance

Management is responsible for compliance with the requirements referred to above and for the design, implementation, and maintenance of effective internal control over compliance with the requirements of laws, statutes, regulations, rules and provisions of contracts or grant agreements applicable to the City's federal programs.

Auditors' Responsibilities for the Audit of Compliance

Our objectives are to obtain reasonable assurance about whether material noncompliance with the compliance requirements referred to above occurred, whether due to fraud or error, and express an opinion on the City's compliance based on our audit. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with GAAS, *Government Auditing Standards*, and the Uniform Guidance will always detect material noncompliance when it exists. The risk of not detecting material noncompliance resulting from fraud is higher than for that resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Noncompliance with the compliance requirements referred to above is considered material if there is a substantial likelihood that, individually or in the aggregate, it would influence the judgment made by a reasonable user of the report on compliance about the City's compliance with the requirements of each major federal program as a whole.

In performing an audit in accordance with GAAS, *Government Auditing Standards*, and the Uniform Guidance, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material noncompliance, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the City's compliance with the compliance requirements referred to above and performing such other procedures as we considered necessary in the circumstances.
- Obtain an understanding of the City's internal control over compliance relevant to the audit in order to design audit procedures that are appropriate in the circumstances and to test and report on internal control over compliance in accordance with the Uniform Guidance, but not for the purpose of expressing an opinion on the effectiveness of the City's internal control over compliance. Accordingly, no such opinion is expressed.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and any significant deficiencies and material weaknesses in internal control over compliance that we identified during the audit.

Other Matters

The results of our auditing procedures disclosed an instance of noncompliance, which is required to be reported in accordance with the Uniform Guidance and which is described in the accompanying schedule of findings and questioned costs as item 2023-001. Our opinion on each major federal program is not modified with respect to this matter.

Government Auditing Standards requires the auditor to perform limited procedures on City of Glendale's response to the noncompliance finding identified in our compliance audit described in the accompanying schedule of findings and questioned costs. City of Glendale's response was not subjected to the other auditing procedures applied in the audit of compliance and, accordingly, we express no opinion on the response.

Report on Internal Control Over Compliance

Our consideration of internal control over compliance was for the limited purpose described in the Auditors' Responsibilities for the Audit of Compliance section above and was not designed to identify all deficiencies in internal control over compliance that might be material weaknesses or significant deficiencies in internal control over compliance. Given these limitations, during our audit we did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses, as defined above. However, material weaknesses or significant deficiencies in internal control over compliance may exist that were not identified.

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 on a timely basis. *A material weakness in internal control over compliance* is a deficiency, or a 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 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 that is less severe than a material weakness in internal control over compliance, yet important enough to merit attention by those charged with governance. We consider the deficiency in internal control over compliance described in the accompanying schedule of findings and questioned costs as item 2023-001 to be a significant deficiency.

Our audit was not designed for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, no such opinion is expressed.

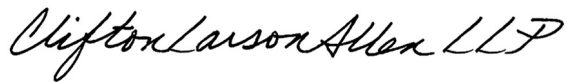
Government Auditing Standards requires the auditor to perform limited procedures on the City's response to the internal control over compliance finding identified in our audit described in the accompanying schedule of findings and questioned costs. The City's response was not subjected to the other auditing 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. Accordingly, this report is not suitable for any other purpose.

Honorable Mayor and Members of City Council
City of Glendale

Report on Schedule of Expenditures of Federal Awards Required by the Uniform Guidance

We have audited the financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the City as of and for the year ended June 30, 2023, and the related notes to the financial statements, which collectively comprise the City's basic financial statements. We have issued our report thereon, dated November 20, 2023, 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 is presented for purposes of additional analysis as required by the Uniform Guidance 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 basic 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 is fairly stated in all material respects in relation to the basic financial statements as a whole.

A handwritten signature in black ink that reads "CliftonLarsonAllen LLP". The signature is written in a cursive, flowing style.

CliftonLarsonAllen LLP

Irvine, California
March 13, 2024

CITY OF GLENDALE
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
YEAR ENDED JUNE 30, 2023

Federal Grantor / Pass-Through Grantor / Program / Cluster Title / Project	Federal Assistance Listing Number	Pass-Through Entity Identifying Number	Federal Expenditures	Passed Through to Subrecipients
U.S. Department of Housing and Urban Development				
Direct Assistance:				
Community Development Block Grants - Entitlement Grants Cluster:				
Community Development Block Grants/Entitlement Grants	14.218		\$ 1,125,659	\$ 453,000
COVID-19 - Community Development Block Grants/Entitlement Grants	14.218		29,089	-
Subtotal Community Development Block Grants - Entitlement Grants Cluster			1,154,748	453,000
Emergency Solutions Grants Program				
Emergency Solutions Grants Program	14.231		196,304	188,530
COVID-19 - Emergency Solutions Grants Program	14.231		845,896	758,216
Subtotal Emergency Solutions Grants Program			1,042,200	946,746
Home Investment Partnerships Program				
Home Investment Partnerships Program	14.239		995,044	-
Home Investment Partnerships Program Income	14.239		660,887	-
Subtotal Home Investment Partnerships Program			1,655,931	-
Continuum of Care Program				
2020 NOFA Coordinated Entry System Reallocation	14.267		43,703	43,703
2020 NOFA Chester Street Permanent Supportive Housing	14.267		27,468	22,981
2020 NOFA Consolidated Grant Shelter Plus Care	14.267		98,344	-
2020 NOFA Family Promise Rapid Re-Housing Program	14.267		59,650	58,458
2020 NOFA Glendale Homeless Management Information System Project	14.267		8,999	-
2020 NOFA Scattered Site Permanent Supportive Housing Program	14.267		60,064	59,319
2021 NOFO Coordinated Entry System Project	14.267		543,049	488,358
2021 NOFO Chester Street Permanent Supportive Housing	14.267		32,784	28,297
2021 NOFO CoC Rapid Re-Housing Program	14.267		52,268	45,651
2021 NOFO Glendale Homeless Management Information System Project	14.267		77,755	-
2021 NOFO Housing Now Permanent Supportive Housing	14.267		420,107	394,068
2021 NOFO Next Step Permanent Supportive Housing	14.267		192,531	185,463
2021 NOFO Scattered Site Permanent Supportive Housing	14.267		202,515	193,563
2021 NOFO Shelter Plus Care	14.267		581,330	-
2021 NOFO CoC Planning Grant	14.267		79,840	-
Subtotal Continuum of Care Program			2,480,407	1,519,861
Housing Voucher Cluster:				
Direct Assistance:				
Section 8 Housing Choice Vouchers	14.871		22,308,279	-
COVID-19 - Section 8 Housing Choice Vouchers	14.871		8,172	-
COVID-19 - Mainstream Vouchers	14.879		228,124	-
Passed-through Other Housing Authorities:				
Section 8 Housing Choice Vouchers (Portable Vouchers)	14.871	CA114V	17,811,408	-
Section 8 Emergency Housing Voucher	14.871	CA114	2,434,913	-
Subtotal Housing Voucher Cluster			42,790,896	-
Total U.S. Department of Housing and Urban Development			49,124,182	2,919,607

See accompanying Notes to Schedule of Expenditures of Federal Awards.

CITY OF GLENDALE
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS (CONTINUED)
YEAR ENDED JUNE 30, 2023

Federal Grantor / Pass-Through Grantor / Program / Cluster Title / Project	Federal Assistance Listing Number	Pass-Through Entity Identifying Number	Federal Expenditures	Passed Through to Subrecipients
U.S. Department of Justice				
Direct Assistance:				
Public Safety Partnership and Community Policing Grants	16.710		\$ 97,668	\$ -
BJA FY21 Edward Byrne Memorial Justice Assistance Grant Program	16.738		531	-
BJA FY22 Byrne Discretionary Grants Program	16.753		454,425	-
FY 2018 NCS-X Implementation Assistance Program	16.734		235,662	-
FY 2020 DNA Capacity Enhancement and Backlog Reduction (CEBR) Program	16.741		189,909	-
FY 2021 DNA Capacity Enhancement and Backlog Reduction (CEBR) Program	16.741		306,216	-
FY 2022 DNA Capacity Enhancement and Backlog Reduction (CEBR) Program	16.741		167,853	-
Subtotal DNA Backlog Reduction Program			899,640	-
Equitable Sharing Program	16.922		147,015	-
Passed-through State of California Governor's Office of Emergency Services				
FY 2021 Paul Coverdell Forensic Sciences Improvement Program	16.742	CQ21096763	57,622	-
Total U.S. Department of Justice			1,656,901	-
U.S. Department of Labor				
Workforce Innovation and Opportunity Act (WIOA) Cluster:				
Passed-through State of California Employment Development Department:				
WIOA Adult Program	17.258	AA211043	334,229	-
WIOA Adult Program	17.258	AA311043	846,794	56,500
WIOA Adult Program - Slingshot 4.0	17.258	AA-34757-20-55-A-6	2,000	-
Subtotal WIOA Adult Program			1,183,023	56,500
WIOA Youth Activities	17.259	AA311043	478,923	477,925
WIOA Youth Activities	17.259	AA211043	581,889	270,558
Subtotal WIOA Youth Activities			1,060,812	748,483
WIOA National Dislocated Worker Grants /				
WIA National Emergency Grants	17.277	AA011043	52,547	-
WIOA BioPharma Phase II	17.278	AA211043	95,784	-
WIOA Dislocated Worker Formula Grants	17.278	AA311043	682,324	56,500
WIOA Dislocated Worker Formula Grants	17.278	AA211043	251,152	-
WIOA Dislocated Worker Formula Grants - Rapid Response	17.278	AA311043	211,026	38,625
WIOA Dislocated Worker Formula Grants - Rapid Response	17.278	AA211043	55,541	-
WIOA Dislocated Worker Formula Grants - Rapid Response Layoff Aversion	17.278	AA311043	65,870	-
WIOA Dislocated Worker Formula Grants - Rapid Response Layoff Aversion	17.278	AA211043	15,083	-
WIOA Dislocated Worker Formula Grants - BioPharma COVID-19 Response	17.278	AA111043	35,860	-
Subtotal WIOA Dislocated Worker Formula Grants			1,412,640	95,125
Subtotal WIOA Cluster			3,709,022	900,108
Total U.S. Department of Labor			3,709,022	900,108

See accompanying Notes to Schedule of Expenditures of Federal Awards.

CITY OF GLENDALE
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS (CONTINUED)
YEAR ENDED JUNE 30, 2023

Federal Grantor / Pass-Through Grantor / Program / Cluster Title / Project	Federal Assistance Listing Number	Pass-Through Entity Identifying Number	Federal Expenditures	Passed Through to Subrecipients
U.S. Department of Transportation				
Passed-through State of California Department of Transportation: Highway Planning and Construction Cluster:				
1St/Last Mile Phase 2	20.205	ATPSB1L-5144(071)	\$ 117	\$ -
Pass-through LA County MTA				
COVID-19 Federal Transit Administration (FTA) Section 5310 Enhanced Mobility for Seniors and Individuals with Disabilities Program	20.513	CA-2022-142	300,000	-
Pass-through State of California Office of Traffic Safety				
State and Community Highway Safety	20.600	PT22179	15,817	-
State and Community Highway Safety	20.600	PT23037	60,897	-
Subtotal State and Community Highway Safety			<u>76,714</u>	<u>-</u>
Minimum Penalties for Repeat Offenders for Driving While Intoxicated	20.608	PT22179	81,096	-
Minimum Penalties for Repeat Offenders for Driving While Intoxicated	20.608	PT23037	93,220	-
Subtotal Minimum Penalties for Repeat Offenders for Driving While Intoxicated			<u>174,316</u>	<u>-</u>
Traffic Records Improvement Project (TRIP)	20.616	TR22036	<u>24,800</u>	<u>-</u>
Total U.S. Department of Transportation			575,947	-
U.S. Department of Treasury				
COVID-19 Coronavirus State and Local Fiscal Recovery Fund				
Direct Programs				
Coronavirus State and Local Fiscal Recovery Fund	21.027	N/A	38,422,005	-
Pass-through State Water Resources Control Board (State Water Board)				
Coronavirus State and Local Fiscal Recovery Funds	21.027	68-0281986	9,250	-
Pass-through California Department of Community Services and Development (CSD)				
Coronavirus State and Local Fiscal Recovery Funds	21.027	00001014	<u>1,521,737</u>	<u>-</u>
Total U.S. Department of Treasury			<u>39,952,992</u>	<u>-</u>
U.S. Department of Education				
Passed-through California State Library:				
Community Connection Collaborative	45.310	40-9341	59,823	-
Public Librarian Diversity Residence	45.310	40-9331	100,000	-
Earth Month & Beyond	45.310	40-9379	<u>29,987</u>	<u>-</u>
Total U.S. Department of Education			<u>189,810</u>	<u>-</u>
National Endowment for the Humanities				
Passed-through California Humanities:				
Humanities for All Project Grant - Glendale Tree Stories	45.129	HFAP20-74SO-268663-20	<u>2,636</u>	<u>-</u>
Total National Endowment for the Humanities			<u>2,636</u>	<u>-</u>

See accompanying Notes to Schedule of Expenditures of Federal Awards.

CITY OF GLENDALE
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS (CONTINUED)
YEAR ENDED JUNE 30, 2023

Federal Grantor / Pass - Through Grantor / Program / Cluster Title / Project	Federal Assistance Listing Number	Pass-Through Entity Identifying Number	Federal Expenditures	Passed Through to Subrecipients
U.S. Department of Health and Human Services				
Passed-through Los Angeles County Department of Workforce Development, Aging and Community Services:				
Aging Cluster:				
Special Programs for the Aging Title III, Part B Grants for Supportive Services and Senior Centers	93.044	SSP192004	\$ 54,000	\$ -
Special Programs for the Aging Title III, Part B Grants for Supportive Services and Senior Centers (Telephone Reassurance)	93.044	ENP202106	1,000	-
Special Programs for the Aging Title III, Part C Nutrition Services	93.045	ENP202106	389,884	-
California Department of Aging (CDA) American Rescue Plan Act C1 & C2	93.045	ENP202106	159,088	-
Nutrition Services Incentive Program	93.053	ENP202106	38,586	-
Subtotal Aging Cluster			642,558	-
Temporary Assistance for Needy Families - Youth Program	93.558	IA0414	74,900	74,900
Total U.S. Department of Health and Human Services			717,458	74,900
U.S. Department of Homeland Security				
Pass-through United Way of Greater Los Angeles				
Emergency Food and Shelter Program, Phase ARPA-R	97.024	LRO069500580	1,219	-
Direct Programs:				
Fiscal Year 2020 Assistance to Firefighters Grant	97.044	EMW-2020-FG-17363	65,915	-
Pass-through State of California Governor's Office of Emergency Services:				
Fiscal Year (FY) 2020 Homeland Security Grant Program	97.067	Cal OES ID: 037-00000	49,000	-
Public Assistance Grants Program	97.036	FEMA-4482-DR-CA, Cal OES ID: 037-30000	259,382	-
Public Assistance Grants Program	97.036	FEMA-4482-DR-CA, Cal OES ID: 037-30000	104,114	-
Public Assistance Grants Program	97.036	FEMA-4482-DR-CA, Cal OES ID: 037-30000	39,651	-
Public Assistance Grants Program	97.036	FEMA-4482-DR-CA, Cal OES ID: 037-30000	468,524	-
Pass-through City of Los Angeles:				
FY 2020 Urban Area Security Initiative (UASI) Grant Program	97.067	C-138897 / EMW-2020-SS-00032	978,430	-
FY 2021 Urban Area Security Initiative (UASI) Grant Program	97.067	EMW-2021-SS-000081	295,474	-
FY 2022 Urban Area Security Initiative (UASI) Grant Program	97.067	EMW-2022-SS-00043-S01	91,990	-
Total U.S. Department of Homeland Security			2,353,699	-
Total Expenditures of Federal Awards			\$ 98,282,647	\$ 3,894,615

See accompanying Notes to Schedule of Expenditures of Federal Awards.

CITY OF GLENDALE
NOTES TO SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
JUNE 30, 2023

NOTE 1 BASIS OF PRESENTATION

The accompanying Schedule of Expenditures of Federal Awards (the Schedule) includes the federal award activity of the City of Glendale (the City) under programs of the federal government as well as federal financial assistance passed through other government agencies for the year ended June 30, 2023. The information in this Schedule is presented in accordance with the 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). Because the Schedule presents only a selected portion of the operations of the City, it is not intended to and does not present the financial statements of the City. The City's reporting entity is defined in Note 1 of the notes to the City's financial statements.

NOTE 2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Expenditures reported on the Schedule are reported on the modified accrual basis of accounting for governmental funds and the accrual basis for proprietary funds, which is described in Note 1 of the notes to the City's financial statements. Such expenditures are recognized following the cost principles contained in the Uniform Guidance for all awards. The information in the SEFA is presented in accordance with the requirements of the Uniform Guidance. Therefore, some amounts presented in the SEFA may differ from amounts presented in, or used in the preparation of, the basic financial statements. Pass-through entity identifying numbers are identified where available.

NOTE 3 INDIRECT COST RATE

The City has elected not to use the 10% de minimis indirect cost rate allowed under the Uniform Guidance.

NOTE 4 WORKFORCE INNOVATION AND OPPORTUNITY ACT

The City, along with the cities of Burbank and La Cañada Flintridge, established a joint powers agreement on December 14, 1999, named the Verdugo Consortium (the Consortium) for the purpose of receiving a Workforce Innovation and Opportunity Act (WIOA) allocation and administering the WIOA program as a single participating jurisdiction. This agreement designates the Arroyo Verdugo Communities Joint Powers Authority (AVCJPA), which consists of one elected official from each of the three cities, to ratify appointments for members of the Verdugo Workforce Development Board. The City, as the Consortium's lead entity, has assumed the overall responsibility for ensuring that the Consortium is compliant with all WIOA program requirements, including the receipt, disbursement, accounting for all WIOA programs, and matching funds.

**CITY OF GLENDALE
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
YEAR ENDED JUNE 30, 2023**

Section I – Summary of Auditors' Results

Financial Statements

1. Type of auditors' report issued: Unmodified
2. Internal control over financial reporting:
- Material weakness(es) identified? _____ yes x no
 - Significant deficiency(ies) identified? _____ yes x none reported
3. Noncompliance material to financial statements noted? _____ yes x no

Federal Awards

1. Internal control over major federal programs:
- Material weakness(es) identified? _____ yes x no
 - Significant deficiency(ies) identified? x yes _____ none reported
2. Type of auditors' report issued on compliance for major federal programs: Unmodified
3. Any audit findings disclosed that are required to be reported in accordance with 2 CFR 200.516(a)? x yes _____ no

Identification of Major Federal Programs

Assistance Listing Number(s)	Name of Federal Program or Cluster
14.239	HOME Investment Program
17.258, 17.278, 17.259	WIOA Cluster
21.027	COVID-19 – American Rescue Plan Act Local Fiscal Recovery

Dollar threshold used to distinguish between Type A and Type B programs:

\$ 2,948,479

Auditee qualified as low-risk auditee?

 x yes _____ no

**CITY OF GLENDALE
SCHEDULE OF FINDINGS AND QUESTIONED COSTS (CONTINUED)
YEAR ENDED JUNE 30, 2023**

Section II – Financial Statement Findings

Our audit did not disclose any matters required to be reported in accordance with *Government Auditing Standards*.

Section III – Findings and Questioned Costs – Major Federal Programs

2023-001 – Cost Principles

Federal Agency: U.S. Department of Housing and Urban Development

Federal Program Name: HOME Investment Partnership Program

Assistance Listing Number: 14.239

Award Period: July 1, 2022 through June 30, 2031

Type of Finding: Significant Deficiency in Internal Control over Compliance and other matter

Criteria or Specific Requirement: 2 CFR Part 200.300 Internal Controls requires effective internal control over federal awards and 2 CFR Part 200 Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Award requires compliance with the provisions of cost principles. Costs of compensation are allowable to the extent that charges for salaries and wages are based on records that accurately reflect the work performed.

Condition: During our audit of salaries and wages charged to the grant, we noted that total hours charged to the grant for 2 out of the 5 payroll transactions selected for testing did not reflect actual hours charged to the grant per timesheet. As a result, we extended our testing to all time charges for the two employees identified and noted that except for two exceptions identified, all other charges reflect actual hours per timesheet.

Questioned Costs: None.

Context: There were thirteen employees charged to the grant during the fiscal year. Total salaries and wages, including benefits, charged to the grant for the year was \$196,514.

Cause: Oversight on the review of timesheet and payroll report.

Effect: Salaries and wages charged to the grant was overstated by a trivial amount.

Repeat Finding: This is not a repeat finding.

Recommendation: We recommend the City implement procedures that ensures that charges for salaries and wages reflect actual hours charged to the grant per timesheet.

Views of Responsible Officials: Management agrees with the finding. The Housing Division of the Community Development Department will ensure that employees with salaries paid out of the HOME grant program will provide accurate timesheets, and that they will be reviewed by supervising staff for consistency and any corrective action that should be taken.

**CITY OF GLENDALE
SUMMARY SCHEDULE OF PRIOR AUDIT FINDINGS
YEAR ENDED JUNE 30, 2023**

Financial Statement Findings

There were no financial statements finding in the prior year.

Federal Program Award Findings

There were no federal program award findings in the prior year.

