

THE CITY OF OKLAHOMA CITY, OKLAHOMA

SINGLE AUDIT REPORT

YEAR ENDED JUNE 30, 2022

WITH

INDEPENDENT AUDITOR'S REPORT



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SINGLE AUDIT REPORT

Year Ended June 30, 2022

TABLE OF CONTENTS

	Page
A copy of The City of Oklahoma City, Oklahoma's Annual Comprehensive Financial Report, year ended June 30, 2022, accompanies this report. The independent auditor's report and the basic financial statements are hereby incorporated by reference.	
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 <i>Government Auditing Standards</i> .	1 - 2
Independent Auditor's Report on Compliance for Each Major Federal Program; Report on Internal Control Over Compliance; and Report on Schedule of Expenditures of Federal Awards Required by the Uniform Guidance.	3 - 6
Schedule of Findings and Questioned Costs	7 - 11
Summary Schedule of Prior Audit Findings	12 - 14
Schedule of Expenditures of Federal and State Awards	15 - 17
Notes to Schedule of Expenditures of Federal Awards	18 - 19

This is a copy of the Company's annual financial statements reproduced from an electronic file. An original copy of this document is available at the Company's office.

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*

Honorable Mayor and City Council
The City of Oklahoma City, Oklahoma

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 aggregate discretely presented component units, each major fund, and the aggregate remaining fund information of The City of Oklahoma City, Oklahoma (City), as of and for the year ended June 30, 2022, and the related notes to financial statements, which collectively comprise the City's basic financial statements, and have issued our report thereon dated December 12, 2022. Our report includes a reference to other auditors who audited the financial statements of the Oklahoma City Industrial and Cultural Facilities Trusts (OCICF), the Oklahoma City Redevelopment Authority (OCRA) and the Operations of the Downtown Convention Center (Center), as described in our report on the City's financial statements. The financial statements of the Center were not audited in accordance with *Government Auditing Standards*, and accordingly, this report does not include reporting on internal control over financial reporting or compliance and other matters associated with the Center or that are reported on separately by those auditors who audited the financial statements of OCICF and OCRA. The financial statements of the Combined Operations of the Prairie Surf Studios and the Paycom Center (Arena), which are reported within the governmental activities and the Oklahoma City Public Authority (OCPPA) General Purpose Fund were not audited in accordance with *Government Auditing Standards*, and accordingly, this report does not include reporting on internal control over financial reporting or instances of reportable noncompliance associated with the Arena.

Report on Internal Control over Financial Reporting

In planning and performing our audits 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 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. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. We identified certain deficiencies in internal control, described in the accompanying schedule of findings and questioned costs as items 2022-001 and 2022-002 that we consider to be significant deficiencies.

Report on 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*.

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 City'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 City's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

Allen, Gibbs & Houlik, L.C.
CERTIFIED PUBLIC ACCOUNTANTS

Wichita, KS
December 12, 2022

INDEPENDENT AUDITOR'S REPORT
ON COMPLIANCE FOR EACH MAJOR FEDERAL PROGRAM; REPORT ON INTERNAL CONTROL
OVER COMPLIANCE; AND REPORT ON SCHEDULE OF EXPENDITURES OF FEDERAL
AWARDS REQUIRED BY THE UNIFORM GUIDANCE

Honorable Mayor and City Council
The City of Oklahoma City, Oklahoma

Report on Compliance for Each Major Federal Program

Opinion on Each Major Federal Program

We have audited The City of Oklahoma City, Oklahoma's (City) compliance with the types of compliance requirements described 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, 2022. The City's major federal programs are identified in the summary of auditor's 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, 2022.

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 (*Government Auditing Standards*); 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 Auditor's 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.

Other Matter – Federal Expenditures Not Included in the Compliance Audit

The City's basic financial statements include the operations of the Oklahoma City Industrial and Cultural Facilities Trust (OCICF) and the Oklahoma City Redevelopment Authority (OCRA), discretely presented component units, whose federal awards are not included in the Schedule of Expenditures of Federal Awards for the year ended June 30, 2022. Our audit, described below, did not include the operations of the OCICF and OCRA, which engaged other auditors to perform an audit in accordance with the Uniform Guidance.

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.

Auditor's 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 instances of noncompliance which are required to be reported in accordance with the Uniform Guidance and which are described in the accompanying schedule of findings and questioned costs as item 2022-003. Our opinion on each major federal program is not modified with respect to these matters.

Government Auditing Standards requires the auditor to perform limited procedures on the City's response to the noncompliance findings identified in our compliance 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.

Report on Internal Control Over Compliance

Our consideration of internal control over compliance was for the limited purpose described in the Auditor's 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 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, as discussed below, we did identify certain deficiencies in internal control over compliance that we consider to be significant deficiencies.

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 deficiencies in internal control over compliance described in the accompanying schedule of findings and questioned costs as item 2022-003, 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 findings identified in our Compliance 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.

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, the aggregate discretely presented component units, each major fund, and the aggregate remaining fund information of the City as of and for the year ended June 30, 2022, and the related notes to financial statements, which collectively comprise the City's basic financial statements. We issued our report thereon dated December 12, 2022, which contained unmodified opinions on those financial statements.

We have not performed any procedures with respect to the audited financial statements subsequent to December 12, 2022. We did not audit the financial statements of the Operations of the Downtown Convention Center (Center), which is presented within the Oklahoma City Public Property Authority (OCPPA) General Purpose Fund. The financial statements of the Center comprise 8.66% and 0.11% of total assets and 9.59% and 0.36% of revenues of the OCPPA General Purpose Fund and governmental activities, respectively, as of June 30, 2022, and the respective changes in financial position for the year then ended. Those statements were audited by other auditors, whose report has been furnished to us and our opinion, insofar as it relates to the amounts included for the Center, is based solely on the report of the other auditors. In addition, we did not audit the financial statements of the Oklahoma City Industrial and Cultural Facilities Trust (OCICF) and the Oklahoma City Redevelopment Authority (OCRA), which are discretely presented component units. The financial statements of OCICF and OCRA represent 0.25% and 1.36% of total assets and 0.01% and 0.64% of revenues of the City's aggregate discretely presented component units, respectively as of June 30, 2022, and the respective changes in financial position for the year then ended. Those financial statements were audited by other auditors whose reports have been furnished to us, and our opinions, insofar as it relates to the amounts included in OCICF and OCRA, are based solely on the report of the other auditors.

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 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 GAAS. 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.

Allen, Gibbs & Houlik, L.C.
CERTIFIED PUBLIC ACCOUNTANTS

Wichita, KS
March 10, 2023

THE CITY OF OKLAHOMA CITY, OKLAHOMA

SCHEDULE OF FINDINGS AND QUESTIONED COSTS

Year Ended June 30, 2022

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 weaknesses identified? Yes X No
- Significant deficiencies identified? X Yes none reported
- Noncompliance material to financial statements noted? Yes X No

FEDERAL AWARDS

Internal control over major federal programs:

- Material weaknesses identified? Yes X No
- Significant deficiencies identified? X Yes none reported

Type of auditor's report issued on compliance for major federal programs: See below

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 and type of auditor's report issued on compliance for major federal programs:

FEDERAL ASSISTANCE LISTING NUMBER	NAME OF FEDERAL PROGRAM	OPINION
14.231	Emergency Solutions Grant Program	Unmodified
20.106	Airport Improvement Program and COVID-19 Airports Programs	Unmodified
20.507, 20.525, 20.526	Federal Transit Cluster	Unmodified
21.023	COVID-19 Emergency Rental Assistance Program	Unmodified
21.027	COVID-19 Coronavirus State and Local Fiscal Recover Funds	Unmodified
59.075	COVID-19 Shuttered Venue Operators Grant Program	Unmodified
97.036	Disaster Grants – Public Assistance (Presidentially Declared Disasters)	Unmodified

THE CITY OF OKLAHOMA CITY, OKLAHOMA

**SCHEDULE OF FINDINGS AND QUESTIONED COSTS
(CONTINUED)**

Year Ended June 30, 2022

SECTION I - SUMMARY OF AUDITOR'S RESULTS (CONTINUED)

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

\$ 5,221,465

Auditee qualified as low-risk auditee?

X Yes No

THE CITY OF OKLAHOMA CITY, OKLAHOMA

SCHEDULE OF FINDINGS AND QUESTIONED COSTS
(CONTINUED)

Year Ended June 30, 2022

SECTION II - FINANCIAL STATEMENT FINDINGS

Finding 2022-001: Retainage Year-End Accrual (Significant Deficiency)

Condition: The City's management is responsible for the accuracy, completeness, and fairness of data presented in the year-end financial statements, including all disclosures. One significant audit adjustment was identified during the fiscal year 2022 audit of the financial statements to decrease the retainage year-end accrual and related expense in the amount of \$2,306,379.

Criteria or Specific Requirement: Internal controls should be designed to provide adequate control over the preparation of the year-end accruals.

Cause: This adjustment resulted from a reporting error in a system generated report that was used to calculate the year-end accrual. There are procedures noted to check that system reports are generating correctly; however, those procedures were not fully performed in the current year.

Effect: Lack of controls and procedures over year-end accruals could result in a material misstatement to the financial statements.

Recommendations: We recommend that management review the procedures developed for ensuring system generated reports are accurate and perform additional reasonableness reviews of data generated by those reports.

Management Response (unaudited): Management agrees. In the current retainage process, data can contain more than one project for each contract. This can mean multiple funding projects or a separately assigned public works project may be associated with a single contract. When preparing estimates, it is critical to perform tests to ensure calculations are not duplicated for the same contract as a result of multiple projects. The City will highlight these additional filtering procedures within its closing plan procedures and on the estimate tabs within the workpapers.

The current manual process may change going forward with the implementation from Peoplesoft to Oracle. We will continue to discuss with the implementation consultants' new controls that can be established to ensure that each contract retainage estimate is accurate.

THE CITY OF OKLAHOMA CITY, OKLAHOMA

SCHEDULE OF FINDINGS AND QUESTIONED COSTS
(CONTINUED)

Year Ended June 30, 2022

SECTION II - FINANCIAL STATEMENT FINDINGS (CONTINUED)

Finding 2022-002: Investment Reporting (Significant Deficiency)

Condition: The City's management is responsible for the accuracy, completeness, and fairness of the data presented in the year-end financial statements, including all disclosures. One material audit adjustment was identified during the fiscal year 2022 audit of the financial statements to decrease investments and decrease unrealized gain/loss on investments in the amount of \$14,827,301.

Criteria or Specific Requirement: Internal controls should be designed to provide adequate control over the preparation of the year-end investment valuations.

Cause: This adjustment resulted from an investment being improperly recorded by the custodian and was not identified as an error prior to year-end reporting.

Effect: Lack of controls and procedures over year-end investment valuations could result in a significant misstatement to the financial statements.

Recommendations: We recommend that management review the custodian's recording of investments at least quarterly and match that information to reports provided by the investment consultant to ensure that investments are accurately recorded by the custodian.

Management Response (unaudited): Agree. The City will implement a quarterly process to review custodian investment statements to our investment consultant quarterly reports for valuation reasonableness. The City has also contacted the custodian and they will be implementing a system update in the first quarter of calendar 2023 to restrict analysts from putting through market values to certain assets. In addition, the custodian will modify the positions so each holding rolls up into a single line asset per series.

THE CITY OF OKLAHOMA CITY, OKLAHOMA

SCHEDULE OF FINDINGS AND QUESTIONED COSTS
(CONTINUED)

Year Ended June 30, 2022

SECTION III - FEDERAL AWARD FINDINGS AND QUESTIONED COSTS

Finding 2022-003 (Significant Deficiency)

AL# 97.036: Disaster Grants – Public Assistance (Presidentially Declared Disasters), Passed Thru the Oklahoma Department of Emergency Management, U.S. Department of Homeland Security, Award # PA-06-OK-PW-00187, 2022

Condition: There were three instances in which an employee's pay rate used in calculating payroll expense was the current pay rate and not the pay rate in effect at the time the work was performed.

Criteria: 2 CFR 200.403(g) states that costs must be adequately documented.

Questioned Costs: Unknown

Context: The total amount of expenditures for this federal assistance listing number is \$19,546,051 which consists of 7 different grants crossing over 3 different city departments. This error occurred in only one department and one grant which had payroll costs totaling \$677,863. A portion of these costs used updated pay rates, instead of pay rates active at the time of service which caused some individual pay dates to be overcharged to the grant.

The sample size was determined based upon guidelines provided by the AICPA which is not a statistically valid sample.

Cause: Employees received pay increases between the time the service was performed and when costs were identified as being covered by the disaster grant. The pay rate used was the pay rate for those employees at the time the expenditures were identified.

Effect: Not properly identifying the appropriate pay rates used in determining payroll expenses may cause the federal program to be overcharged.

Recommendation: We recommend when identifying payroll expenditures to be charged to disaster grants that a second review is done to ensure pay rates used to determine payroll expenses are the pay rates in effect at the time the employee provided the service.

Views of Responsible Officials (Unaudited): The Parks and Recreation Department will immediately implement a process where the Parks & Grounds Superintendent (or designee) will review employee pay information that administrative staff prepares for entry into the federal grant website ensuring that it is properly formatted and accurately reflects the pay at the time the work was performed. Also, a procedure will be added to the FEMA section of the City's Grants Manual to include a second review to verify that the pay rates being used to determine payroll expenses are the rates that were in effect at the time the service was provided.

THE CITY OF OKLAHOMA CITY, OKLAHOMA
SUMMARY SCHEDULE OF PRIOR AUDIT FINDINGS

Year Ended June 30, 2022

Finding #: 2021-001 (Significant Deficiency)

AL #14.218: CDBG – Entitlement Grants Cluster, U.S. Department of Housing and Urban Development, all open grants and years

Condition: There was one instance of an employee time allocation not being correct for the reporting period, which caused the City to overcharge the grants.

Criteria: 2 CFR 200.430(i)(1)(viii) states that where budget estimates or other distribution percentages are determined before services are performed, the government should have a system of internal controls that includes processes to review after-the-fact interim charges made to the federal awards based on budget estimates. All necessary adjustments must be made such that the final amount charged to the federal award is accurate, allowable and properly allocated.

Questioned Costs: There were known questioned costs of \$59,598 in a population of \$1,370,565 (4.35% of the sample contained questioned costs). The total expenditures in the population were \$8,879,302.

Corrective Plan: To address the underlying issues, the City has implemented the following verification steps at key intervals throughout the allocation process:

1. The City has implemented a new process when the Budget Department (Budget) enters a new Personnel Action Form (PAF) into their database, an email is sent to the Planning Department (Planning) with an image of the data entered for Planning to verify the data was entered correctly.
2. Budget created a report that was distributed to Planning to verify the percentages for each employee that was currently being charged to a grant. This was completed by July 30, 2022.
3. At each fiscal year-end, a report is generated by Budget for Planning to confirm the distributions that are entered into the new fiscal year database.
4. Each pay period, the Planning Department continues to review the payroll journals and payroll certifications sent by the Accounting Services Division to ensure that time is allocated correctly.
5. Funds in the amount of \$59,598 were returned in October 2022 to the U.S. Department of Housing and Urban Development for known questioned costs.
6. The City is converting to Oracle HCM Cloud software in the next fiscal year. This will allow position-level costing that is not subject to the current timing differences that happen in PeopleSoft, which is a result of years of design. This will allow for more accurate costing that is less apt to system fluctuations currently experienced in PeopleSoft.
7. The Planning Department is working with IT on a new process to track employee time by grant in Kronos and then record the appropriate time to each grant with a journal entry.

Status: Substantially completed

THE CITY OF OKLAHOMA CITY, OKLAHOMA

SUMMARY SCHEDULE OF PRIOR AUDIT FINDINGS
(CONTINUED)

Year Ended June 30, 2022

Finding #: 2021-002 (Significant Deficiency)

AL #14.218: CDBG – Entitlement Grants Cluster, U.S. Department of Housing and Urban Development, all open grants and years

Condition: There were four instances of the PR-29 quarterly report not agreeing to the underlying accounting records.

Criteria: 2 CFR 200.303(a) states that the City is required to establish and maintain effective internal control over the federal award that provides reasonable assurance that the non-federal entity is managing the federal award in compliance with federal statutes, regulations, and the terms and conditions of the federal award.

Corrective Plan: Key staff responsible for completing and submitting the PR-29 have been trained on the new guidance. The division supervisor reviews the quarterly reports to ensure that they are properly completed and balanced with the City's accounts.

Status: Completed

Finding #: 2021-003 (Significant Deficiency)

AL #14.218: CDBG – Entitlement Grants Cluster, U.S. Department of Housing and Urban Development, all open grants and years

Condition: There were five instances where Federal Funding Accountability and Transparency Act (FFATA) reporting was not completed timely.

Criteria: 2 CFR Appendix A to Part 170 a.2.ii. states that subaward information is to be reported no later than the end of the month following the month in which the obligation was made.

Corrective Plan: A new process has been implemented to ensure future reports are submitted timely. Prior to any contract or award being set up in the City's financial system, a federal award set-up form is required to be completed by the project/contract manager. This form includes information about the award to better track compliance requirements including FFATA reporting. The form is submitted as part of the Planning Department's established request for purchases (RFP) approval system.

In addition, a layer of staff review has been added to better track federally funded awards and their compliance requirements. A new Federal Planning Specialist (FPS) position has been assigned responsibility to review and approve awards prior to set-up. The review includes logging each award, its effective dates, and the amount of the award. The FPS documents which awards are subject to FFATA reporting and the reporting deadlines. The FPS coordinates monthly with the Municipal Accounting staff, receives confirmation that the FFATA reports have been submitted, and updates the log on at least a monthly basis. The FPS provides supervisors with access to the log for a periodic review. Verification of submitted reports will continue to be kept on file.

Status: Completed

THE CITY OF OKLAHOMA CITY, OKLAHOMA

**SUMMARY SCHEDULE OF PRIOR AUDIT FINDINGS
(CONTINUED)**

Year Ended June 30, 2022

Finding #: 2021-004 (Significant Deficiency)

AL# 20.507, 20.525 & 20.526: Federal Transit Cluster, U.S. Department of Transportation, all open grants and years

Condition: The Central Oklahoma Transportation & Parking Authority (COTPA) had six instances where Suspension and Debarment verification checks were not being completed.

Criteria: 2 CFR 180.300 states that when an entity enters into a covered transaction with another entity at the next lower tier, they must verify that the entity with whom they intend to do business is not excluded or disqualified. This can be done by:

- a) Checking SAM exclusions (sam.gov); or
- b) Collecting a certification from that entity; or
- c) Adding a clause or condition to the covered transaction with that entity.

Corrective Plan: COTPA has two types of purchases that existing procedures did not address:

1. Purchases utilizing existing city contracts - Purchases using City contracts were considered as having the project manager as the responsible party for the suspension and debarment verification checks. COTPA procurement has been added to the approval process for any requisition using federal funds, regardless of whether it is a COTPA or City contract. Procurement initials the requisition acknowledging suspension and debarment verification has been checked and forwards for final approval.
2. There are two grant funded items that are not specific projects but reimbursement for incurred fleet/facility maintenance (PM) and paratransit services (PT). The expenditure can be to numerous different suppliers in varying amounts. This is the one area where grant reimbursable items are allowed to be paid for by purchasing card and bypasses procurement. A year to date Purchasing card spend file has been created and anytime a supplier exceeds \$10,000 in spend year to date a suspension and debarment verification check is completed. The Accounting Tech includes a screen shot of the sam.gov verification with the pay claims.

Status: Completed

THE CITY OF OKLAHOMA CITY, OKLAHOMA

SCHEDULE OF EXPENDITURES OF FEDERAL AND STATE AWARDS

Year Ended June 30, 2022

Federal Grantor/Pass-Through Entity/Program Title	Assistance Listing Number	Cluster	Project Identification	Grant Number or Pass-Through Entity Identifying Number	Expenditures	Subrecipient Amounts
U.S. Department of Housing and Urban Development						
Direct Programs						
Community Development Block Grant/Entitlement Grants	14.218	1	G80288	B-17-MC-40-0003	265,525	838
Community Development Block Grant/Entitlement Grants	14.218	1	G80314	B-18-MC-40-0003	797,532	119,512
Community Development Block Grant/Entitlement Grants	14.218	1	G80335	B-19-MC-40-0003	1,118,718	690,334
Community Development Block Grant/Entitlement Grants	14.218	1	G80356	B-20-MC-40-0003	1,386,201	795,012
COVID-19 - Community Development Block Grant/Entitlement Grants	14.218	1	G80360	B-20-MW-40-0003	2,347,297	41,056
Community Development Block Grant/Entitlement Grants	14.218	1	G80378	B-21-MC-40-0003	3,471,116	95,478
Total Community Development Block Grant/Entitlement Grants					<u>9,386,389</u>	<u>1,742,230</u>
Direct Programs						
Emergency Solutions Grant Program	14.231		G80358	E-20-MC-40-0003	43,165	43,165
COVID-19 - Emergency Solutions Grant Program	14.231		G80361	E-20-MW-40-0003	2,906,056	2,858,733
Emergency Solutions Grant Program	14.231		G80380	E-21-MC-40-0003	327,142	327,142
Total Emergency Solutions Grant Program					<u>3,276,363</u>	<u>3,229,040</u>
Direct Programs						
Home Investment Partnerships Program	14.239		G80315	M-18-MC-40-0003	865,095	-
Home Investment Partnerships Program	14.239		G80336	M-19-MC-40-0003	180,145	-
Home Investment Partnerships Program	14.239		G80357	M-20-MC-40-0003	64,641	-
Total Home Investment Partnerships Program					<u>1,109,881</u>	<u>-</u>
Direct Programs						
Housing Opportunities for Persons with AIDS	14.241		G80338	OK-H-19-F0001	229,583	-
Housing Opportunities for Persons with AIDS	14.241		G80359	OK-H-20-F0001	251,978	248,888
COVID-19 - Housing Opportunities for Persons with AIDS	14.241		G80362	OK-H-20-FHW0001	40,698	39,754
Housing Opportunities for Persons with AIDS	14.241		G80381	OK-H-21-F0001	411,565	411,565
Total Housing Opportunities for Person with AIDS					<u>933,824</u>	<u>700,207</u>
Direct Programs						
Community Development Block Grants Section 108 Loan Guarantees	14.248		N/A	N/A	18,829,000	-
Direct Program						
Continuum of Care Program	14.267		G80340	OK0019L6I021910	173,945	155,986
Continuum of Care Program	14.267		G80342	OK0087L6I021906	4,546	4,546
Continuum of Care Program	14.267		G80344	OK0026L6I021911	46,061	41,061
Continuum of Care Program	14.267		G80346	OK0020L6I021910	40,903	40,903
Continuum of Care Program	14.267		G80347	OK0053L6I021909	151,326	141,632
Continuum of Care Program	14.267		G80349	OK0126L6I021903	184,407	168,488
Continuum of Care Program	14.267		G80350	OK0127L6I021903	90,846	89,020
Continuum of Care Program	14.267		G80363	OK0019L6I022011	400,180	399,440
Continuum of Care Program	14.267		G80364	OK0062L6I022011	95,167	92,956
Continuum of Care Program	14.267		G80365	OK0087L6I022007	15,061	15,061
Continuum of Care Program	14.267		G80366	OK0026L6I022012	86,749	86,749
Continuum of Care Program	14.267		G80367	OK0044L6I022011	243,049	233,665
Continuum of Care Program	14.267		G80368	OK0020L6I022011	130,998	125,929
Continuum of Care Program	14.267		G80369	OK0053L6I022010	170,690	170,690
Continuum of Care Program	14.267		G80370	OK0024L6I022013	307,101	297,581
Continuum of Care Program	14.267		G80371	OK0126L6I022004	205,008	205,008
Continuum of Care Program	14.267		G80372	OK0127L6I022004	75,520	75,520
Continuum of Care Program	14.267		G80373	OK0052L6I022008	325,731	317,550
Continuum of Care Program	14.267		G80374	OK0045L6I022012	55,715	53,501
Continuum of Care Program	14.267		G80375	OK0046L6I022012	148,407	144,381
Continuum of Care Program	14.267		G80376	OK0128L6I022004	336,136	326,136
Continuum of Care Program	14.267		G80377	OK0062L6I022011	214,156	207,964
Total Continuum of Care Program					<u>3,501,702</u>	<u>3,393,767</u>
Pass-Through Oklahoma Department of Commerce						
Hurricane Sandy Community Development Block Grant Disaster Recovery Grants (CDBG-DR)	14.269	2	G80211	16224 CDBGDR 13	4,000	-
Direct Programs						
Youth Homelessness Demonstration Program	14.276		G80382	OK0170Y6I021900	7,337	7,240
Total U.S. Department of Housing and Urban Development					37,048,496	9,072,484
U.S. Department of Interior						
Direct Program						
Historic Preservation Fund Grants-In-Aid	15.904		G92022	CLG 21-607	35,200	-
Total U.S. Department of Interior					35,200	-
U.S. Department of Justice						
Direct Program						
COVID-19 - Coronavirus Emergency Supplemental Funding Program	16.034		G93136	2020-VD-BX-1777	261,902	-
Direct Program						
Services for Trafficking Victims	16.320		G91004	2020-VT-BX-0040	95,319	48,485
Pass-Through District Attorneys Council						
Crime Victim Assistance	16.575		G93708	2020-VOCA-Oklahoma City PD-147	26,029	-
Crime Victim Assistance	16.575		G93710	2021-VOCA-OKC PD-203	72,401	-
Total Crime Victim Assistance					<u>98,430</u>	<u>-</u>
Direct Program						
Public Safety Partnership and Community Policing Grants	16.710		G93501	2020MHWXK014	57,958	-
Direct Programs						
Edward Byrne Memorial Justice Assistance Grant Program	16.738		G93134	2018-DJ-BX-0836	197,919	50,724
Edward Byrne Memorial Justice Assistance Grant Program	16.738		G93135	2019-DJ-BX-0574	195,041	89,727
Edward Byrne Memorial Justice Assistance Grant Program	16.738		G93137	2020-DJ-BX-0906	204,954	22,567
Total Edward Byrne Memorial Justice Assistance Grant Program					<u>597,914</u>	<u>163,018</u>
Direct Programs						
DNA Backlog Reduction Program	16.741		G93606	2019-DNA-BX-0098	108,416	-
DNA Backlog Reduction Program	16.741		G93607	2020-DNA-BX-0102	79,633	-
DNA Backlog Reduction Program	16.741		G93608	15PBJA-21-GG-03171-DNAX	17,953	-
Total DNA Backlog Reduction Program					<u>206,002</u>	<u>-</u>
Pass-Through District Attorneys Council						
Paul Coverdell Forensic Sciences Improvement Grant Program	16.742		G93709	2020-CD-BX-00	37,875	-

The accompanying notes are an integral part of this schedule.

THE CITY OF OKLAHOMA CITY, OKLAHOMA

**SCHEDULE OF EXPENDITURES OF FEDERAL AND STATE AWARDS
(CONTINUED)**

Year Ended June 30, 2022

Federal Grantor/Pass-Through Entity/Program Title	Assistance Listing Number	Cluster	Project Identification	Grant Number or Pass-Through Entity Identifying Number	Expenditures	Subrecipient Amounts
Direct Programs						
Equitable Sharing Program	16.922		N/A	N/A	288,406	-
Total U.S. Department of Justice					1,643,806	211,503
U.S. Department of Transportation						
Direct Programs						
Airport Improvement Program, COVID-19 Airports Programs, and Infrastructure Investment and Jobs Act Programs	20.106		N/A	AIP3-40-0071-015-2021	600,073	-
COVID-19 - Airport Improvement Program, COVID-19 Airports Programs, and Infrastructure Investment and Jobs Act Programs	20.106		N/A	AIP3-40-0071-016-2021	13,000	-
Airport Improvement Program, COVID-19 Airports Programs, and Infrastructure Investment and Jobs Act Programs	20.106		N/A	AIP3-40-0072-073-2018	12,848	-
Airport Improvement Program, COVID-19 Airports Programs, and Infrastructure Investment and Jobs Act Programs	20.106		N/A	AIP3-40-0072-076-2019	190,520	-
Airport Improvement Program, COVID-19 Airports Programs, and Infrastructure Investment and Jobs Act Programs	20.106		N/A	AIP3-40-0072-077-2019	2,018,411	-
Airport Improvement Program, COVID-19 Airports Programs, and Infrastructure Investment and Jobs Act Programs	20.106		N/A	AIP3-40-0072-078-2019	193,523	-
Airport Improvement Program, COVID-19 Airports Programs, and Infrastructure Investment and Jobs Act Programs	20.106		N/A	AIP3-40-0072-079-2020	1,946,371	-
Airport Improvement Program, COVID-19 Airports Programs, and Infrastructure Investment and Jobs Act Programs	20.106		N/A	AIP3-40-0072-080-2019	4,081,243	-
Airport Improvement Program, COVID-19 Airports Programs, and Infrastructure Investment and Jobs Act Programs	20.106		N/A	AIP3-40-0072-082-2021	9,529,343	-
COVID-19 - Airport Improvement Program, COVID-19 Airports Programs, and Infrastructure Investment and Jobs Act Programs	20.106		N/A	AIP3-40-0072-083-2021	5,992,267	-
COVID-19 - Airport Improvement Program, COVID-19 Airports Programs, and Infrastructure Investment and Jobs Act Programs	20.106		N/A	AIP3-40-0072-084-2021	458,794	-
COVID-19 - Airport Improvement Program, COVID-19 Airports Programs, and Infrastructure Investment and Jobs Act Programs	20.106		N/A	AIP3-40-0072-085-2022	6,439,691	-
Airport Improvement Program, COVID-19 Airports Programs, and Infrastructure Investment and Jobs Act Programs	20.106		N/A	AIP3-40-0073-028-2021	799,759	-
COVID-19 - Airport Improvement Program, COVID-19 Airports Programs, and Infrastructure Investment and Jobs Act Programs	20.106		N/A	AIP3-40-0073-029-2021	57,000	-
Total Airport Improvement Program, COVID-19 Airports Programs, and Infrastructure Investment and Jobs Act Programs					32,332,843	-
Direct Programs						
Highway Planning and Construction	20.205	3	N/A	OK-2021-001-00	14,169	-
Pass-Through Association of Central Oklahoma Governments						
Highway Planning and Construction	20.205	3	G94121	UPWP FY2021	(1,936)	-
Highway Planning and Construction	20.205	3	G94122	UPWP FY2022	28,071	-
Highway Planning and Construction	20.205	3	N/A	TACOG_FY22	34,425	-
Highway Planning and Construction	20.205	3	N/A	TAP-25SD(560)AG-JP33284(04)	84,000	-
Total Pass-Through					144,560	-
Total Highway Planning and Construction					158,729	-
Direct Programs						
Federal Transit Formula Grants	20.507	4	N/A	OK-2021-020-00	5,002,799	173,301
Federal Transit Formula Grants	20.507	4	N/A	OK-2020-023-01	849,118	409,093
Federal Transit Formula Grants	20.507	4	N/A	OK-90-X128-01	164,700	-
Federal Transit Formula Grants	20.507	4	N/A	OK-2017-003-00	13,949	-
Federal Transit Formula Grants	20.507	4	N/A	OK-2018-003-02	81,346	-
Federal Transit Formula Grants	20.507	4	N/A	OK-2017-028-00	74,938	-
Federal Transit Formula Grants	20.507	4	N/A	OK-2019-002-00	439,170	-
Federal Transit Formula Grants	20.507	4	N/A	OK-2020-003-01	980,870	224,153
Federal Transit Formula Grants	20.507	4	N/A	OK-2020-010-00	8,931,355	228,572
Federal Transit Formula Grants	20.507	4	N/A	OK-2022-009-00	7,062,021	448,985
Total Federal Transit Formula Grants					23,600,266	1,484,104
Direct Programs						
State of Good Repair Grants Program	20.525	4	N/A	OK-2020-007-00	8,000	-
Direct Programs						
Buses and Bus Facilities Formula, Competitive, and Low or No Emissions Programs	20.526	4	N/A	OK-2021-026-00	750,596	-
Buses and Bus Facilities Formula, Competitive, and Low or No Emissions Programs	20.526	4	N/A	OK-2021-004-00	457,147	163,687
Buses and Bus Facilities Formula, Competitive, and Low or No Emissions Programs	20.526	4	N/A	OK-2020-020-00	122,072	-
Buses and Bus Facilities Formula, Competitive, and Low or No Emissions Programs	20.526	4	N/A	OK-2021-003-00	711,255	-
Buses and Bus Facilities Formula, Competitive, and Low or No Emissions Programs	20.526	4	N/A	OK-2019-023-00	28,310	-
Buses and Bus Facilities Formula, Competitive, and Low or No Emissions Programs	20.526	4	N/A	OK-2019-005-00	84,377	44,380
Total Buses and Bus Facilities Formula, Competitive, and Low or No Emissions Programs					2,153,757	208,067
Pass-Through Oklahoma Highway Safety Office						
State and Community Highway Safety	20.600	5	G94318	AL-20-03-06-16	60	-
State and Community Highway Safety	20.600	5	G94320	AL-21-03-03-17	21,917	-
State and Community Highway Safety	20.600	5	G94321	OP-21-03-02-17	16,424	-
State and Community Highway Safety	20.600	5	G94323	PS-21-02-03-01	26,298	-
State and Community Highway Safety	20.600	5	G94324	AL-22-03-02-18	44,257	-
State and Community Highway Safety	20.600	5	G94325	OP-22-03-02-18	97,978	-
Total State and Community Highway Safety					206,934	-
Pass-Through Oklahoma Highway Safety Office						
National Priority Safety Programs	20.616	5	G94322	MSBAC-21-002-01-17	37,377	-
National Priority Safety Programs	20.616	5	G94326	MSBAC-22-02-01-18	78,828	-
Total National Priority Safety Programs					116,205	-
Total U.S. Department of Transportation					58,576,734	1,692,171
U.S. Department of Treasury						
Direct Programs						
COVID-19 - Coronavirus Relief Fund	21.019		GCOVID19	N/A	11,288,666	195,412
Direct Programs						
COVID-19 - Emergency Rental Assistance Program	21.023		GCOV19ERA	N/A	15,964,349	15,954,422
COVID-19 - Emergency Rental Assistance Program	21.023		GCOV19ERA2	N/A	5,946,079	5,946,079
Total Emergency Rental Assistance Program					21,910,428	21,900,501
Direct Programs						
COVID-19 - Coronavirus State and Local Fiscal Recovery Funds	21.027		GCOV19ARP	N/A	12,567,743	-
Total U.S. Department of Treasury					45,766,837	22,095,913

The accompanying notes are an integral part of this schedule.

THE CITY OF OKLAHOMA CITY, OKLAHOMA

**SCHEDULE OF EXPENDITURES OF FEDERAL AND STATE AWARDS
(CONTINUED)**

Year Ended June 30, 2022

Federal Grantor/Pass-Through Entity/Program Title	Assistance Listing Number	Cluster	Project Identification	Grant Number or Pass-Through Entity Identifying Number	Expenditures	Subrecipient Amounts
Institute of Museum and Library Services/National Endowment for the Humanities						
Passed-Through Oklahoma Humanities Promotion of the Humanities Federal/State Partnership	45.129		N/A	N/A	584	-
Passed-Through Oklahoma Department of Libraries Grants to States	45.310		N/A	N/A	1,040	-
Total Institute of Museum and Library Services /National Endowment for the Humanities					1,624	-
Small Business Administration						
Direct Programs COVID-19 - Shuttered Venue Operators Grant Program	59.075		N/A	N/A	5,692,636	-
Total Small Business Administration					5,692,636	-
Environmental Protection Agency						
Direct Programs Clean Water State Revolving Fund	66.458	6	WM-0275 and SM-0286	ORF-21-0034-CW	19,243	-
Direct Programs Drinking Water State Revolving Fund	66.468	7	WC-0863, WM- 0288, WT-0151 and WT-0201	ORF-20-0031-DW	1,531,310	-
Drinking Water State Revolving Fund	66.468	7	WT-0159	ORF-20-0013-DW	621,930	-
Total Drinking Water State Revolving Fund					2,153,240	-
Direct Programs Brownsfield Multipurpose, Assessment, Revolving Loan Fund, and Cleanup Cooperative Agreements	66.818		G95025	BF-01F99401-0	176,605	-
Brownsfield Multipurpose, Assessment, Revolving Loan Fund, and Cleanup Cooperative Agreements	66.818		N/A	N/A	2,620,576	-
Total Brownsfield Assessment and Cleanup Cooperative Agreements					2,797,181	-
Total Environmental Protection Agency					4,969,664	-
U.S. Department of Health and Human Services						
Pass-Through State of Oklahoma Areawide Aging Agency Special Programs for the Aging Title III, Part B Grants for Supportive Services and Senior Centers	93.044	8	N/A	34-0801-40	349,744	-
Pass-Through State of Oklahoma Department of Human Services Child Care and Development Block Grant	93.575	9	N/A	N/A	39,000	-
Total U.S. Department of Health and Human Services					388,744	-
U.S. Department of Homeland Security						
Pass-Through Oklahoma Department of Emergency Management Flood Mitigation Assistance	97.029		GFMAE002	EMT-2020-FM-E002	42,140	-
Pass-Through Oklahoma Department of Emergency Management Disaster Grants - Public Assistance (Presidentially Declared Disasters)	97.036		PW00120	PA-06-OK-4575-PW-00120 (115/243)	12,219,010	-
Disaster Grants - Public Assistance (Presidentially Declared Disasters)	97.036		PW00153	PA-06-OK-4575-PW-00153 (144/282)	1,140,502	-
Disaster Grants - Public Assistance (Presidentially Declared Disasters)	97.036		G4575A160	PA-06-OK-4575-PW-00160	1,438,161	-
Disaster Grants - Public Assistance (Presidentially Declared Disasters)	97.036		G4575A172	PA-06-OK-4575-PW-00172	1,653,147	-
Disaster Grants - Public Assistance (Presidentially Declared Disasters)	97.036		G4575A187	PA-06-OK-4575-PW-00187	2,381,529	-
Disaster Grants - Public Assistance (Presidentially Declared Disasters)	97.036		G4575A243	PA-06-OK-4575-PW-00243	573,301	-
Disaster Grants - Public Assistance (Presidentially Declared Disasters)	97.036		G4587B46	PA-06-OK-4587-PW-00046	140,401	-
Total Disaster Grants - Public Assistance (Presidentially Declared Disasters)					19,546,051	-
Pass-Through Oklahoma Department of Emergency Management Emergency Management Performance Grants	97.042		G97103	EMPG 999	22,422	-
Emergency Management Performance Grants	97.042		G97104	2021-EMPG EMT-2021-EP-00017	62,799	-
COVID-19 - Emergency Management Performance Grants	97.042		G97107	ARPA 2021 EMT-2021-EP-00015-S01 #49	800	-
Total Emergency Management Performance Grants					86,021	-
Pass-Through Oklahoma Department of Homeland Security Homeland Security Grant Program	97.073		G97534	1160.021	9,693	-
Direct Programs Law Enforcement Officer Reimbursement Agreement Program	97.090		N/A	HST0208HSLR333	241,200	-
Total U.S. Department of Homeland Security					19,925,105	-
Total Federal Assistance					\$ 174,048,846	\$ 33,072,071
State Assistance						
Oklahoma Office of Attorney General						
Direct Programs 2021 Safe Oklahoma Grant	N/A		G99608	2021 Safe Oklahoma Grant	211,502	-
2022 Safe Oklahoma Grant	N/A		G99609	2022 Safe Oklahoma Grant	171,109	-
Total Oklahoma Office of Attorney General					382,611	-
Oklahoma State Department of Environmental Quality						
Direct Programs On-road Program	N/A		N/A	TVW21BUS	192,125	-
Total Oklahoma State Department of Environmental Quality					192,125	-
Total State Assistance					574,736	-
Total Federal and State Assistance					\$ 174,623,582	-
Clusters:						
1 - CDBG - Entitlement Grants Cluster					\$ 9,386,389	
2 - CDBG - Disaster Recovery Grants - Pub. L. No. 113-2 Cluster					4,000	
3 - Highway Planning and Construction Cluster					158,729	
4 - Federal Transit Cluster					25,762,023	
5 - Highway Safety Cluster					323,139	
6 - Clean Water State Revolving Fund Cluster					19,243	
7 - Drinking Water State Revolving Fund Cluster					2,153,240	
8 - Aging Cluster					349,744	
9 - CCDF Cluster					39,000	

The accompanying notes are an integral part of this schedule.

THE CITY OF OKLAHOMA CITY, OKLAHOMA

NOTES TO SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS

Year Ended June 30, 2022

Note 1. Organization

The accompanying schedule of expenditures of federal awards (Schedule) includes the federal award activity of The City of Oklahoma City, Oklahoma (City) under programs of the federal government for the year ended June 30, 2022. 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 position, changes in net position, or cash flows of the City.

Note 2. Summary of Significant Accounting Policies

Expenditures in the Schedule are recognized, as applicable, either as the cost principles contained in OMB Circular A-87, *Cost Principles for State, Local, and Indian Tribal Governments*, or the cost principles contained in the Uniform Guidance, wherein certain types of expenditures are not allowable or are limited as to reimbursement. The accompanying Schedule is presenting using the following methods:

1. For the City's governmental funds, the Oklahoma City Zoological Trust (OCZT) and the Central Oklahoma Transportation and Parking Authority (COTPA), expenditures of federal funds in the Schedule are reported on the modified accrual basis of accounting.
2. For the Oklahoma City Airport Trust (OCAT) and the Oklahoma City Water Utilities Trust (OCWUT), expenditures of federal funds in the Schedule are reported using the cash basis of accounting.
3. For the year ended June 30, 2022, expenditures awarded from the Federal Emergency Management Agency (FEMA), under Assistance Listing Number 97.036, must be presented on the schedule of expenditures of federal awards (SEFA) when; 1) FEMA has approved the City's Project Worksheet (PW) and 2) the City has incurred the eligible expenditures. Federal awards expended in years subsequent to the fiscal year in which the PW is approved are to be recorded on the City's SEFA in those subsequent years.

Note 3. Federal Assistance Listing Numbers

Federal assistance listing numbers or other identifying numbers listed on the Schedule were obtained from the respective grant/contract agreement.

Note 4. Indirect Cost Rate

The City has elected not to use the 10-percent de minimis cost rate allowed under Section 200.414(f) of the Uniform Guidance.

THE CITY OF OKLAHOMA CITY, OKLAHOMA

**NOTES TO SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
(CONTINUED)**

Year Ended June 30, 2022

Note 5. Outstanding Loan Balances

The City participates in the Community Development Block Grant Section 108 Loan Guarantee Program (CFDA No. 14.248). The activity of the City's Section 108 loans guaranteed by the U.S. Department of Housing and Urban Development is as follows:

<u>Project</u>	<u>Balance Beginning of Year</u>	<u>Increases During Year</u>	<u>Decreases During Year</u>	<u>Balance End of Year</u>
Micro-Enterprise and Small Business Loan Program	\$ 7,587,000	\$ 11,242,000	\$ 2,964,000	\$ 15,865,000

The City also participates in the Environmental Protection Agency's (EPA) Brownsfield Assessment and Cleanup Cooperative Agreements (CFDA No. 66.818). The activity of the loans issued as part of the program is as follows:

<u>Project</u>	<u>Balance Beginning of Year</u>	<u>Increases During Year</u>	<u>Decreases During Year</u>	<u>Balance End of Year</u>
Bricktown	\$ 820,576	\$ --	\$ 328,153	\$ 492,423
First National Building	1,800,000	--	--	1,800,000
Total	<u>\$ 2,620,576</u>	<u>\$ --</u>	<u>\$ 328,153</u>	<u>\$ 2,292,423</u>