CITY OF FORT LAUDERDALE, FLORIDA

SINGLE AUDIT REPORT

FOR THE YEAR ENDED SEPTEMBER 30, 2023

CITY OF FORT LAUDERDALE, FLORIDA
SINGLE AUDIT REPORT
Year Ended September 30, 2023

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INDEPENDENT AUDITOR'S REPORT ON SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS AND STATE FINANCIAL ASSISTANCE

The Honorable Mayor and Members of the City Commission
City of Fort Lauderdale, Florida

Report on the Audit of the Schedule of Expenditures of Federal Awards and State Financial Assistance

Opinion

We have audited the schedule of expenditures of federal awards and State financial assistance of the City of Fort Lauderdale, Florida (the "City") for the year ended September 30, 2023, and the related notes (Schedule).

In our opinion, the accompanying schedule of expenditures of federal awards and State financial assistance presents fairly, in all material respects, the expenditures of federal awards and State financial assistance of the City of Fort Lauderdale, Florida for the year ended September 30, 2023, in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinion

We conducted our audit 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; 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), and Chapter 10.550, Rules of the Auditor General. Our responsibilities under those standards and the Uniform Guidance are further described in the Auditor's Responsibilities for the Audit of the Schedule section of our report.

We are required to be independent of the City and to meet our other ethical responsibilities, in accordance with the 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 audit opinion.

Responsibilities of Management for the Schedule

Management is responsible for the preparation and fair presentation of the Schedule in accordance with accounting principles generally accepted in the United States of America and for the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of the Schedule that is free from material misstatement, whether due to fraud or error.

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Auditor's Responsibilities for the Audit of the Schedule

Our objectives are to obtain reasonable assurance about whether the Schedule as a whole is free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. 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 generally accepted auditing standards, *Government Auditing Standards*, and the Uniform Guidance as well as Chapter 10.550, Rules of the Auditor General will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the Schedule.

In performing an audit in accordance with generally accepted auditing standards, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the Schedule, 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 amounts and disclosures in the Schedule.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the City's internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the Schedule.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit, significant audit findings, and certain internal control-related matters that we identified during the audit.

This report is intended solely for the information and use of the Honorable Mayor and Members of the City Commission, management, and specific legislative or regulatory bodies and is not intended to be, and should not be, used by anyone other than these specified parties.

Miramar, Florida
October 18, 2024

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INDEPENDENT AUDITOR'S REPORT ON COMPLIANCE FOR EACH MAJOR FEDERAL PROGRAM AND STATE PROJECT AND REPORT ON INTERNAL CONTROL OVER COMPLIANCE IN ACCORDANCE WITH THE UNIFORM GUIDANCE AND CHAPTER 10.550, *RULES OF THE AUDITOR GENERAL*

The Honorable Mayor and Members of the City Commission
City of Fort Lauderdale, Florida

Report on Compliance for Each Major Federal Program and State Project

Opinion on Each Major Federal Program and State Project

We have audited City of Fort Lauderdale, Florida's (the "City") compliance with the types of compliance requirements identified as subject to audit in the OMB *Compliance Supplement* and the requirements described in the Florida Department of Financial Services State Projects Compliance Supplement that could have a direct and material effect on each of City of Fort Lauderdale, Florida's major federal programs and State projects for the year ended September 30, 2023. City of Fort Lauderdale, Florida's major federal programs and State projects are identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs.

In our opinion, City of Fort Lauderdale, Florida 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 projects for the year ended September 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; 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) and Chapter 10.550, *Rules of the Auditor General*. Our responsibilities under those standards and the Uniform Guidance and Chapter 10.550, *Rules of the Auditor General* are further described in the Auditor's Responsibilities for the Audit of Compliance section of our report.

We are required to be independent of 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.

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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 City of Fort Lauderdale, Florida's Federal programs and State projects.

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 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 generally accepted auditing standards, *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 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 City of Fort Lauderdale, Florida's compliance with the requirements of each major federal program and State project as a whole.

In performing an audit in accordance with generally accepted auditing standards, *Government Auditing Standards*, and the Uniform Guidance, and Chapter 10.550, *Rules of the Auditor General* 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 City of Fort Lauderdale, Florida'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 City of Fort Lauderdale, Florida'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 and Chapter 10.550, *Rules of the Auditor General*, but not for the purpose of expressing an opinion on the effectiveness of City of Fort Lauderdale, Florida'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 accompany schedule of findings and questioned costs as items **2023-001**, **2023-002,** and **2023-003**. Our opinion of the City of Fort Lauderdale, Florida's, is not modified with respect to these matters.

Government Auditing Standards requires the auditor to perform limited procedures on City of Fort Lauderdale, Florida's response to the noncompliance findings identified in our compliance audit and described in the accompanying schedule of findings and questioned costs. The City of Fort Lauderdale, Florida's response was not subject 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

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.

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. 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.

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.

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.

Miramar, Florida
October 18, 2024

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CITY OF FORT LAUDERDALE, FLORIDA
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS AND STATE FINANCIAL ASSISTANCE
Year Ended September 30, 2023

Federal Grantor/Pass-through Grantor/ Program or Cluster Title	Assistance Listing Number	Contract/ Grant Number	Expenditures	Transfer to Subrecipient
I. CASH FEDERAL FINANCIAL ASSISTANCE				
U. S. Department of Agriculture:				
Indirect Programs:				
Food and Nutrition Service				
Child and Adult Care Food Program				
Passed Through Florida Department of Health, Bureau of Childcare Food Programs				
Afterschool Snack Program - FY22	10.558	A-4798	$ 12,481	$ -
Afterschool Snack Program - FY23	10.558	A-4798	22,258	-
Total Assistance Listing #10.558			34,739	-
Child Nutrition Cluster				
Summer Food Service Program for Children				
Passed Through Florida Department of Agriculture and Consumer Services				
Summer Food Service Program for Children - FY22	10.559	18474	63,573	-
Summer Food Service Program for Children - FY23	10.559	18474	55,969	-
Total Child Nutrition Cluster			119,542	-
Total U. S. Department of Agriculture			154,281	-
U.S. Department of Housing and Urban Development:				
Direct Programs:				
Office of Community Planning and Development				
Community Development Block Grants/ Entitlement Grants	14.218	N/A	1,707,179	286,251
COVID19 Community Development Block Grants/ Entitlement Grants - CDBG-CV	14.218	B-20-MW-12-0005	521,230	-
Total CDBG - Entitlement Grants Cluster			2,228,409	286,251
Home Investment Partnerships Program	14.239	M-19-MC-12-0205	20,996	16,247
Home Investment Partnerships Program	14.239	M-20-MC-12-0205	106,101	106,101
Home Investment Partnerships Program	14.239	M-21-MC-12-0205	43,420	39,839
Home Investment Partnerships Program	14.239	M-23-MC-12-0205	76,457	-
HUD - American Rescue Plan Affordable Housing Act	14.239	M-21-MP-12-0205	14,764	-
Housing Opportunities for Persons with AIDS	14.241	N/A	7,117,400	6,480,933
Coronavirus Aid Relief & Economic Security Act				
COVID19 Housing Opportunities for Persons with AIDS	14.241	FLH20-FHW004	179,335	-
Total U.S. Department of Housing and Urban Development			9,786,881	6,929,371

(Continued on next page)

See Notes to Schedule.

CITY OF FORT LAUDERDALE, FLORIDA
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS AND STATE FINANCIAL ASSISTANCE
Year Ended September 30, 2023

Federal Grantor/Pass-through Grantor/ Program or Cluster Title	Assistance Listing Number	Contract/ Grant Number	Expenditures	Transfer to Subrecipient
U.S. Department of Justic				
Direct Programs:				
Office of Justice Programs				
Bureau of Justice Assistance				
National Sexual Assault Kit Initiative Grant	16.833	2020-AK-BX-0007	43,092	-
Equitable Sharing Program				
Forfeiture Fund - Federal Equitable Sharing (Non-Treasury)	16.922	N/A	1,411,841	-
Indirect Programs:				
Bureau of Justice Assistance				
Passed Through Broward County				
Local Law Enforcement Crime Gun Intelligence Center Integration Initiative				
Fort Lauderdale Police Department Illegal Gun Crime Reduction Campaign	16.738	15PBJA-21-GG-03280-JAGP	45,860	-
Total U.S. Department of Justice			1,500,794	-
U.S. Department of Transportation:				
Direct Programs:				
Federal Aviation Administration (FAA)				
Airport Improvement Program				
Runway Incursion MITI	20.106	3-12-0024-033-2020	1,239	-
Coronavirus Aid, Relief, and Economic Security Act (CARES) Grant	20.106	3-12-0024-034-2020	8,178	-
COVID19 FAA Coronavirus Response	20.106	3-12-0024-035-2021	20,207	-
Rehabilitate & Realign Taxiway	20.106	3-12-0024-036-2021	5,087	-
Total Assistance Listing #20.106			34,711	-
Indirect Programs:				
State and Community Highway Traffic Safety Program				
Highway Traffic Safety				
Passed Through FL Department of Transportation				
Fort Lauderdale Police Motorcycle Safety Campaign	20.600	G2D06	26,603	-
Total Highway Safety Cluster			26,603	-

(Continued on next page)

See Notes to Schedule.

CITY OF FORT LAUDERDALE, FLORIDA
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS AND STATE FINANCIAL ASSISTANCE
Year Ended September 30, 2023

Federal Grantor/Pass-through Grantor/ Program or Cluster Title	Assistance Listing Number	Contract/ Grant Number	Expenditures	Transfer to Subrecipient
U.S. Department of Transportation (cont'd):				
Indirect Programs (cont'd):				
Passed Through University of North Florida				
Pedestrian and Bicycle Safety High Visibility Enforcement and Support Program	20.205	G2A92	71,334	-
Total Highway Planning and Construction Cluster			71,334	-
Total U.S. Department of Transportation			132,648	-
U.S. Department of Treasury				
Direct Programs:				
Coronavirus Relief Fund				
Coronavirus State and Local Fiscal Recovery Funds	21.027	1505-0271	20,035,508	-
Total U.S. Department of Treasury			20,035,508	-
U.S. Department of Homeland Security:				
Direct Programs:				
Homeland Security Grant Program				
Passed Through City of Miami				
FY 2021 Urban Area Security Initiative (UASI) Grant Program	97.067	R0521	99,987	-
FY 2022 Urban Area Security Initiative (UASI) Grant Program	97.067	R0588	14,528	-
FY2020 Urban Area Security Initiative - Fire Rescue Technical Rescue Team (TRT) Equipment	97.067	R0232	47,518	-
FY2020 Urban Area Security Initiative - Fire Rescue Technical Rescue Team (TRT) Equipment	97.067	R0232	6,452	-
FY2020 Urban Area Security Initiative - Fire Rescue Technical Rescue Team (TRT) Equipment	97.067	R0232	1,759	-
FY2020 Urban Area Security Initiative - Fire Rescue Technical Rescue Team (TRT) Equipment	97.067	R0232	14,912	-
FY2021 Urban Area Security Initiative - Fire Rescue Technical Rescue Team (TRT) Equipment	97.067	R0521	19,224	-
FY2021 Urban Area Security Initiative - Fire Rescue Technical Rescue Team (TRT) Equipment	97.067	R0521	108,906	-
FY2021 Urban Area Security Initiative - Fire Rescue Technical Rescue Team (TRT) Equipment	97.067	R0521	12,051	-
FY2021 Urban Area Security Initiative - Fire Rescue Technical Rescue Team (TRT) Equipment	97.067	R0521	3,328	-
FY2021 Urban Area Security Initiative - Fire Rescue Technical Rescue Team (TRT) Equipment	97.067	R0521	3,784	-

(Continued on next page)

See Notes to Schedule.

CITY OF FORT LAUDERDALE, FLORIDA
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS AND STATE FINANCIAL ASSISTANCE
Year Ended September 30, 2023

Federal Grantor/Pass-through Grantor/ Program or Cluster Title	Assistance Listing Number	Contract/ Grant Number	Expenditures	Transfer to Subrecipient
U.S. Department of Homeland Security (cont'd):				
Direct Programs (cont'd):				
FY2021 Urban Area Security Initiative - Fire Rescue Technical Rescue Team (TRT) Equipment	97.067	R0521	29,930	-
FY2021 Urban Area Security Initiative - Fire Rescue Technical Rescue Team (TRT) Equipment	97.067	R0521	46,314	-
FY2021 Urban Area Security Initiative - Fire Rescue Technical Rescue Team (TRT) Equipment	97.067	R0521	35,892	-
FY2021 Urban Area Security Initiative - Fire Rescue Technical Rescue Team (TRT) Equipment	97.067	R0521	15,750	-
Total Assistance Listing #97.067			460,335	-
Total U.S. Department of Homeland Security			460,335	-
Total Expenditures of Federal Awards			$ 32,070,447	$ 6,929,371

(Continued on next page)

See Notes to Schedule.

CITY OF FORT LAUDERDALE, FLORIDA
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
AND STATE FINANCIAL ASSISTANCE
Year Ended September 30, 2023

State Grantor/Pass-through Grantor/Program or Cluster Title	CSFA Number	Grant/ Contract Number	Pass-Through Entity Identifying Number	Total State Expenditures	Total Passed Through to Subrecipients
STATE FINANCIAL ASSISTANCE					
FL Department of Environmental Protection					
Melrose Manors Stormwater Project	37.039	LPA0288		$ 824,221	$ -
Hendricks Isle Seawalls	37.098	R2226		179,885	-
Total FL Department of Environmental Protection					
Florida Housing Finance Corporation					
Direct Projects:					
State Housing Initiatives Partnership Program (SHIP)	40.901	N/A		432,524	-
Total Florida Housing Finance Corporation				432,524	-
Florida Department of State					
Direct Projects:					
Division Historical Resources					
City-Wide Architectural Resource Survey - Phase II	45.031	22 h.sm.200.015		48,375	-
Division of Arts and Culture					
Specific Cultural Project (SCP)	45.062	CA2E142		25,000	-
Total Florida Department of State					
Florida Department of Transportation					
Direct Projects:					
Public Transportation					
Construct Taxiway Intersection Improvements	55.004	G1B53		1,739,731	-
FXE Design and Construct Taxiway Golf Pavement Rehabilitation	55.004	G1L87		501	-
Helistop Layout Plan and Obstruction Survey	55.004	G1W05		8,907	-
Design and Construct Runway 31 By-pass Taxiways	55.004	G1W19		5,770	-
FXE Construct Mid-Field T/W Extension & Run-up Area	55.004	G1Z64		16,829	-
Total CSFA #55.004				1,771,739	-
Transit Corridor Development Program					
Transit Corridor Development Program	55.013	G1997		49,981	-
Total CSFA #55.013				49,981	-
Total Florida Department of Transportation				1,821,720	-
Total Expenditures of State Financial Assistance				$ 3,331,724	$ -
Total Expenditures of Federal Awards and State Financial Assistance				$ 35,402,171	$ 6,929,371

(Concluded)

See Notes to Schedule.

CITY OF FORT LAUDERDALE, FLORIDA
NOTES TO SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS AND STATE FINANCIAL ASSISTANCE
Year Ended September 30, 2023

NOTE 1 – BASIS OF PRESENTATION

The accompanying Schedule of Expenditures of Federal Awards and Schedule of 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, 2023. 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 propriety 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 — CATALOG OF STATE FINANCIAL ASSISTANCE (CSFA NUMBER)

The program titles and CSFA numbers were obtained from the State of Florida or pass-through grantor of the 2023 Catalog of State Financial Assistance. Where a CSFA number was not assigned to a program, as in the case of the Waterways Program, the CSFA reference number was marked "N/A" on the Schedule of Expenditures for Federal Awards.

NOTE 5 — 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.

CITY OF FORT LAUDERDALE, FLORIDA
NOTES TO SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS AND STATE FINANCIAL ASSISTANCE
Year Ended September 30, 2023

NOTE 6 — NON-CASH AND FEDERAL INSURANCE

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

NOTE 7 — DE MINIMIS COST

The City did not elect to use the 10% de minimis cost rate allowed under the Uniform Guidance in fiscal year 2023.

CITY OF FORT LAUDERDALE, FLORIDA
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
Year Ended September 30, 2023

Section I - Summary of Independent Auditors' Results

Financial Statements

Type of report the auditor issued on whether the financial statements audited were prepared in accordance with GAAP:	**Unmodified Opinion**	
Internal control over financial reporting:		
• Material weakness(es) identified?	____ Yes	__X__ No
• Significant deficiency(ies) identified?	____ Yes	__X__ None Reported
• Noncompliance material to financial statements noted?	____ Yes	__X__ No

Federal Awards and State Financial Assistance

Internal control over major Federal programs and State projects:		
• Material weakness(es) identified?	____ Yes	__X__ No
• Significant deficiency(ies) identified that are not considered to be material weaknesses?	____ Yes	__X__ None Reported
Type of Auditors' Report issued on Compliance for Major Federal Programs and State Projects:	**Unmodified Opinion**	
Any audit findings disclosed that are required to be reported in accordance with 2 CFR 200.516(a) of the Uniform Guidance or Chapter 10.550, *Rules of the Auditor General*?	__X__ Yes	___ No

Identification of Major Federal Programs and State Projects:

Assistance Listing Numbers	Name of Federal Programs
14.241	Housing Opportunities for Persons with AIDS
21.027	Coronavirus State and Local Fiscal Recovery Funds
97.067	Homeland Security Grant Program

CSFA Numbers	Name of State Projects
37.039	Statewide Water Quality Restoration Projects
55.004	Aviation Grant Programs

Dollar threshold used to distinguish between **Type A** and **Type B** programs:		
Federal	$3,000,000	
State	$750,000	
Auditee qualified as low-risk auditee?	____ Yes	__X__ No

CITY OF FORT LAUDERDALE, FLORIDA
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
Year Ended September 30, 2023

Section II - Current Year Findings - Financial Statement Audit

None Reported.

Section III - Current Year - Major Federal Award Programs and State Financial Assistance Findings and Questioned Costs

Federal Grants

2023-001 – Reporting – 21.027 – Coronavirus State and Local Fiscal Recovery Fund

Condition: The City could not provide evidence of timely reporting of the required quarterly progress reports.

Context: The City is required to submit quarterly project and expenditure reports by the end of the month after the quarter's end. Per testing the second quarters' reports were submitted after this deadline by approximately 1 month therefore, they are deemed not in compliance.

Effect: The City is not in compliance with the grant terms.

Cause: Staff responsible for completing the reporting was no longer with the organization and due to displacement from the natural disaster timely reporting was impacted.

Questioned Costs: None

Recommendation: A review of the grant agreement and terms with the grant manager/project led to ensure that all requirement(s) are understood and to provide guidance on reporting requirements and resources.

Views of responsible officials and planned corrective actions: On April 12, 2023, the City of Fort Lauderdale suffered a major natural disaster due to a once in a thousand-year weather event resulting in major flooding and related damage. Because of the storm, the City's primary operating facility (City Hall) suffered catastrophic damage and was rendered inhabitable. At the time that the report was due, City employees were still displaced by the severe weather event. The employee in charge of submitting the quarterly reports is no longer with the city and there is no documentation in our files to determine if a waiver was granted. The City has been current on all subsequent reporting requirements and does not foresee this being an issue moving forward.

Section III - Current Year - Major Federal Award Programs and State Financial Assistance Findings and Questioned Costs (cont'd)

Federal Grants (cont'd)

2023-002 – Reporting – 97.067 – Homeland Security

Condition: The City could not provide evidence of timely reporting of the required quarterly progress reports.

Context: The City is required to submit quarterly progress reports by the end of the month after the quarter's end. Per testing the third and fourth quarters' reports were submitted after this deadline by 8 months and 4 months respectively, therefore, they are deemed not in compliance.

Effect: The City is not in compliance with the grant terms and therefore funding may be jeopardized.

Cause: Staff responsible for completing the reporting was new to this process and was not aware of the requirement deadline.

Questioned Costs: None

Recommendation: A review of the grant agreement and terms with the grant manager/project led to ensure that all requirement(s) are understood and to provide guidance on reporting requirements and resources.

Views of responsible officials and planned corrective actions: The grant quarterly reporting was late due largely in part to a change in personnel. The new coordinator had to be brought up to speed on the reporting requirements and how to obtain the information. All relevant staff members responsible for quarterly reporting have been trained on the City's processes and management does not foresee this being an issue moving forward.

Section III - Current Year - Major Federal Award Programs and State Financial Assistance Findings and Questioned Costs (cont'd)

Federal Grants (cont'd)

2023-003 - Schedule of Expenditures of Federal Awards and State Financial Assistance – Reporting

Condition: The City of Fort Lauderdale could not provide a Schedule of Expenditures of Federal Awards and State Financial Assistance until June 2024 for the period ending September 30, 2023.

Context: The City is required to submit an audit of the SEFA, according to requirement 2 CFR 200.512(1) stating that single audits are due to the Federal Audit Clearinghouse 30 days after receipt of the auditor's report(s) or within nine months after their fiscal period end date.

Effect: The City is not in compliance with the audit reporting requirements.

Cause: Staff responsible for preparation of the SEFA

Questioned Costs: None

Recommendation: The City should implement effective internal control procedures to ensure that the SEFA is prepared in accordance with appropriate standards so that the audit can be performed in a timely manner.

Views of responsible officials and planned corrective actions:

The challenges associated with the timeliness of the preparation of the SEFA were directly related to the implementation of the new Enterprise Resource Planning (ERP) system, which went live on October 1, 2022. The Finance Department discovered that some of the modules of the ERP were not properly configured. As a result, additional time and resources were required to identify and resolve these issues, which contributed to the delay. Improvements to the ERP system have been made and the Finance team has a better understanding of system functionalities. Going forward, the Finance team is confident that the improvements will facilitate timely and accurate financial reporting, ensuring compliance with requirement 2 CFR 200.512(1). Management remains committed to continuously monitoring and refining the process to avoid future delays.

State Grants

None Reported.

CITY OF FORT LAUDERDALE, FLORIDA
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
Year Ended September 30, 2023

Section IV - Prior Year - Major Federal Award Programs and State Financial Assistance Findings and Questioned Costs

Federal Grants

2022-001 — Reporting — 20.106 Airport Improvements

Condition: The City could not provide documentation that SF-425, Federal Financial Report was completed and submitted annually as required by the Compliance Supplement.

Context: The City is required to perform task in noted areas to be in compliance with the grant terms. For this program annual reporting was a compliance requirement, through submission of the SF-425, Federal Financial Report. The Airport was unaware that this compliance requirement was to be fulfilled by them, therefore, the report was not filed deeming them not in compliance.

Effect: The City is not in compliance with the grant terms and therefore funding may be jeopardized.

Cause: Staff responsible for completing the reporting were not aware of the requirement and/or that it was their responsibility to complete the task.

Questioned Costs: None

Recommendation: A review of the grant agreement and terms with the grant manager/project led to ensure that all requirement(s) are understood and to whom is responsible to complete the task.

Views of responsible officials and planned corrective actions: The airport submits quarterly reports for FAA AIP projects, however due to an oversight the annual SF-425 form was not completed. The SF-245 form was completed and submitted on June 14, 2023, and a procedure has been drafted to ensure compliance with the reporting requirements in the future. Additionally, the Airport's Project Manager position will be moved from the Public Works Department to the Executive Airport Department in fiscal year 2024 which will improve supervision of the grant reporting requirements.

Current Year Status

No findings in the current year.

Section IV - Prior Year - Major Federal Award Programs and State Financial Assistance Findings and Questioned Costs (cont'd)

2022-002 — Eligibility — 14.241 HOPWA

Condition: The City could not validate the income used in determining eligibility for services of HOPWA funds documented in the Provide Enterprise (PE) System. In addition, income verification support was inconsistent with monthly income amount noted and there was evidence of instances where the monthly support provided was not for a consecutive 3-month period, as required for income verification. Furthermore, self-verification was used to verify income after the COVID-19 restriction was lifted.

Context: The participant's information is initially inputted by the agency (sub-recipient) and submitted to the City for review and approval of funding for housing. For case management, the agency (sub-recipient) input an intake form which includes income, proof of status and identification is reviewed during the annual monitoring process completed by the City. The participant file should include the application information entered and scans of supporting documentation. The PE system does limitations of storage capacity therefore the original hard copies are kept at the agency site and provided upon request.

Effect: The City may not be in compliance with the programs eligibility criteria and funding may be jeopardized.

Cause: The subrecipients procedure are not conducive to ensure proper income verification of program participants. The City must also increase monitoring of files and perform additional procedures to address known risk with identified subrecipient(s) and/or process(es).

Questioned Costs: Undetermined

Recommendation: To increase the sample population and frequency of testing of the participant case files to ensure that the program guidelines are being met. Increase the frequency of the subrecipient monitoring and the perform follow-up of noted monitoring findings within prior to traditional annual monitoring. In addition, to provide continual training to the subrecipients and perform assessment of efficiencies of procedures to determine viability of relationship.

View of responsible officials and planned corrective actions: The City identified this issue also during performance of the subrecipient annual monitoring. A monitoring letter was submitted with the noted findings to the agency of Sunserve, with a corrective action plan returned to acknowledge the finding.
The City scheduled a mandatory training on January 12, 2023, which required a minimum of 2 people per agency to attend, and educated on the proper way to perform income verifications and document within the PE system.

Current Year Status

The finding was satisfactorily corrected in the current year.

Section IV - Prior Year - Major Federal Award Programs and State Financial Assistance Findings and Questioned Costs (cont'd)

State Grants

None Reported.

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 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 wrong classifications.

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

Section IV - Prior Year - Major Federal Award Programs and State Financial Assistance Findings and Questioned Costs (cont'd)

2021-001 — Schedule of Expenditures of Federal Awards and State Financial Assistance —Material Weakness (cont'd)

FY2022 Update: The FY 2022 SEFA had to be revised to include approximately $16.1M for Assistance Listing Number 21.019 for program COVID Relief, American Rescue Program, which was omitted from original schedule. The City also adjusted the SEFA for approximately $49,000 from Federal to State for CFSA program 55.004, as it was improperly classified in the original version. We recommend that the City review the current internal controls to ensure that they are properly designed to ensure that the SEFA is prepared properly.

Current Year Status

The finding was satisfactorily satisfied in the current year; hence, no findings in fiscal year 2023.