

**CITY OF PASADENA, CALIFORNIA**  
**SINGLE AUDIT OF FEDERALLY ASSISTED**  
**GRANT PROGRAMS**  
**YEAR ENDED JUNE 30, 2022**



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

Honorable Mayor and  
Members of the City Council  
of the City of Pasadena  
Pasadena, California

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of the governmental activities, the business-type activities, the aggregate discretely presented component units, each major fund, and the aggregate remaining fund information of the City of Pasadena, California (the City), as of and for the year ended June 30, 2022 to binder, and the related notes to the financial statements, which collectively comprise the City's basic financial statements and have issued our report thereon dated March 17, 2023.

***Report on Internal Control Over Financial Reporting***

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

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

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. However, material weaknesses or significant deficiencies may exist that were not identified.

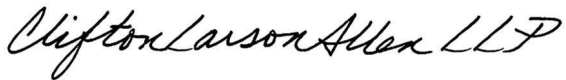
Honorable Mayor and  
Members of the City Council  
of the City of Pasadena

***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 entity's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the entity's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.



**CliftonLarsonAllen LLP**

Irvine, California  
March 17, 2023



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

Honorable Mayor and  
Members of the City Council  
of the City of Pasadena  
Pasadena, California

**Report on Compliance for Each Major Federal Program**

***Opinion on Each Major Federal Program***

We have audited the City of Pasadena's (the City) compliance with the types of compliance requirements identified as subject to audit in the OMB *Compliance Supplement* that could have a direct and material effect on each of the City's major federal programs for the year ended June 30, 2022. The City's major federal programs are identified in the summary of auditors' results section of the accompanying schedule of findings and questioned costs.

In our opinion, the City complied, in all material respects, with the compliance requirements referred to above that could have a direct and material effect on each of its major federal programs for the year ended June 30, 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; and the audit requirements of Title 2 U.S. *Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance). Our responsibilities under those standards and the Uniform Guidance are further described in the Auditors' Responsibilities for the Audit of Compliance section of our report.

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

***Responsibilities of Management for Compliance***

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

Honorable Mayor and  
Members of the City Council  
of the City of Pasadena

***Auditors' Responsibilities for the Audit of Compliance***

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

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

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

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

***Other Matter***

The results of our auditing procedures disclosed an instance of noncompliance, which is required to be reported in accordance with the Uniform Guidance and which is described in the accompanying schedule of findings and questioned costs as item 2022-001. 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.

Honorable Mayor and  
Members of the City Council  
of the City of Pasadena

### **Report on Internal Control Over Compliance**

Our consideration of internal control over compliance was for the limited purpose described in the Auditors' Responsibilities for the Audit of Compliance section above and was not designed to identify all deficiencies in internal control over compliance that might be material weaknesses or significant deficiencies in internal control over compliance 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 items 2022-001 and 2022-002 to be significant deficiencies.

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 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.

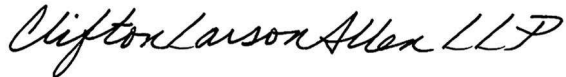
### **Report on Schedule of Expenditures of Federal Awards Required by the Uniform Guidance**

We have audited the financial statements of the governmental activities, 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 the financial statements, which collectively comprise the City's basic financial statements. We have issued our report thereon, dated March 17, 2023, which contained unmodified opinions on those financial statements. Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the basic financial statements. The accompanying schedule of expenditures of federal awards is presented for purposes of additional analysis as required by the Uniform Guidance and is not a required part of the basic financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements.

Honorable Mayor and  
Members of the City Council  
of the City of Pasadena

**Report on Schedule of Expenditures of Federal Awards Required by the Uniform Guidance  
(Continued)**

The information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the schedule of expenditures of federal awards is fairly stated in all material respects in relation to the basic financial statements as a whole.

A handwritten signature in cursive script that reads "CliftonLarsonAllen LLP".

**CliftonLarsonAllen LLP**

Irvine, California  
April 5, 2023



**CITY OF PASADENA  
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS  
YEAR ENDED JUNE 30, 2022**

Federal Grantor / Pass - Through Grantor / Program / Cluster Title	Federal Assistance Listing Number	Pass-Through Entity Identifying Number	Federal Expenditures	Passed Through to Subrecipients
<b><u>U.S. Department of Agriculture</u></b>				
Passed-through the California Department of Agriculture: WIC Special Supplemental Nutrition Program for Women, Infants, and Children	10.557	05-45781	\$ 936,495	\$ -
Passed-through the California Department of Health Service: Supplemental Nutrition Assistance Program Cluster: State Administrative Matching Grants for the Supplemental Nutrition Assistance Program Cluster	10.561	16-10156	138,284	-
Total U.S. Department of Agriculture			<u>1,074,779</u>	<u>-</u>
<b><u>U.S. Department of Housing and Urban Development</u></b>				
Direct Assistance:				
Community Development Block Grant - Entitlement Grants Cluster:				
Community Development Block Grant	14.218	N/A	1,488,277	189,471
COVID 19 - Community Development Block Grant Program	14.218	N/A	509,851	443,082
Subtotal Community Development Block Grant - Entitlement Grants Cluster			1,998,128	632,553
Emergency Solutions Grant Program	14.231	N/A	279,778	266,377
COVID 19 - Emergency Solutions Grant Program	14.231	N/A	1,487,088	1,390,335
Total Emergency Solutions Grant Program			1,766,866	1,656,712
HOME Investment Partnerships Program	14.239	N/A	84,427	-
Community Development Block Grant Section 108 Loan Guarantees	14.248	N/A	431,748	-
Continuum of Care Program	14.267	N/A	2,935,615	1,648,485
Housing Voucher Cluster:				
Section 8 Housing Choice Vouchers	14.871	N/A	17,370,638	-
COVID 19 - Section 8 Housing Choice Vouchers	14.871	N/A	514,867	-
Subtotal Housing Voucher Cluster			17,885,505	-
Passed-through the City of Los Angeles: Housing Opportunities for Persons with AIDS	14.241	C-134697	54,811	-
Total U.S. Department of Housing and Urban Development			<u>25,157,100</u>	<u>3,937,750</u>
<b><u>U.S. Department of the Interior</u></b>				
Direct Assistance:				
WaterSMART (Sustain and Manage America's Resources for Tomorrow)	15.507	N/A	49,184	-
Water Conservation Field Services	15.530	N/A	48,391	-
Total U.S. Department of the Interior			<u>97,575</u>	<u>-</u>
<b><u>U.S. Department of Justice</u></b>				
Direct Assistance:				
Justice Reinvestment Initiative	16.827	N/A	91,121	-
Equitable Sharing Program	16.922	N/A	1,236,062	-
Total U.S. Department of Justice			<u>1,327,183</u>	<u>-</u>
<b><u>U.S. Department of Labor</u></b>				
Passed through State of California:				
Workforce Innovation and Opportunity Act (WIOA) Cluster:				
WIOA Adult Program	17.258	AA011004	460,602	-
WIOA Adult Program	17.258	K7102027	2,089	-
WIOA Youth Activities	17.259	AA011004, AA111004	488,239	-
WIOA Dislocated Worker Formula Grant	17.278	AA011004	987,624	-
WIOA Dislocated Worker Formula Grant	17.278	K9110005, AA011004	353,451	-
Subtotal Workforce Innovation and Opportunity Act (WIOA) Cluster			2,292,005	-
COVID 19 - WIOA National Dislocated Worker Formula Grants/ WIA National Emergency Grants	17.277	AA011004	201,063	-
Total U.S. Department of Labor			<u>2,493,068</u>	<u>-</u>

See accompanying Notes to Schedule of Expenditures of Federal Awards.

**CITY OF PASADENA  
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS (CONTINUED)  
YEAR ENDED JUNE 30, 2022**

Federal Grantor / Pass - Through Grantor / Program / Cluster Title	Federal Assistance Listing Number	Pass-Through Entity Identifying Number	Federal Expenditures	Passed Through to Subrecipients
<b>U.S. Department of Transportation</b>				
Passed-through State of California Department of Transportation:				
Highway Planning and Construction Cluster:				
Highway Planning and Construction	20.205	BHLS-5064(078)	\$ 205,232	\$ -
Highway Planning and Construction	20.205	ATP-CML-5064(089)	37,415	-
Highway Planning and Construction	20.205	HSIPL5064-(093)	403,051	-
Highway Planning and Construction	20.205	HSIPL5064-(095)	8,847	-
Highway Planning and Construction	20.205	HSIPL5064-(096)	9,308	-
Highway Planning and Construction	20.205	HSIPL5064-(097)	538	-
Highway Planning and Construction	20.205	SAFTEA-LU HPLUL-5064(091)	252,184	-
Subtotal Highway Planning and Construction Cluster			<u>916,575</u>	<u>-</u>
Federal Transit Cluster:				
Federal Transit - Capital Investment Grants	20.500	SAFTEA-LU HPLUL-5064(091)	341,168	-
Transit Services Program Cluster:				
Enhanced Mobility of Seniors and Individuals with Disabilities	20.513	CA-16X066	72,118	-
Job Access and Reverse Commute Program	20.516	CA-37-X171	-	-
Job Access and Reverse Commute Program	20.516	CA-37-X123-01	-	-
Job Access and Reverse Commute Program	20.516	CA-37-X171	113,650	-
Job Access and Reverse Commute Program	20.516	CA-37-X100, -X123,-X171	88,218	-
Subtotal Transit Services Program Cluster			<u>273,986</u>	<u>-</u>
Highway Safety Cluster:				
State and Community Highway Safety	20.600	PT21190	31,733	-
State and Community Highway Safety	20.600	PS21025	36,786	-
State and Community Highway Safety	20.600	PT22053	92,500	-
Subtotal Highway Safety Cluster			<u>161,019</u>	<u>-</u>
Minimum Penalties for Repeat Offenders for Driving While Intoxicated	20.608	PT21190	105,695	-
Minimum Penalties for Repeat Offenders for Driving While Intoxicated	20.608	PT22053	167,464	-
Total Minimum Penalties for Repeat Offenders for Driving While Intoxicated			<u>273,159</u>	<u>-</u>
Total U.S. Department of Transportation			<u>1,965,907</u>	<u>-</u>
<b>U.S. Department of Treasury</b>				
Direct Assistance:				
COVID-19 - Coronavirus State and Local Fiscal Recovery Funds	21.027	N/A	12,766,669	408,262
Passed-through State Water Resources Control Board (State Water Board):				
COVID-19 - Coronavirus State and Local Fiscal Recovery Funds:				
California Water and Wastewater Arrearage Payment Program	21.027	CA1910124	1,532,553	-
Passed-through California Department of Community Services				
COVID-19 - Coronavirus State and Local Fiscal Recovery Funds:				
California Arrearage Payment Program	21.027	00001117	3,592,894	-
Total COVID-19 - Coronavirus State and Local Recovery Funds/ Total U.S. Department of Treasury			<u>17,892,116</u>	<u>408,262</u>
<b>U.S. Department of Health and Human Services</b>				
Direct Assistance:				
Substance Abuse and Mental Health Services Projects of Regional and National Significance	93.243	N/A	473,481	-
Passed-through the City of Inglewood:				
Temporary Assistance for Needy Families	93.558	19-W085	162,299	-
Subtotal for Temporary Assistance for Needy Families			<u>162,299</u>	<u>-</u>

See accompanying Notes to Schedule of Expenditures of Federal Awards.

**CITY OF PASADENA  
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS (CONTINUED)  
YEAR ENDED JUNE 30, 2022**

Federal Grantor / Pass - Through Grantor / Program / Cluster Title	Federal Assistance Listing Number	Pass-Through Entity Identifying Number	Federal Expenditures	Passed Through to Subrecipients
<b><u>U.S. Department of Health and Human Services (Continued)</u></b>				
Passed-through the County of Los Angeles, Department of Public Health:				
Public Health Emergency Preparedness	93.354	PH-003349	\$ 205,166	\$ -
COVID 19 - Public Health Emergency Preparedness	93.354	PH-003349	81,817	-
Subtotal for Public Health Emergency Preparedness			<u>286,983</u>	<u>-</u>
COVID 19 - Epidemiology and Laboratory Capacity for Infectious Diseases (ELC)	93.323	PH-003349	3,036,860	-
HIV Prevention Activities Health Department Based	93.940	PH-00809-2	120,198	-
Block Grants for Prevention and Treatment of Substance Abuse	93.959	H702536	266,846	-
Passed-through the State of California Department of Health Service:				
Project Grant and Cooperative Agreements for Tuberculosis Control Programs	93.116	NU52PS004656	10,261	-
Childhood Lead Poisoning Prevention Projects State and Local Childhood Lead Poisoning Prevention and Surveillance of Blood Lead Levels in Children	93.197	17-10227	84,781	-
Immunization Cooperative Agreements	93.268	13-20337	39,186	-
COVID-19 - Immunization Cooperative Agreements	93.268	13-20337	390,663	-
Subtotal Immunization Cooperative Agreements			<u>429,849</u>	<u>-</u>
Activities to Support State, Tribal, Local and Territorial Health Department Response to Public Health or Healthcare Crises	93.391	PH-003349	137,176	-
Maternal and Child Health Services Block Grant to the States	93.994	201061	289,473	-
Medicaid Cluster:				
Medical Assistance Program	93.778	RFA #15-10146	115,799	-
Total U.S. Department of Health and Human Services			<u>5,414,006</u>	<u>-</u>
<b><u>U.S. Department of Homeland Security</u></b>				
Direct Assistance:				
Disaster Grants - Public Assistance (Presidentially Declared Disasters)	97.036	N/A	1,216,910	-
Passed-through the State of California Governor's Office of Emergency Services:				
Hazard Mitigation Grant Program	97.039	037-56000-00	44,087	-
Passed-through the County of Los Angeles:				
Homeland Security Grant Program	97.067	EMW-2020-SS-00032	88,460	-
Homeland Security Grant Program	97.067	EMW-2019-SS-00035	113,716	-
Homeland Security Grant Program	97.067	18LA0183	27,000	-
Total Homeland Security Grant Program			<u>229,176</u>	<u>-</u>
Total U.S. Department of Homeland Security			<u>1,490,173</u>	<u>-</u>
<b>TOTAL EXPENDITURES OF FEDERAL AWARDS</b>			<u>\$ 56,911,907</u>	<u>\$ 4,346,012</u>

See accompanying Notes to Schedule of Expenditures of Federal Awards.

**CITY OF PASADENA  
NOTES TO SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS  
YEAR ENDED JUNE 30, 2022**

**NOTE 1 BASIS OF PRESENTATION**

The accompanying Schedule of Expenditures of Federal Awards (the Schedule) includes the federal award activity of the City of Pasadena (the City) under programs of the federal government as well as federal financial assistance passed through other government agencies for the year ended June 30, 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 statements of the City. The City's reporting entity is defined in Note 1 of the notes to the City's financial statements.

**NOTE 2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

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

**NOTE 3 INDIRECT COST RATE**

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

**CITY OF PASADENA  
SCHEDULE OF FINDINGS AND QUESTIONED COSTS  
YEAR ENDED JUNE 30, 2022**

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**Section I – Summary of Auditors’ Results**

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**Financial Statements**

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

**Federal Awards**

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

**Identification of Major Federal Programs**

**Assistance Listing Number(s)**

**Name of Federal Program or Cluster**

14.218

Community Development Block  
Grants/Entitlement Grants

21.027

COVID-19 – American Rescue Plan Act Local  
Fiscal Recovery

97.036

Disaster Grants – Public Assistance

93.323

Epidemiology and Laboratory Capacity for  
Infectious Diseases (ELC)

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

\$   1,707,357  

Auditee qualified as low-risk auditee?

\_\_\_\_\_ yes        x   no

**CITY OF PASADENA  
SCHEDULE OF FINDINGS AND QUESTIONED COSTS (CONTINUED)  
YEAR ENDED JUNE 30, 2022**

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***Section II – Financial Statement Findings***

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

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***Section III – Findings and Questioned Costs – Major Federal Programs***

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**2022 – 001**

**Federal Agency:** Department of Housing and Urban Development

**Federal Program Name:** Community Development Block Grants/Entitlement Grants

**Assistance Listing Number:** 14.218

**Federal Award Identification Number:** B-17-MC-06-0525 (2018); B-18-MC-06-0525 (2019); B-19-MC-06-0525 (2020); B-20-MC-06-0525 (2021); B-21-MC-06-0525 (2022)

**Award Period:** October 1, 2017 through September 1, 2028

**Type of Finding:** Significant Deficiency in Internal Control Over Compliance and Other Matter

**Criteria or specific requirement:** Program regulations require that the City submit the Consolidated Annual Performance and Evaluation Report (CAPER) 90 days after the close of the program year.

**Condition:** The City submitted the report beyond the 90-day requirement.

**Questioned costs:** None

**Context:** The Consolidated Annual Performance and Evaluation Report was not submitted within the 90 days.

**Cause:** The City was unable to reconcile year-end close and hold a public meeting within the 90 days.

**Effect:** The required report was not submitted within a timely manner.

**Repeat finding:** No

**Recommendation:** We recommend that the City review its procedures to ensure timely submissions for all reporting requirements.

**Views of responsible officials:** Management agrees with the recommendation.

**CITY OF PASADENA  
SCHEDULE OF FINDINGS AND QUESTIONED COSTS (CONTINUED)  
YEAR ENDED JUNE 30, 2022**

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***Section III – Findings and Questioned Costs – Major Federal Programs (Continued)***

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**2022 – 002**

**Federal Agencies:** U.S. Department of the Treasury

**Federal Program Titles:** Corona Virus State and Local Recovery Funds and

**Assistance Listing Numbers (ALN):** 21.027

**Federal Award Identification Number:** SLFRP0305

**Pass-Through Agency:** State Water Board and CA Department of Community Services

**Pass-Through Numbers:** State Water Board – CA1910124; and,  
CA Department of Community Services - 00001117

**Award Periods:** ALN 21.027 - 03/03/2021 to 12/31/2024

**Type of Finding:** Significant deficiency in internal control over compliance

**Criteria or Specific Requirement:** 2 CFR Part 200 *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Award* requires compliance with the provisions of suspension and debarment. The City should have internal controls designed to ensure compliance with those provisions.

**Condition:** The City was not able to provide supporting documentation that the City verified the vendor was not suspended or debarred prior to entering the transaction.

**Questioned Costs:** None.

**Context:** Support could not be provided for one of three vendors.

**Cause:** The City did not maintain supporting documentation that the verification of suspension or debarment was performed prior to entering into the contract.

**Effect:** The auditor noted no instances of noncompliance with the provisions of suspension and debarment; however, we were not able to verify that the City followed their internal controls to ensure the vendor was not suspended or debarred prior to entering the transaction.

**Repeat Finding:** This is not a repeat finding.

**Recommendation:** We recommend the City implement procedures to ensure that documentation of the verification process for suspension and debarment is maintained to support the City's internal control over compliance.

**View of Responsible Officials:** There is no disagreement with the audit finding.

**CITY OF PASADENA  
SUMMARY SCHEDULE OF PRIOR AUDIT FINDINGS (CONTINUED)  
YEAR ENDED JUNE 30, 2022**

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***Section I – Financial Statement Findings***

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There were no financial statements finding in the prior year.

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***Section II – Findings and Questioned Costs – Major Federal Programs***

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**Finding Number 2021 – 001**

**Condition:** While an agreement was entered into with the subrecipient prior to advancing funds to the subrecipient, the agreement did not include information such as the assistance listing number, award name and number; whether the award is research and development; the name of Federal awarding agency, and notification that the funds were subject to single audit, and we were unable to observe evidence that this information was communicated to the subrecipient by other means.

Additionally, when reviewing evidence of the City's monitoring of the subrecipient, it was unclear whether sufficient monitoring took place as schedules of grant expenditures contained immaterial unreconciled differences from the City's records.

**Status:** Corrective action was taken.

**Finding Number 2021 – 002**

**Condition:** The City did not submit a performance report for January 2021 by the required deadline.

**Status:** Corrective action was taken.

**Finding Number 2021 – 003**

**Condition:** The City did not obligate all of the grant award within 240 days of signing the contract.

**Status:** Corrective action was taken.





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