



**SINGLE AUDIT
FOR THE YEAR ENDED JUNE 30, 2023**

SUMMARY SCHEDULE OF PRIOR AUDIT FINDINGS

FINANCIAL STATEMENT FINDINGS - PRIOR YEAR

Finding Reference Number: SA2022-001 - **Schedule of Expenditures of Federal Awards (SEFA) Preparation**

Assistance Listing Number: 14.218, 14.239, 20.205

Assistance Listing Title: Community Development Block Grant/Entitlement Grants (CDBG)
COVID-19 - Community Development Block Grants/Entitlement Grants-CV
Home Investment Partnerships Program (HOME)
Highway Planning and Construction (Federal-Aid Highway Program)

Name of Federal Agency: Department of Housing and Urban Development
Department of Transportation

Federal Award Identification Number: B-21-MC-06-0042
COVID-19 – B-20-MW-06-0042
CDBG Daly City Pass Through #Not Available
HOME Pass Through #Not Available
BPMP-5177 (039), HSIPL-5177 (043)

Name of Pass-through Entity: City of Daly City, County of San Mateo, State of California Department of Transportation

- **Fiscal Year of Initial Findings:** June 30, 2022
- **Name(s) of the contact person:** Karen Chang, Finance Director
- **Current Status:** Implemented

FEDERAL AWARD FINDINGS - PRIOR YEAR

Finding Reference Number: SA2022-002 - **Federal Funding Accountability and Transparency Act (FFATA) Reporting**

Assistance Listing Number: 14.218

Assistance Listing Title: Community Development Block Grant – Entitlement Grant
COVID-19 - Community Development Block Grants/
Entitlement Grants-CV

Name of Federal Agency: Department of Housing and Urban Development

Federal Award Identification Number: B-21-MC-06-0042

COVID-19 – B-20-MW-06-0042

CDBG Daly City Pass Through #Not Available

Name of Pass-through Entity: City of Daly City

- **Fiscal Year of Initial Finding:** June 30, 2022
- **Name(s) of the contact person:** Karen Chang, Finance Director
- **Current Status:** The City was made aware of this finding during last year's audit. While it was the City's intention to implement and correct this finding during FY 2022-23, significant staff turnover in the Economic & Community Development (ECD) and Finance Departments prevented the timely completion of this task. The City has included a process for complying with the FFATA requirement in the newly approved CDBG Policies & Procedures Manual, which involves collaboration between ECD and Finance to ensure all sub-awards over \$30,000, not just from the CDBG program, are entered into the FSRS system. This requirement will be met in FY 23-24.

Finding Reference Number: SA2022-003 - **Monitoring of CDBG Program Activities For Compliance with Program Rules and Regulations**

Assistance Listing Number: 14.218

Assistance Listing Title: Community Development Block Grant – Entitlement Grant
COVID-19 - Community Development Block Grants/
Entitlement Grants-CV

Name of Federal Agency: Department of Housing and Urban Development

Federal Award Identification Number: B-21-MC-06-0042

COVID-19 – B-20-MW-06-0042

CDBG Daly City Pass Through #Not Available

Name of Pass-through Entity: City of Daly City

- **Fiscal Year of Initial Finding:** June 30, 2022
- **Name(s) of the contact person:** Nell Selander, ECD Director/ Karen Chang, Finance Director
- **Current Status:** City updated the CDBG Grant management manual and submitted formal response to HUD in June and August 2023. Based on the response from HUD on February 16, 2024, HUD reviewed and accepted City's response as satisfactory and have closed their findings for 2023-01B & 2023-01C. Finding for 2023-01A remains open and HUD requested the City to provide additional documents to support the eligibility requirements. The City responded to HUD on March 8, 2024 to address their outstanding items under Finding 2023-01A. This item is currently under review by HUD.

Finding Reference Number: SA2022-003 - Monitoring of CDBG Program Activities For Compliance with Program Rules and Regulations (Continued)

Based on the response from HUD on February 16, 2024, HUD reviewed and accepted City's response as satisfactory and have closed their findings for 2023-02A, 2023-02C, and 2023-02D. The finding for 2023-02B remains open pending clarification regarding the invoice date against a particular grant year. The City responded to HUD on March 8, 2024 to address their outstanding items under Finding 2023-01A. This item is currently under review by HUD.

Based on the response from HUD on February 16, 2024, HUD reviewed and accepted City's response as satisfactory and have closed their findings for 2023-03.

Finding Reference Number: SA2022-004 - Financial Reporting

Assistance Listing Number: 14.218
Assistance Listing Title: Community Development Block Grant – Entitlement Grant
COVID-19 - Community Development Block Grants/Entitlement Grants-CV
Name of Federal Agency: Department of Housing and Urban Development
Federal Award Identification Number: B-21-MC-06-0042
COVID-19 – B-20-MW-06-0042
CDBG Daly City Pass Through #Not Available
Name of Pass-through Entity: City of Daly City

- **Fiscal Year of Initial Finding:** June 30, 2022
- **Name(s) of the contact person:** Karen Chang, Finance Director and Nell Selander, ECD Director
- **Current Status:** Implemented, for all except the 15011 report. However, it does not appear that separate reporting is required by HUD to comply with the 15011 reporting requirements for the year ended June 30, 2023. Therefore, this finding is considered implemented.

Finding Reference Number: SA2022-005 - Cash Management – Draw Down of Community Development Block Grant Funds in Advance of Expenditures

Assistance Listing Number: 14.218
Assistance Listing Title: Community Development Block Grant – Entitlement Grant
COVID-19 - Community Development Block Grants/Entitlement Grants-CV
Name of Federal Agency: Department of Housing and Urban Development
Federal Award Identification Number: B-21-MC-06-0042
COVID-19 – B-20-MW-06-0042
CDBG Daly City Pass Through #Not Available
Name of Pass-through Entity: City of Daly City

- **Fiscal Year of Initial Finding:** June 30, 2022
- **Name(s) of the contact person:** Karen Chang, Finance Director
- **Current Status:** Implemented

Finding Reference Number: SA2022-006 - **Subrecipient Monitoring**

Assistance Listing Number: 21.027

Assistance Listing Title: COVID-19 – Coronavirus State and Local Fiscal Recovery Funds

Name of Federal Agency: Department of the Treasury

Federal Award Identification Number: EES4XJFTXC28

- **Fiscal Year of Initial Finding:** June 30, 2022
- **Name(s) of the contact person:** Karen Chang, Finance Director
- **Current Status:** Implemented