



**SUMMARY SCHEDULE OF PRIOR AUDIT FINDINGS
FOR THE YEAR ENDED JUNE 30, 2024**

FINANCIAL STATEMENT FINDINGS – PRIOR AUDIT

Finding Reference Number: 2023-001 Timely and Accurate Year-End Close

- **Fiscal Year of Initial Finding:** 2019
- **Name(s) of the contact person:** Melissa Munoz, Interim Assistant Finance Director
- **Current Status:** Staff continues to evaluate processes and procedures to ensure a more timely and accurate close. Staff turnover has made this difficult; however, critical positions that were vacant within the department have been filled, which has helped alleviate some of these issues. Current staff understand the critical need for an annual year-end close schedule to ensure that closing entries are done in a timely manner. Staff has compiled a comprehensive and detailed year-end close schedule that assigns roles/responsibilities and timeframes for closing entries, annual filings, information gathering, and other tasks. Further plans include a variance analysis and budget-to-actual comparisons to further identify needed areas of attention. The annual year-end close schedule is being actively used during the FY 2024 year-end close process. Staff is working to ensure this finding is completed for the FY 2025 year end close.
- **Anticipated Completion Date:** 12/31/2025

Finding Reference Number: 2023-002 Filing Timely Grant Reimbursement Requests

- **Fiscal Year of Initial Finding:** 2023
- **Name(s) of the contact person:** Melissa Munoz, Interim Assistant Finance Director
- **Current Status:** Staff recognizes that grant reimbursement requests have not been timely. In the past, staff turnover in key positions left grant management without proper attention. Staff is implementing grant management policies and procedures to ensure reimbursement requests occur timely and are documented thoroughly. Staff is working to ensure grants are reconciled and drawdowns are occurring timely in FY 2026.
- **Anticipated Completion Date:** 12/31/2025

Finding Reference Number: 2023-003**Payroll Errors and Benefits Documentation**

- **Fiscal Year of Initial Finding:** 2023
- **Name(s) of the contact person:** Melissa Munoz, Interim Assistant Finance Director
- **Current Status:** The Human Resources Department has begun to implement recommendations based on these findings and is working to create procedures for processing payroll-related items.
- **Anticipated Completion Date:** 12/31/2025

Finding Reference Number: 2023-004**Prior Year Material Weaknesses Not Implemented**

- **Name(s) of the contact person:** Melissa Munoz, Interim Assistant Finance Director
- **Current Status:** The corrective action plans for these findings are listed below in the Summary Schedule of Prior Audit Findings:
 - 2022-001 Timely and Accurate Year End Close
 - 2021-001 Timely and Accurate Year End Close
 - 2021-002 Accurately Adopting and Amending the Annual Budget
 - 2020-001 Timely and Accurate Year End Close
 - 2020-002 Timely Preparation and Approval of Bank Reconciliations
 - 2020-004 Redevelopment Bonds Projects Fund
 - 2019-001 Timely and Accurate Year-End Close
- **Anticipated Completion Date:** 12/31/2025

Finding Reference Number: 2023-005**Retaining Supporting Documentation and Timely Payment of Disbursements**

- **Fiscal Year of Initial Finding:** 2023
- **Name(s) of the contact person:** Melissa Munoz, Interim Assistant Finance Director
- **Current Status:** Given past issues with the Finance Department staff and other Department staff complying with the City's Purchasing Policy, there has been a renewed emphasis on following the policy at all levels of the City. In September 2023, sections of the Purchasing Policy regarding bidding/solicitation thresholds, purchase orders, and agreements/contracts were updated via Council Approval. Staff is engaging an outside consulting firm to perform a comprehensive review of the whole policy during Fiscal Year 2026. In the interim, with the appointment of a new Accounting Manager during Fiscal Year 2025, overseeing the accounting and purchasing functions, there has been an emphasis on educating Departments on the importance of complying with the Purchasing Policy. In addition, the City has transitioned to fully electronic Purchase Order and AP invoice batch processing. Electronic processing allows for thorough cataloging and a lower risk of losing backup documentation.

For the tax sharing agreements, staff turnover resulted in a loss of institutional knowledge regarding these agreements. However, with newer staffing in the Finance Department, payments to Developers, as associated with Tax Sharing agreements, have been as timely as possible since FY 2024. No legal or punitive actions have been taken by any developers due to late payments. The City maintains good relationships with these respective developers.

- **Anticipated Completion Date:** 8/31/2025

Finding Reference Number: 2023-006**Investment Reporting and Compliance with Investment Policy**

- **Fiscal Year of Initial Finding:** 2023
- **Name(s) of the contact person:** Melissa Munoz, Interim Assistant Finance Director
- **Current Status:** The quarterly Treasury/Investment report has been more in compliance with the City's Investment Policy during FY 2025. Also, the City's Investment Policy was updated in the summer of 2024 to align with the California Government Code.
- **Anticipated Completion Date:** 8/31/2025

Finding Reference Number: 2023-007**Retention of Retiree Personnel Files to Support Pension and Other Post-Employment Benefits (OPEB) Census Data Files**

- **Fiscal Year of Initial Finding:** 2023
- **Name(s) of the contact person:** Melissa Munoz, Interim Assistant Finance Director
- **Current Status:** The Payroll staff is located within the Human Resources Department, not the Finance Department. Hence, it's difficult for Finance staff to have oversight over Payroll staff. However, Finance staff will have regular check-ins with HR regarding Payroll issues, including retiree record-keeping. Finance staff will recommend record-keeping and documentation procedures for retiree data and OPEB.
- **Anticipated Completion Date:** 10/31/2025

ATTACHMENT 4

Finding Reference Number: 2023-008

Prior Year Significant Deficiencies Not Implemented

- **Name(s) of the contact person:** Melissa Munoz, Interim Assistant Finance Director
- **Current Status:** The corrective action plans for these findings are listed below in the Summary Schedule of Prior Audit Findings:
 - 2022-003 Accurate Calculation of Compensatory Time Hourly Pay Rate in Payroll System – Implemented in 2024
 - 2022-005 Documentation of Review of Changes to Customer and Employee Databases - Partially implemented in 2024 – see current status in 2022-005
 - 2022-006 Capitalize Purchases Approved by City Council – see current status in 2022-006
 - 2021-004 Purchasing Policy Compliance – see current status in 2021-004
 - 2021-005 Using Capital Projects Identifiers for All Projects – Implemented in 2024
 - 2019-004 Finance Personnel Super-User Rights – see current status in 2019-004
 - 2017-002 Golf Enterprise Fund Working Capital – Implemented in 2023
 - 2015-002 Timely Review and Approval of Journal Entries – see current status in 2015-002
 - 2015-004 Timely Filing of Continuing Disclosure Reports – see current status in 2015-004
 - 2014-002 Timely Preparation and Approval of Bank Reconciliations – see current status in 2020-002
 - 2012-02(a) Internal Controls – Segregation of Duties - Super-User Status in the General Ledger System – see current status in 2019-004
- **Anticipated Completion Date:** 12/31/2025

Finding Reference Number: 2022-001

Timely and Accurate Year-End Close

- **Fiscal Year of Initial Finding:** 2019
- **Name(s) of the contact person:** Melissa Munoz, Interim Assistant Finance Director
- **Current Status:** See response to finding #2023-001 above.
- **Anticipated Completion Date:** 12/31/2025

Finding Reference Number: 2022-002 **Prior Year Material Weaknesses Not Implemented**

- **Fiscal Year of Initial Finding:** 2019 and 2020
- **Name(s) of the contact person:** Melissa Munoz, Interim Assistant Finance Director
- **Current Status:** The corrective action plans for these findings are listed below in the Summary Schedule of Prior Audit Findings:
 - 2021-001 Timely and Accurate Year End Close
 - 2021-002 Accurately Adopting and Amending the Annual Budget
 - 2020-001 Timely and Accurate Year End Close
 - 2020-002 Timely Preparation and Approval of Bank Reconciliations
 - 2020-004 Redevelopment Bonds Projects Fund
 - 2019-001 Timely and Accurate Year-End Close
- **Anticipated Completion Date:** 12/31/2025

Finding Reference Number: 2022-003 **Accurate Calculation of Compensatory Time Hourly Pay Rate in Payroll System**

- **Fiscal Year of Initial Finding:** 2022
- **Name(s) of the contact person:** Melissa Munoz, Interim Assistant Finance Director
- **Current Status:** Implemented, however see also comment 2023-003

Finding Reference Number: 2022-005 **Documentation of Review of Changes to Customer and Employee Databases**

- **Fiscal Year of Initial Finding:** 2012
- **Name(s) of the contact person:** Melissa Munoz, Interim Assistant Finance Director
- **Current Status:** Partially Implemented - City staff will discuss potential review and approval processes and procedures, specifically for changes to customer billing information and changing employee pay rates, to ensure that documentation of the review is made in some formal manner. Finance staff have engaged an outside consulting firm to assist with drafting new Cash Handling Procedures that will include daily procedures for cash handling, cash deposits, revenue collections, account changes, receipting, recording, and reconciliations. Staff is confident that the new procedures document will provide adequate documentation of the City's procedures and processes.
- **Anticipated Completion Date:** 10/31/2025

Finding Reference Number: 2022-006 Capitalize Purchases Approved by City Council

- **Fiscal Year of Initial Finding:** 2022
- **Name(s) of the contact person:** Melissa Munoz, Interim Assistant Finance Director
- **Current Status:** Implemented

Finding Reference Number: 2022-007 Prior Year Significant Deficiencies Not Implemented

- **Fiscal Year of Initial Finding:** 2014, 2015, 2017, 2019 and 2021
- **Name(s) of the contact person:** Melissa Munoz, Interim Assistant Finance Director
- **Current Status:** The Current Status for each of these findings are listed in the separately issued Summary Schedule of Prior Audit Findings for the year ended June 30, 2022:
 - 2021-004 Purchasing Policy Compliance - see current status in 2021-004
 - 2021-005 Using Capital Projects Identifiers for All Projects - Implemented in 2024
 - 2019-004 Finance Personnel Super-User Rights – see current status in 2019-004
 - 2017-002 Golf Enterprise Fund Working Capital - Implemented in 2023
 - 2015-002 Timely Review and Approval of Journal Entries – see current status in 2015-002
 - 2015-004 Timely Filing of Continuing Disclosure Reports – see current status in 2015-004
 - 2014-002 Timely Preparation and Approval of Bank Reconciliations – see current status in 2020-002
 - 2012-02(a) Internal Controls – Segregation of Duties - Super-User Status in the General Ledger System - see current status in 2019-004
- **Anticipated Completion Date:** 10/31/2025

Finding Reference Number: 2021-001 Timely and Accurate Year-End Close

- **Fiscal Year of Initial Finding:** 2019
- **Name(s) of the contact person:** Melissa Munoz, Interim Assistant Finance Director
- **Current Status:** See response to finding #2023-001 above.
- **Anticipated Completion Date:** 10/31/2025

Finding Reference Number: 2021-002**Accurately Adopting and Amending the Annual Budget**

- **Fiscal Year of Initial Finding:** 2021
- **Name(s) of the contact person:** Melissa Munoz, Interim Assistant Finance Director; Lana McBroom, Budget Manager
- **Current Status:** During FY 2021, all finance management and department heads had turnover. In addition, multiple consultants, department reorganizations, and turnover created an unstable environment where the understanding of what was done for budget and what was needed was not always transferred to the next person. For FY 2022, the budget was prepared before June 30, but was subsequently corrected three times, as well as a mid-year budget update after the new Finance Director was hired.

For the FY 2023 budget with new management in place, the budget was more stable; however, lacked some basic components such as a comprehensive cost allocation plan, policy updates, long-term financial forecasts, comprehensive fund-level budget schedules, comprehensive information on major revenue sources and spending areas of the General Fund, and information on reserves and fund balances. In addition, there were management changes (including the departure of the Finance Director), other turnover, and a lack of Budget staff leading toward the preparation of the FY 2024 budget. This was adopted prior to June 30; however, it was noted that the attributes listed above were missing in the FY 2024 Budget as well due to the lack of Budget staff and leadership. As of March of 2025, the Finance Department is fully staffed with the Budget division in particular being fully staffed. The current Finance Director's decision to classify and appoint a Budget Manager, along with his own expertise and experience in Municipal Budgeting, resulted in a successful and timely adoption of the FY 2025 Annual Budget. The FY 2025 Annual Budget received an array of positive feedback from the City Council and City Executive team members. The Fiscal Year 2025 Annual Budget is a vast improvement over the prior two Fiscal Years and includes all of the attributes mentioned above except for the comprehensive cost allocation plan. Staff is currently reviewing the draft general cost allocation plan with a consulting firm and preparing for implementation.

- **Anticipated Completion Date:** 6/30/2025

Finding Reference Number: 2021-003**Prior Year Material Weaknesses Not Implemented**

- **Fiscal Year of Initial Finding:** 2020
- **Name(s) of the contact person:** Melissa Munoz, Interim Assistant Finance Director
- **Current Status:** The corrective action plans for these findings are listed below in the Summary Schedule of Prior Audit Findings, if they have not been implemented as noted below:
 - 2020-001 Timely and Accurate Year End Close - See 2023-001
 - 2020-002 Timely Preparation and Approval of Bank Reconciliations – See 2020-002
 - 2020-004 Redevelopment Bonds Projects Fund – see 2020-004
 - 2020-005 Accurate Preparation of the Schedule of Expenditures of Federal Awards – Implemented in 2022
 - 2019-001 Timely and Accurate Year-End Close - See 2023-001
- **Anticipated Completion Date:** 12/31/2025

Finding Reference Number: 2021-004 Purchasing Policy Compliance

- **Fiscal Year of Initial Finding:** 2021
- **Name(s) of the contact person:** Melissa Munoz, Interim Assistant Finance Director
- **Current Status:** The City agrees. Given past issues with the Finance Department staff and other Department staff complying with the City's Purchasing Policy, there has been a renewed emphasis on following the policy at all levels of the City. In September 2023, sections of the Purchasing Policy regarding bidding/solicitation thresholds, purchase orders, and agreements/contracts were updated via Council Approval. Staff is engaging an outside consulting firm to perform a comprehensive review of the whole policy during Fiscal Year 2026. In the interim, with the appointment of a new Accounting Manager during Fiscal Year 2025, overseeing the accounting and purchasing functions, there has been an emphasis on educating Departments on the importance of complying with the Purchasing Policy. In addition, the City has transitioned to fully electronic Purchase Order and AP invoice batch processing. Electronic processing allows for thorough cataloging and a lower risk of losing backup documentation.
- **Anticipated Completion Date:** 10/31/2025

Finding Reference Number: 2021-005 Using Capital Projects Identifiers for All Projects

- **Fiscal Year of Initial Finding:** 2021
- **Name(s) of the contact person:** Melissa Munoz, Interim Assistant Finance Director; Lana McBroom, Budget Manager
- **Current Status:** Implemented in 2024

Finding Reference Number: 2021-006**Prior Year Significant Deficiencies Not Implemented**

- **Fiscal Year of Initial Finding:** 2012, 2014, 2015, 2017, 2019
- **Name(s) of the contact person:** Melissa Munoz, Interim Assistant Finance Director; Lana McBroom, Budget Manager
- **Current Status:** The corrective action plans for these findings are listed below in the Summary Schedule of Prior Audit Findings.
 - 2019-004 Finance Personnel Super-User Rights – see current status in 2019-004
 - 2017-002 Golf Enterprise Fund Working Capital – Implemented in 2023
 - 2015-002 Timely Review and Approval of Journal Entries – see current status in 2015-002
 - 2015-003(a) Timely Preparation and Approval of Treasurer’s Reports – Implemented in 2022
 - 2015-003(b)iii Investment Reporting and Compliance – Implemented in 2022
 - 2015-004 Timely Filing of Continuing Disclosure Reports – see current status in 2015-004
 - 2014-002 Timely Preparation and Approval of Bank Reconciliations – see current status in 2020-002
 - 2012-02(a) Internal Controls – Segregation of Duties - Super-User Status in the General Ledger System – see current status in 2019-004
- **Anticipated Completion Date:** 10/31/2025

Finding Reference Number: 2020-001**Timely and Accurate Year-End Close**

- **Fiscal Year of Initial Finding:** 2019
- **Name(s) of the contact person:** Melissa Munoz, Interim Assistant Finance Director
- **Current Status:** See response to finding #2023-001 above.
- **Anticipated Completion Date:** 10/31/2025

Finding Reference Number: 2020-002**Timely Preparation of Bank Reconciliations**

- **Fiscal Year of Initial Finding:** 2020
- **Name(s) of the contact person:** Melissa Munoz, Interim Assistant Finance Director
- **Current Status:** During FY 2021 through FY 2025, staff turnover and lack of cross-training caused the Finance Department to be behind. The City has engaged an outside consultant to help catch up on bank reconciliations. The City has been rapidly catching up on monthly bank reconciliations and is on track to process bank reconciliations in a timely manner during Fiscal Year 2026.
- **Anticipated Completion Date:** 12/31/2025

Finding Reference Number: 2020-004 Redevelopment Bonds Projects Fund

- **Fiscal Year of Initial Finding:** 2020
- **Name(s) of the contact person:** Melissa Munoz, Interim Assistant Finance Director
- **Current Status:** The city agrees with the finding, and staff recognizes the need to make timely drawdowns of project funds to match eligible expenses. Due to staff turnover, this was not completed in the past. Additionally, cross-training on projects and project reconciliation was completed during FY 2024, and a drawdown occurred in FY 2024. Staff is working to ensure drawdowns are occurring in FY 2026.
- **Anticipated Completion Date:** 6/30/2026

Finding Reference Number: 2020-006 Prior Year Significant Deficiencies Not Implemented

- **Fiscal Year of Initial Finding:** 2019, 2017, 2015 and 2014
- **Name(s) of the contact person:** Melissa Munoz, Interim Assistant Finance Director
- **Current Status:** The Findings below are unresolved findings from the prior year that are also considered current year findings. The corrective action plans for these findings are listed below in the Summary Schedule of Prior Audit Findings.
 - 2019-004 Finance Personnel Super-User Rights – see current status in 2019-004
 - 2019-007 Determine Disposition of Lease Proceeds – Implemented in 2021
 - 2017-002 Golf Enterprise Fund Working Capital – Implemented in 2023
 - 2015-002 Timely Review and Approval of Journal Entries – see current status in 2015-002
 - 2015-003(a) Timely Preparation and Approval of Treasurer’s Reports – Implemented in 2022
 - 2015-003(b)iii Investment Reporting and Compliance – Implemented in 2022
 - 2015-004 Timely Filing of Continuing Disclosure Reports – see current status in 2015-004
 - 2014-002 Timely Preparation and Approval of Bank Reconciliations – see current status in 2020-002
 - 2012-02(a) Internal Controls – Segregation of Duties - Super-User Status in the General Ledger System – see current status in 2019-004
- **Anticipated Completion Date:** 2019-004 is ongoing as the deficiency is related to the ERP provider. 2019-007 through 2015-003(b)iii was resolved as of 02/28/2024. 2015-004 through 2014-002 anticipated to be resolved by 10/31/2025.

Finding Reference Number: 2019-001 Timely and Accurate Year-End Close

- **Fiscal Year of Initial Finding:** 2019
- **Name(s) of the contact person:** Melissa Munoz, Interim Assistant Finance Director
- **Current Status:** See response to finding #2023-001 above.
- **Anticipated Completion Date:** 10/31/2025

Finding Reference Number: 2019-003**Prior Year Recommendations Not Yet Implemented**

- **Fiscal Year of Initial Finding:** 2012, 2015 and 2017, as noted below
- **Name(s) of the contact person:** Melissa Munoz, Interim Assistant Finance Director
- **Current Status:**
 - 2017-002 Golf Enterprise Fund Working Capital – Implemented in 2023.
 - 2015-002 Timely Review and Approval of Journal Entries - – see current status in 2015-002.
 - 2015-003(a) Timely Preparation and Approval of Treasurer’s Reports – Implemented in 2022
 - 2015-003(b)iii Investment Reporting and Compliance – Implemented in 2022
 - 2015-004 Timely Filing of Continuing Disclosure Reports – see current status in 2015-004
 - 2014-002 Timely Preparation and Approval of Bank Reconciliations - see current status in 2020-002
 - 2012-02(a) Internal Controls – Segregation of Duties - Super-User Status in the General Ledger System - See current status in 2019-004
- **Anticipated Completion Date:** 10/31/2025

Finding Reference Number: 2019-004**Finance Personnel Super-User Rights**

- **Fiscal Year of Initial Finding:** 2012
- **Name(s) of the contact person:** Melissa Munoz, Interim Assistant Finance Director
- **Current Status:** Staff understands that super user rights should be limited to a select few individuals and are working to identify those positions in FY 2025. To address the interim granting of ERP system permissions and end-user rights, Finance and IT staff have established a new process where Finance Staff approve the changes and IT staff implement them. This process has been implemented in FY 2025.
- **Anticipated Completion Date:** 10/31/2025

Finding Reference Number: 2018-001 Prior Year Recommendations Not Yet Implemented

- **Fiscal Year of Initial Finding:** 2012, 2015 and 2017, as noted below.
- **Name(s) of the contact person:** Melissa Munoz, Interim Assistant Finance Director
- **Current Status:** *See Below*
 - 2017-002 Golf Enterprise Fund Working Capital – Implemented in 2023
 - 2015-002 Timely Review and Approval of Journal Entries - see current status in 2015-002
 - 2015-003 Investment Reporting and Compliance– Implemented in 2022
 - 2015-004 Timely Filing of Continuing Disclosure Reports - see current status in 2015-004
 - 2014-002 Timely Preparation and Approval of Bank Reconciliation - see current status in 2020-002
 - 2012-02 Internal Controls – Segregation of Duties - (a) implemented in 2019, (b) implemented in 2019. (c) Not implemented – see current status in 2019-004
- **Anticipated Completion Date:** 10/31/2025

Finding Reference Number: 2015-002 Timely Review and Approval of Journal Entries

- **Fiscal Year of Initial Finding:** 2015
- **Name(s) of the contact person:** Melissa Munoz, Interim Assistant Finance Director
- **Current Status:** The City has procedures in place for all journal entries to be reviewed before they are posted to the general ledger, and these entries are initialed by the reviewer. Due to staff turnover, the entries were not entered timely. This is also related to the 2023-001 finding with the timely close. As the close management system is being refined, procedures for close will be done on a more regular basis. During FY 2024, additional controls were implemented with the closing of each period and using system controls to lock down prior period transactions.
- **Anticipated Completion Date:** 12/31/2025

Finding Reference Number: 2015-004 Timely Filing of Continuing Disclosure Reports

- **Fiscal Year of Initial Finding:** 2015
- **Name(s) of the contact person:** Melissa Munoz, Interim Assistant Finance Director
- **Current Status:** The City has contracted out all continuing disclosure reporting. We anticipate this to be a recurring issue until such time that the Financial Statements are filed timely, and the required information is available for disclosure. This has been implemented in FY2025.
- **Anticipated Completion Date:** 10/31/2025

Finding Reference Number: 2014-002 Timely Preparation and Approval of Bank Reconciliation

- **Fiscal Year of Initial Finding:** 2014
- **Name(s) of the contact person:** Melissa Munoz, Interim Assistant Finance Director
- **Current Status:** See 2020-002.
- **Anticipated Completion Date:** 10/31/24

Finding Reference Number: 2012-02 Internal Controls – Segregation of Duties

- **Fiscal Year of Initial Finding:** 2012
- **Name(s) of the contact person:** Melissa Munoz, Interim Assistant Finance Director
- **Current Status:**
 - a. Super-User Status in the General Ledger System – see 2019-004
 - b. Reviewing Changes to Vendor Database - Implemented.
 - c. Reviewing Changes to Employee Database - Implemented, however see comment 2022-005
- **Anticipated Completion Date:** 10/31/2025

FEDERAL AWARD FINDINGS – PRIOR AUDIT**Finding #SA2023-001 Cash Management and Accuracy of Federal Financial Reports**

Assistance Listing Number: 20.507
Assistance Listing Title: COVID-19 – Federal Transit Formula Grants
Name of Federal Agency: Department of Transportation
Federal Award Identification Number: CA-2020-212-00 and CA-2022-083-00

- **Name(s) of the contact person:** Melissa Munoz, Interim Assistant Finance Director
- **Current Status:** There was significant turn-over in the Finance Department during the periods where accounting and spending of COVID-19 related grants occurred. There was a lack of monitoring reimbursement claim activities and coordination with the Transit Division on its activities. With the Finance Department being fully staffed with competent talent, these issues should not occur in the future. Staff has compiled a comprehensive and detailed year-end close schedule that assigns roles/responsibilities and timeframes for closing entries, annual filings, information gathering, and other tasks. Further plans include a variance analysis and budget-to-actual comparisons to further identify needed areas of attention. The annual year-end close schedule is being actively used during the FY 2024 year-end close process. Staff is working to ensure this finding is completed for the FY 2025 year end close
- **Anticipated Completion Date:** 12/31/2025

Finding #SA2022-002: Timely Submission of Financial and Performance Reports

Assistance Listing Number: 97.083
Assistance Listing Title: Staffing for Adequate Fire and Emergency Responses (SAFER)
Name of Federal Agency: Department of Homeland Security
Federal Award Identification number: EMW-2018-FH-00543

- **Name(s) of the contact person:** Melissa Munoz, Interim Assistant Finance Director

Current Status: Financial reports (SF-425) are required to be submitted semi-annually within 90 days of the reporting period end and performance and progress reports are required to be submitted within 30 days of the reporting period end.

- **Anticipated Completion Date:** Implemented as of 9/4/2024

Finding #SA2022-006: Compliance with Grant Documentation Requirements

Assistance Listing Number: 21.027
Assistance Listing Title: COVID-19 – Coronavirus State and Local Fiscal Recovery Funds
Name of Federal Agency: Department of Treasury
Pass Through Entity: California State Water Resources Control Board
Federal Award Identification Number: 68-0281986

- **Name(s) of the contact person:** Melissa Munoz, Interim Assistant Finance Director
- **Current Status:** The City will develop procedures to ensure all documentation is provided. The City is not aware of any documentation or request from the grantor to return any of these funds.
- **Anticipated Completion Date:** 6/30/2026

Finding #SA2022-007: Cash Management

Assistance Listing Number: 14.218
Assistance Listing Title: COVID-19 - Community Development Block Grants/Entitlement Grants
Name of Federal Agency: Department of Housing and Urban Development
Pass Through Entity: San Joaquin County Community Development Department
Federal Award Identification Number: A-93-916

- **Fiscal Year of Initial Finding:** 2021
- **Name(s) of the contact person:** Melissa Munoz, Interim Assistant Finance Director
- **Current Status:** Implemented

Finding #SA2022-008: Accurate Review and Payment of Vendor Reimbursement Requests

Assistance Listing Number: 14.218
Assistance Listing Title: COVID-19 - Community Development Block Grants/Entitlement Grants
Name of Federal Agency: Department of Housing and Urban Development
Pass Through Entity: San Joaquin County Community Development Department
Federal Award Identification Number: A-93-916

- **Name(s) of the contact person:** Melissa Munoz, Interim Assistant Finance Director
- **Current Status:** The CDBG funding for this fiscal year was managed by a prior City staff who is no longer with the City of Manteca and it is unclear if they indicated any funds needed to be returned based on this finding. Supporting documents under the prior employee's files have been provided for the CDBG-CV. The City is not aware of any documentation or request from the grantor to return any of these funds.
- **Anticipated Completion Date:** 06/30/2026

Finding Reference Number #SA2021-003: Pro-Rating Annual Payroll Costs Charged to Grant

Assistance Listing Number: 21.019
Assistance Listing Title: COVID-19 - Coronavirus Relief Fund
Name of Federal Agency: Department of Treasury
Pass Through Entity: California Department of Finance
Federal Award Identification Number: 390

- **Name(s) of the contact person:** Melissa Munoz, Interim Assistant Finance Director
- **Current Status:** The City is not aware of any documentation or request from the grantor to return any of these funds, therefore the City considers this item to be implemented.

Finding #SA2021-004: Allowable Subrecipient and Contract Costs

Assistance Listing Number: 14.218
Assistance Listing Title: COVID-19 - Community Development Block Grants/Entitlement Grants
Name of Federal Agency: Department of Housing and Urban Development
Pass Through Entity: San Joaquin County Community Development Department
Federal Award Identification Number: A-93-916

- **Name(s) of the contact person:** Melissa Munoz, Interim Assistant Finance Director

Current Status: Due to turnover in City staff, new steps have been taken in the processing of this grant and subgrant reimbursements. The process involves the following steps:

1. Review the grant/subgrant agreements to understand and confirm the reimbursement guidelines and review eligible expenses.
2. Review the expenditures for reimbursement to ensure they align with eligible expenses. This includes all supporting documents have been reviewed and confirmed.
3. Prepare reimbursement request for grantor agency that shows breakdown of expenses; total reimbursed requested amount, and attached all relevant supporting documents.
4. Final Internal review before submission. Ensure accuracy before submittal.

The City is working on establishing a new Grants Management Policy and will provide training to all departments in fiscal year 2026 to ensure accuracy and compliance.

- **Anticipated Completion Date:** 10/31/2025

Finding #SA2021-005: Cash Management

Assistance Listing Number: 14.218
Assistance Listing Title: COVID-19 - Community Development Block Grants/Entitlement Grants
Name of Federal Agency: Department of Housing and Urban Development
Pass Through Entity: San Joaquin County Community Development Department
Federal Award Identification Number: A-93-916

- **Name(s) of the contact person:** Melissa Munoz, Interim Assistant Finance Director
- **Current Status and Anticipated Completion Date:** See Finding #SA2022-007 above.

Finding Reference Number: 2018-001**Review and Accuracy of Federal Financial Reports and
Reimbursement Requests****CFDA number:** 20.507**CFDA Title:** Federal Transit – Formula Grants (Urbanized Area Formula Program)**Name of Federal Agency:** Department of Transportation - Federal Transportation Administration**Federal Award Identification Number:** CA-2016-104-00, CA-90-Z172-00

- **Fiscal Year of Initial Finding:** 2018
- **Name(s) of the contact person:** Melissa Munoz, Interim Assistant Finance Director
- **Current Status:** There was significant turn-over in the Finance Department during the periods where accounting and spending of COVID-19 related grants occurred. There was a lack of monitoring reimbursement claim activities and coordination with the Transit Division on its activities. With the Finance Department being fully staffed with competent talent, these issues should not occur in the future. Staff has compiled a comprehensive and detailed year-end close schedule that assigns roles/responsibilities and timeframes for closing entries, annual filings, information gathering, and other tasks. Further plans include a variance analysis and budget-to-actual comparisons to further identify needed areas of attention. The annual year-end close schedule is being actively used during the FY 2024 year-end close process. Staff is working to ensure this finding is completed for the FY 2025 year end close
- **Anticipated Completion Date:** 12/31/2025