

City of Stockton

Stockton, California

Single Audit and Independent Auditors' Reports

For the Year Ended June 30, 2021



City of Stockton
Single Audit Report
For the Year Ended June 30, 2021

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**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***

Independent Auditors' Report

To the Honorable Mayor and Members of City Council
of the City of Stockton
Stockton, 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, each major fund, and the aggregate remaining fund information of the City of Stockton, California (the "City"), as of and for the year ended June 30, 2021, 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 4, 2022.

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 City'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 may exist that were not identified.

To the Honorable Mayor and Members of City Council
of the City of Stockton
Stockton, California
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Compliance and Other Matters

As part of obtaining reasonable assurance about whether the City's financial statements are free of 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 require to be reported under *Government Auditing Standards*.

Purpose of this Report

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the City's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the City's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

A handwritten signature in black ink that reads "The PwC Group, LLP". The signature is written in a cursive, slightly slanted style.

Santa Ana, California
March 4, 2022



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

Independent Auditors' Report

To the Honorable Mayor and Members of City Council
of the City of Stockton
Stockton, California

Report on Compliance for Each Major Federal Program

We have audited the City of Stockton, California's (the "City") compliance with the types of compliance requirements described in the *OMB Compliance Supplement* that could have a direct and material effect on each of the City's major federal programs for the year ended June 30, 2021. The City's major federal programs are identified in the summary of auditor's results section of the accompanying Schedule of Findings and Questioned Costs.

Management's Responsibility

Management is responsible for compliance with federal statutes, regulations, and the terms and condition of its federal awards applicable to its federal programs.

Auditors' Responsibility

Our responsibility is to express an opinion on compliance for each of the City's major federal programs based on our audit of the types of compliance requirements referred to above. 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 Requirement for Federal Awards* (the "Uniform Guidance"). Those standards and the Uniform Guidance require that we plan and perform the audit to obtain reasonable assurance about whether noncompliance with the types of compliance requirements referred to above that could have a direct and material effect on a major federal program occurred. An audit includes examining, on a test basis, evidence about the City's compliance with those requirements and performing such other procedures as we considered necessary in the circumstances.

We believe that our audit provides a reasonable basis for our opinion on compliance for each major federal program. However, our audit does not provide a legal determination of the City's compliance.

Opinion on Each Major Federal Program

In our opinion, the City 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 for the year ended June 30, 2021.

To the Honorable Mayor and Members of City Council
of the City of Stockton
Stockton, California
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Report on Internal Control Over Compliance

Management of the City is responsible for establishing and maintaining effective internal control over compliance with the types of compliance requirements referred to above. In planning and performing our audit of compliance, we considered the City's internal control over compliance with the types of requirements that could have a direct and material effect on each major federal program to determine the auditing procedures that are appropriate in the circumstances for the purpose of expressing an opinion on compliance for each major federal program 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 internal control over compliance. Accordingly, we do not express an opinion on the effectiveness of the City's 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 first paragraph of this section and was not designed to identify all deficiencies in internal control over compliance that might be material weaknesses or significant deficiencies 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, material weaknesses may exist that have not been identified.

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 the Schedule of Expenditures of Federal Awards Required by Uniform Guidance

We have audited the financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the City as of and for the year ended June 30, 2021, and the related notes to the financial statements, which collectively comprise the City's basic financial statements. We issued our report thereon dated March 4, 2022, which contained unmodified opinions on those financial statements. Our audit was conducted for the purpose of forming our opinions on the financial statements that collectively comprise the City's basic financial statements. The accompanying Schedule of Expenditures of Federal Awards is presented for purposes of additional analysis as required by Uniform Guidance and is not a required part of the basic financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. The information has been subjected to the auditing procedures applied in the audit of the financial statements and certain other 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 Expenditure of Federal Awards is fairly stated in all material respects in relation to the basic financial statements as a whole.



Santa Ana, California
September 1, 2022, except for the Schedule of Expenditures of Federal Awards, which is as of March 4, 2022

City of Stockton
Schedule of Expenditures of Federal Awards
For the Year Ended June 30, 2021

Federal Grantor/Pass-Through Grantor Program Title	Assistance Listing Number	Grant Award Number	Federal Expenditures	Amount Provided to Subrecipients
U.S. Department of Housing and Urban Development				
<i>Direct Program:</i>				
CDBG - Entitlement Grants Cluster:				
Community Development Block Grants/Entitlement Grants	14.218	B-17-MC-06-0026	\$ 164,724	\$ 164,724
Community Development Block Grants/Entitlement Grants	14.218	B-18-MC-06-0026	76,770	76,770
Community Development Block Grants/Entitlement Grants	14.218	B-19-MC-06-0026	224,919	224,919
Community Development Block Grants/Entitlement Grants	14.218	B-20-MC-06-0026	3,630,372	11,540
Community Development Block Grants/Entitlement Grants	14.218	Program Income	340,613	340,613
COVID-19 Community Development Block Grants/Entitlement Grants	14.218	B-20-MW-06-0026	2,140,006	-
Neighborhood Stabilization Program	14.218	B-08-MN-060009	2,431	-
Neighborhood Stabilization Program	14.218	B-11-MN-060009	6,279	-
Total CDBG - Entitlement Grants Cluster			6,586,114	818,566
Emergency Solutions Grant Program	14.231	E-20-MC-06-0026	280,921	268,600
COVID-19 Emergency Solutions Grant Program	14.231	E-20-MW-06-0026	39,816	-
Total Emergency Solutions Grant Program			320,737	268,600
HOME Investment Partnership Program	14.239	M-20-MC-06-0221	876,517	-
Total HOME Investment Partnership Program			876,517	-
Total U.S. Department of Housing and Urban Development			7,783,368	1,087,166
U.S. Department of Justice				
<i>Direct Program:</i>				
BJA FY20 Coronavirus Emergency Supplemental Funding Program	16.034	2020-VD-BX-1296	50,227	-
Total Coronavirus Emergency Supplemental Funding			50,227	-
Community-Based Violence Prevention Program	16.123	2020-PB-BX-0021	26,942	-
Total Community-Based Violence Prevention Program			26,942	-
<i>Pass-Through San Joaquin County District Attorney's Office:</i>				
Edward Byrne Memorial Justice Assistance Grant Program	16.738	2017-DJ-BX-0982	94,030	-
Edward Byrne Memorial Justice Assistance Grant Program	16.738	2018-DJ-BX-0823	110,306	-
Edward Byrne Memorial Justice Assistance Grant Program	16.738	2019-DJ-BX-0623	137,156	20,902
Total Edward Bryne Memorial Justice Assistance Grant Program			341,492	20,902
Total U.S. Department of Justice			418,661	20,902
U.S. Department of Transportation				
<i>Pass-Through State of California Department of Transportation:</i>				
Highway Planning and Construction Cluster:				
March Ln Adaptive TCS	20.205	CML-5008(127)	52,950	-
Filbert/Miner Traffic Sig	20.205	CML-5008(130)	475,430	-
West Lane Ped Access Imp	20.205	HSIPL-5008(136)	3,297	-
BUS RAPID TRANSIT I-B	20.205	CML-5008(148)	285,516	-
Bus Rapid Transit Phase V	20.205	CML-5008(149)	10,374	-
Install/Upgrade Bike FAC	20.205	CML-5008(150)	7,535	-
THORNTON At HAMMER & LOWER	20.205	CML-5008(156)	6,915	-
BRIDGE REHAB/REPLACEMENT	20.205	BPMP-5008(157)	59,723	-

See accompanying Notes to the Schedule of Expenditures of Federal Awards.

City of Stockton
Schedule of Expenditures of Federal Awards (Continued)
For the Year Ended June 30, 2021

Federal Grantor/Pass-Through Grantor Program Title	Assistance Listing Number	Grant Award Number	Federal Expenditures	Amount Provided to Subrecipients
U.S. Department of Transportation (continued)				
<i>Pass-Through State of California Department of Transportation (Continued):</i>				
Highway Planning and Construction Cluster (Continued):				
HAWK PED SIGNAL INSTALL	20.205	HSIPL-5008(151)	5,981	-
Guardrail, Transition Rail	20.205	HSIPL-5008(152)	3,907	-
Miner Ave Complete St. Ph 1	20.205	ATPL-5008(158)	1,620,946	-
HUNTER ST DIET/BIKE INSTAL	20.205	HSIPL-5008(155)	5,377	-
WST LN TRS CONTROL SYS	20.205	CML-5008(165)	10,923	-
High Friction Treatment	20.205	HSIPL-5008(153)	17,087	-
Bear Crk/Pixley Sl Bike	20.205	CML-5008-(175)	44,193	-
BRIDGE REHAB/REPLACEMENT	20.205	BPMP-5008(177)	5,036	-
Closing gaps to School	20.205	ATPCML-5008-(178)	59,176	-
HSIP 8 CONVT SIGNAL FR PED	20.205	HSIPL-5008(166)	8,427	-
HSIP 8 INSTALL GUARDRAILS	20.205	HSIP-5008(168)	934,651	-
HSIP 8 INSTALL PED XNG 9	20.205	HSIPL-5008(161)	92,615	-
HSIP 8 RAISED MED @ MLK	20.205	HSIPL-5008(167)	284,646	-
HSIP 8 RAISED MED @ PACIF	20.205	HSIPL-5008(164)	17,016	-
HSIP 8 RAISED MED @ EL DO	20.205	HRRRL-5008(163)	46,542	-
HSIP 8 ROAD DIET @ EL DO	20.205	HSIPL-5008(162)	5,553	-
LT TURN ADD @ VARIOUS LOC	20.205	CML-5008(169)	1,614,378	-
LINCOLN / 8TH ROUNDABOUT	20.205	CML-5008(176)	33,581	-
MARCH LN EBMUD BIKE & PED	20.205	CML-5008(179)	19,398	-
MONTAUBAN/HAMMERTOWN RND	20.205	CML-5008(174)	9,263	-
Pacific Ave/March Ln Intersection Mod	20.205	CML-5008(181)	54,945	-
Real Time Traffic Flow Monitoring	20.205	CML-5008(180)	66,669	-
TAM O'SHANTER/KNICKERBOCK	20.205	CML-5008(173)	13,498	-
HSIP 9-LT DORADO/MARVH	20.205	HSIPL-5008(183)	52,142	-
HSIP 9-LT AIRPORT/HAZELTN	20.205	HSIPL 5008(184)	128,918	-
HSIP 9-SIDEWLK MED MLK BL	20.205	HSIPL-5008(186)	38,033	-
HSIP 0-REC RPD FLSH BCONS	20.205	HSIPL-5008(185)	16,294	-
19-20 ST RESURFAC ON FED	20.205	STPL-5008(190)	23,648	-
TRANSP MGMT CTR EQUIP UPG	20.205	CML-5008(191)	12,192	-
ARCH-AIRPORT RD TS SYNCH	20.205	CML-5008(192)	54,987	-
ALPINE & ALVARADO 3-WY TS	20.205	CML-5008(193)	15,692	-
Total Highway Planning and Construction Cluster:			6,217,454	-
<i>Pass-Through State of California Office of Traffic Safety:</i>				
Highway Safety Cluster:				
State and Community Highway Safety	20.600	PT20125	59,079	-
State and Community Highway Safety	20.600	PT21067	130,948	-
Total Highway Safety Cluster			190,027	-
Minimum Penalties for Repeat Offenders for Driving While Intoxicated	20.608	PT20125	55,084	-
Minimum Penalties for Repeat Offenders for Driving While Intoxicated	20.608	PT21067	177,687	-
Total Minimum Penalties for Repeat Offenders for Driving While Intoxicated			232,771	-
Total U.S. Department of Transportation			6,640,252	-

See accompanying Notes to the Schedule of Expenditures of Federal Awards.

City of Stockton
Schedule of Expenditures of Federal Awards (Continued)
For the Year Ended June 30, 2021

Federal Grantor/Pass-Through Grantor Program Title	Assistance Listing Number	Grant Award Number	Federal Expenditures	Amount Provided to Subrecipients
U.S. Treasury				
<i>Pass-Through State of California Department of Finance:</i>				
Coronavirus Relief Fund	21.019	N/A	27,170,185	-
<i>Direct Program:</i>				
COVID-19 Emergency Rental Assistance	21.023	N/A	1,926,983	-
Total U.S. Treasury			<u>29,097,168</u>	<u>-</u>
U.S. Environmental Protection Agency				
<i>Direct Program:</i>				
Brownfields Assessment and Cleanup Cooperative	66.818	99T74401	86,195	-
Total U.S. Environmental Protection Agency			<u>86,195</u>	<u>-</u>
U.S. Department of Homeland Security				
<i>Direct Program:</i>				
Assistant to Firefighters Grant (AFG)	97.044	EMW-2018-FO-04270	478,179	-
COVID-19 Assistant to Firefighters Grant (AFG)	97.044	EMW-2020-FG-00464	100,414	-
Total Assistant to Firefighters Grant (AFG)			<u>578,593</u>	<u>-</u>
Total U.S. Department of Homeland Security			<u>578,593</u>	<u>-</u>
Total Expenditures of Federal Awards			<u>\$ 44,604,237</u>	<u>\$ 1,108,068</u>

See accompanying Notes to the Schedule of Expenditures of Federal Awards.

City of Stockton
Notes to the Schedule of Expenditures of Federal Awards
For the Year Ended June 30, 2021

Note 1 – Reporting Entity

The financial reporting entity consists of the primary government, City of Stockton, California (the “City”), organizations for which the primary government is financially accountable, and other organizations for which the nature and significance of their relationship with the primary government are such that exclusion would cause the reporting entity’s financial statements to be misleading or incomplete.

The City Council acts as the governing body and is able to impose its will on the following organizations, establishing financial accountability:

- The Stockton Public Financing Authority
- Fiduciary Component Unit:
 - Successor Agency of the Former Redevelopment Agency of the City of Stockton

Note 2 – Basis of Presentation

The accompanying Schedule of Expenditures of Federal Awards (the "Schedule") includes the federal award activity of City under programs of the federal government for the year ended June 30, 2021. 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* (the “Uniform Guidance”). Because the Schedule presents only a selected portion of the operations of City, it is not intended to and does not present the financial position of the City.

Note 3 – Summary of Significant Accounting Policies

Expenditures reported on the Schedule are reported on the accrual basis of accounting. Such expenditures are recognized following the cost principles contained in the Uniform Guidance, wherein certain types of expenditures are not allowable or are limited as to reimbursement. Negative amounts shown on the Schedule represent adjustments or credits made in the normal course of business to amounts reported as expenditures in prior years.

Note 4 - Indirect Cost Rate

The City has not elected to use the 10 percent de-minimis indirect rate as allowed under Uniform Guidance.

City of Stockton
Notes to the Schedule of Expenditures of Federal Awards (Continued)
For the Year Ended June 30, 2021

Note 5 – Subrecipients

During the year ended June 30, 2021, the City provided federal funds to the following recipients:

Emergency Shelter Grant (ESG) Program Subrecipients:

Central Valley Low Income Housing Corp.	\$ 62,893
Gospel Center	31,840
Haven of Peace	19,685
St. Mary's Dining Room	54,255
Stockton Shelter	54,415
Women's Center	45,512
Total ESG Program Subrecipients	<u><u>\$ 268,600</u></u>

Community Development Block Grant (CDBG) Subrecipients:

A Tavola Together	\$10,000
Blasingame	5,000
Bobbie Jeans	5,000
Brandie Spencer	10,000
Bread of Life	15,000
Child Abuse Prevention Council	5,679
Community Center for the Blind	13,991
CPR Cert	5,000
Downtown Stockton Alliance	77,975
Emergency Food Bank	43,500
Gospel Center	75,024
Grassroots	5,000
Kelly's Angels	25,381
Launch Pad	24,000
Meals on Wheels	12,000
Mexican Heritage Center	40,000
Oracles of Truth	25,000
Rainbow Velvet	5,000
SB Films	5,000
Second Harvest Food Bank	30,000
SJ Fair Housing	181,401
Stockton Impact Corps	30,000
Stockton Shelter	111,615
Tuleburg Press	48,000
Valonne Smith	5,000
Young Rembrandts	5,000
Total CDBG Subrecipients	<u><u>\$818,566</u></u>

Edward Byrne Memorial Justice Assistance Grant Program Recipients:

SJC Sheriff	\$ 20,902
Total Edward Byrne Memorial Justice Assistance Grant Program Recipients	<u><u>\$ 20,902</u></u>

City of Stockton
Schedule of Findings and Questioned Costs
For the Year Ended June 30, 2021

Section I – Summary of Auditor’s Results

Financial Statements

Types of report the auditors issued on whether the financial statements audited were prepared in accordance with GAAP: Unmodified

Internal control over financial reporting:

- Material weakness(es) identified? No
- Significant deficiency(ies) identified? None reported

Noncompliance material to financial statements noted? No

Federal Awards

Internal control over major federal programs:

- Material weakness(es) identified? No
- Significant deficiency(ies) identified? None reported

Type of auditor’s report issued on compliance for major federal programs: Unmodified

Any audit findings disclosed that are required to be reported in accordance with 2 CFR 200.516(a)? No

Identification of major federal programs:

Assistance Listing Number(s)	Name of Federal Program or Cluster	Expenditures
21.019	Coronavirus Relief Fund	\$ 27,170,185
21.023	Emergency Rental Assistance Program	1,926,983
97.044	Assistance to Firefighters Grant	578,593
	Total Expenditures of All Major Federal Programs	\$ 29,675,761
	Total Expenditures of Federal Awards	\$ 44,604,237
	Percentage of Total Expenditures of Federal Awards	66.53%

Dollar threshold used to distinguish between type A and type B programs: \$1,338,127

Auditee qualified as low-risk auditee under 2 CFR 500.520? Yes

City of Stockton
Schedule of Findings and Questioned Costs (Continued)
For the Year Ended June 30, 2021

Section II – Financial Statements Findings

A. Current Year Findings– Financial Statement Findings

No current year financial statement findings and questioned costs were noted.

B. Prior Year Findings – Financial Statement Findings

No prior year financial statement findings and questioned costs were noted.

City of Stockton
Schedule of Findings and Questioned Costs (Continued)
For the Year Ended June 30, 2021

Section III – Federal Awards Finding and Questioned Costs

A. Current Year Findings and Questioned Costs – Major Federal Award Program Audit

No current year findings and questioned costs were noted.

City of Stockton
Schedule of Findings and Questioned Costs (Continued)
For the Year Ended June 30, 2021

Section III – Federal Awards Finding and Questioned Costs (Continued)

B. Prior Year Findings and Questioned Costs – Major Federal Award Program Audit

2020-001 Internal Control Over Preparation of Schedule of Expenditures of Federal Awards Information on the Federal Programs:

Information of the Federal Program:

Community Development Block Grants / Entitlement Grants, (Assistance Listing Number 14.218, U.S. Department of Housing and Urban Development, Award Numbers B-17-MC-06-0026, B-18-MC-06-0026, and B-19-MC-06-0026), Emergency Solutions Grant Program (Assistance Listing Number 14.231, U.S. Department of Housing and Urban Development, Award Numbers E-18-MC-06-0026 and E-19-MC-06-0026), and Highway Planning and Construction Cluster (Assistance Listing Number 14.218, U.S. Department of Transportation, Pass-Through State of California Department of Transportation, Award Numbers HSIPL-5008(161) and CML-5008(169)).

Condition:

During our reviewing of the Schedule of Expenditures of Federal Awards (“SEFA”) provided by the City, we noted that the following grants did not have accurate expenditure total respective to each grant award number as expenditures showed more than the grant received total.

Federal Grantor/Pass-Through Grantor Program Title	CFDA Number	Grant Award Number	Federal Expenditures	Amount Provided to Subrecipients
U.S. Department of Housing and Urban Development				
<i>Direct Program:</i>				
CDBG - Entitlement Grants Cluster:				
Community Development Block Grants/Entitlement Grants	14.218	B-19-MC-06-0026	\$ 5,567,348	\$ 771,161
Emergency Solutions Grant Program	14.231	E-19-MC-06-0026	455,714	438,015
U.S. Department of Transportation (continued)				
<i>Pass-Through State of California Department of Transportation:</i>				
Highway Planning and Construction Cluster:				
HSIP 8 INSTALL PED XNG 9	20.205	HSIPL-5008(161)	1,444,284	-
LT TURN ADD @ VARIOUS LOC	20.205	CML-5008(169)	24,303	-

Recommendation:

We recommend that the City implement procedures to ensure that complete and accurate information of each grant is reported on the SEFA prepared by the City.

Status:

Findings were resolved during the year ended June 30, 2021.

City of Stockton
Schedule of Findings and Questioned Costs (Continued)
For the Year Ended June 30, 2021

Section III – Federal Awards Finding and Questioned Costs (Continued)

B. Prior Year Findings and Questioned Costs – Major Federal Award Program Audit (Continued)

2020-002 Reporting – Internal Controls and Compliance over Reporting

Information of the Federal Program:

CDBG – Entitlement Grants Cluster / Neighborhood Stabilization Program (Assistance Listing Number 14.218, U.S. Department of Housing and Urban Development, Award Number B-08-MN-060009 and B-11-MN-060009).

Condition:

The City did not submit the required Quarterly Performance Report, Disaster Recovery Grant Reporting (DRGR), that are due each quarter for the fiscal year quarter 3 (January 2020 to March 2020) and for the fiscal year quarter 4 (April 2020 to June 2020).

Recommendation:

We recommend that the City implement procedures to ensure timely filing of required Quarterly Performance Report for NSP 1 and 3 program.

Status:

Findings were resolved during the year ended June 30, 2021.