

City of Tulsa, Oklahoma

Compliance Report
Year Ended June 30, 2023

Contents

| | |
|---|-------|
| Report on internal control over financial reporting and on compliance and other matters based on an audit of financial statements performed in accordance with <i>Government Auditing Standards</i> | 1-2 |
| Report on compliance for each major federal program, report on internal control over compliance, and report on schedule of expenditures of federal awards required by the uniform guidance | 3-5 |
| Schedule of expenditures of federal awards | 6-9 |
| Notes to schedule of expenditures of federal awards | 10 |
| Summary schedule of prior audit findings | 11 |
| Schedule of findings and questioned costs | 12-13 |
| Corrective action plan | 14 |



RSM US LLP

**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 Auditor's Report

Honorable Mayor, City Council, and
Audit Committee
City of Tulsa, Oklahoma

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 (*Government Auditing Standards*), 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 Tulsa, Oklahoma (the City), as of and for the year ended June 30, 2023, and the related notes to the financial statements, which collectively comprise the City's basic financial statements, and have issued our report thereon dated December 21, 2023. Our report includes a reference to other auditors who audited the financial statements of the Tulsa Performing Arts Center Trust, a discretely presented component unit of the City, and the Tulsa Stadium Trust, a blended component unit of the City, as described in our report on the City's financial statements. This report does not include the results of the other auditors' testing of internal control over financial reporting or compliance and other matters that are reported on separately by those auditors.

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.

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 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.

RSM US LLP

Kansas City, Missouri
December 21, 2023



RSM US LLP

**Report on Compliance for Each Major Federal Program,
Report on Internal Control Over Compliance, and
Report on Schedule of Expenditures of Federal Awards
Required by the Uniform Guidance**

Independent Auditor's Report

Honorable Mayor, City Council, and
Audit Committee
City of Tulsa, Oklahoma

Report on Compliance for Each Major Federal Program

Opinion on Each Federal Program

We have audited the City of Tulsa, Oklahoma'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, 2023. 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.

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, 2023.

Basis for Opinion on Each Major 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 (*Government Auditing Standards*); 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 Auditor's 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 of the City's compliance with the compliance requirements referred to above.

Other Matter—Federal Expenditures not Included in the Compliance Audit

The City of Tulsa, Oklahoma’s basic financial statements include the operations of the Tulsa Airports Improvement Trust (TAIT), Tulsa Development Authority (TDA), Tulsa Authority for Economic Opportunity (TAEO) and Tulsa Performing Arts Center Trust (TPACT), discretely presented component units, and Tulsa Stadium Trust (TST), a blended component unit. Our audit, described below, did not include the operations of TST or TPACT because these component units engaged other auditors to perform their June 30, 2023 audit. Our audit, described below, did not include the operations of TDA and TAEO because they were not required to have a separate audit in accordance with the Uniform Guidance as their federal expenditures for the year ending June 30, 2023 were less than \$750,000. Our audit, described below, did not include the operations of TAIT because they issued a separate compliance report in accordance with the Uniform Guidance for the year ended June 30, 2023.

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.

Auditor’s Responsibilities for the Audit of Compliance

Our objectives are to obtain reasonable assurance about whether material noncompliance with the compliance requirements referred to above occurred, whether due to fraud or error, and express an opinion on 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 Matters

The results of our auditing procedures disclosed instances of noncompliance which are required to be reported in accordance with the Uniform Guidance and which are described in the accompanying schedule of findings and questioned costs as item 2023-001. 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.

Report on Internal Control Over Compliance

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

Our consideration of internal control over compliance was for the limited purpose described in the Auditor's Responsibilities for the Audit of Compliance section above and was not designed to identify all deficiencies in internal control over compliance that might be material weaknesses or significant deficiencies in internal control over compliance. Given these limitations, during our audit we did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses, as defined above. However, material weaknesses or significant deficiencies in internal control over compliance may exist that were not identified.

Our audit was not designed for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, no such opinion is expressed.

The purpose of this report on internal control over compliance is solely to describe the scope of our testing of internal control over compliance and the results of that testing based on the requirements of the Uniform Guidance. Accordingly, this report is not suitable for any other purpose.

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

We have audited 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 as of and for the year ended June 30, 2023, and the related notes to the financial statements, which collectively comprise the City's basic financial statements. We issued our report thereon, dated December 21, 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. 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.

RSM US LLP

Kansas City, Missouri
December 21, 2023

CITY OF TULSA
Schedule of Expenditures of Federal Awards
Year Ended June 30, 2023

| Federal Grantor/Pass-Through Grantor/Program Title | Federal Assistance Listing Number | Grant Number or Pass-Through Entity Identifying Number | Current Year Expenditures | Amounts Provided to Subrecipients |
|--|-----------------------------------|--|---------------------------|-----------------------------------|
| U.S. DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT | | | | |
| CDBG - Entitlement Grants Cluster | | | | |
| Direct Programs: | | | | |
| | | B-19-MC-40-0004 B-20-MC-40-0004 B-21-MC-40-0004 B-22-MC-40-0004 | | |
| Community Development Block Grants/Entitlement Grants | 14.218 | | \$ 6,101,055 | \$ 4,127,976 |
| COVID-19 Community Development Block Grants-CV/Entitlement Grants | 14.218 | B-20-MW-40-0004 | 1,985,234 | 1,938,348 |
| Total CDBG - Entitlement Grants Cluster | | | 8,086,289 | 6,066,324 |
| | | E-20-MC-40-0004 E-21-MC-40-0004 E-22-MC-40-0004 E-20-MW-40-0004 | | |
| Emergency Solutions Grant Program | 14.231 | | 403,859 | 377,974 |
| COVID-19 Emergency Solutions Grant Program-CV | 14.231 | | 1,848,492 | 1,797,818 |
| Total Emergency Solutions Grant Program | | | 2,252,351 | 2,175,792 |
| | | M-18-MC-40-0202 M-19-MC-40-0202 M-20-MC-40-0202 M-21-MC-40-0202 M-22-MC-40-0202 M-21-MP-40-0202 | | |
| Home Investment Partnerships Program | 14.239 | | 898,755 | 537,728 |
| COVID-19 Home Investment Partnerships - American Rescue Plan | 14.239 | | 75,206 | - |
| Total Home Investment Partnerships Program | | | 973,961 | 537,728 |
| | | OK-H20-F002 OK-H21-F002 OK-H22-F002 | | |
| Housing Opportunities for Persons with AIDS | 14.241 | | 783,747 | 762,198 |
| Total Housing Opportunities for Persons with AIDS | | | 783,747 | 762,198 |
| HOPE VI Cluster, River West Choice Neighborhood Grant | 14.889 | OK61073CNG117 | 287,139 | - |
| Total U.S. Department of Housing and Urban Development | | | 12,383,487 | 9,542,042 |
| U.S. DEPARTMENT OF JUSTICE | | | | |
| Direct Programs: | | | | |
| COVID-19 Coronavirus Emergency Supplemental Funding Program | 16.034 | 2020-VD-BX-0886 | 417,747 | - |
| Services for Trafficking Victims | 16.320 | 15POVC-22-GK-03716-HT | 14,980 | - |
| <u>Pass-Through State District Attorney Council</u> | | | | |
| National Criminal History Improvement Program | 16.554 | 21P007 | 19,215 | - |
| Direct Programs: | | | | |
| National Institute of Justice Research, Evaluation, and Development Project Grants | 16.560 | 15POVC-22-GK-03581-SAFE | 11,404 | - |
| <u>Pass-Through State of Oklahoma District Attorney Council</u> | | | | |
| Crime Victim Assistance | 16.575 | 2021-VOCA-TULSA-CI-061 | 2,718 | - |
| Crime Victim Assistance | 16.575 | 2021-VOCA-TULSA-CI-020 | 30,602 | - |
| Crime Victim Assistance | 16.575 | 2021-VOCA-TULSA-CI-023 | 2,811 | - |
| Crime Victim Assistance | 16.575 | 2021-VOCA-TULSA-CI-002 | 42,789 | - |
| Total Crime Victim Assistance | | | 78,920 | - |
| Direct Programs: | | | | |
| Crime Victim Assistance/Discretionary Grants | 16.582 | 2019-V3-GX-0132 | 154,959 | - |
| <u>Pass-Through State of Oklahoma District Attorney Council</u> | | | | |
| Violence Against Women Formula Grants | 16.588 | 2022/23-VAWA-Tulsa PD-00054 | 2,831 | - |
| Violence Against Women Formula Grants | 16.588 | 2022/23-VAWA-Tulsa PD-00055 | 29,150 | - |
| Total Violence Against Women Formula Grants | | | 31,981 | - |

(Continued)

CITY OF TULSA
Schedule of Expenditures of Federal Awards
Year Ended June 30, 2023

| Federal Grantor/Pass-Through Grantor/Program Title | Federal Assistance Listing Number | Grant Number or Pass-Through Entity Identifying Number | Current Year Expenditures | Amounts Provided to Subrecipients |
|--|-----------------------------------|--|---------------------------|-----------------------------------|
| Direct Programs: | | | | |
| Grants to Encourage Arrest Policies and Enforcement of Protection Orders Program | 16.590 | 2017-WE-AX-0045 (2) | 307,611 | 204,791 |
| <u>Pass-Through State of Oklahoma District Attorney Council</u> | | | | |
| Project Safe Neighborhoods | 16.609 | 19SNN01 | 2,042 | - |
| Project Safe Neighborhoods | 16.609 | 20SNN01 | 70,903 | - |
| Project Safe Neighborhoods | 16.609 | 21SNN01 | 24,639 | - |
| Total Project Safe Neighborhoods | | | 97,584 | - |
| <u>Pass-Through Office of Community Oriented Policing Services</u> | | | | |
| De-Escalation Training Project | 16.710 | 15JCOPS-21-GG-02463-SPPS | 165,337 | - |
| Direct Programs: | | | | |
| Edward Byrne Memorial Justice Assistance Grant Program | 16.738 | 2018-DG-BX-0006 | 154,602 | - |
| Edward Byrne Memorial Justice Assistance Grant Program | 16.738 | 2019-DJ-BX-0576 | 54,393 | - |
| Edward Byrne Memorial Justice Assistance Grant Program | 16.738 | 2020-DJ-BX-0388 | 87,424 | - |
| Edward Byrne Memorial Justice Assistance Grant Program | 16.738 | 15PBJA-21-GG-01753-JAGX | 77,260 | - |
| Edward Byrne Memorial Justice Assistance Grant Program | 16.738 | 15PBJA-21-GG-04380-SMTP | 20,647 | - |
| Edward Byrne Memorial Justice Assistance Grant Program | 16.738 | 15PBJA-22-GG-02067-JAGX | 101,741 | - |
| Total Edward Byrne Memorial Justice Assistance Grant Program | | | 496,067 | - |
| DNA Backlog Reduction Program | 16.741 | 2020-DN-BX-0080 | 66,817 | - |
| DNA Backlog Reduction Program | 16.741 | 15PBJA-21-GG-03172-DNAX | 80,331 | - |
| DNA Backlog Reduction Program | 16.741 | 15PBJA-22-GG-01711-DNAX | 65,354 | - |
| Total DNA Backlog Reduction Program | | | 212,502 | - |
| <u>Pass-Through State of Oklahoma District Attorney Council</u> | | | | |
| Paul Coverdell Forensic Sciences Improvement Grant Program | 16.742 | 21F002 | 42,365 | - |
| Paul Coverdell Forensic Sciences Improvement Grant Program | 16.742 | 22F003 | 3,995 | - |
| Total Paul Coverdell Forensic Sciences Improvement Grant Program | | | 46,360 | - |
| <u>Pass-Through Tulsa County District Attorney</u> | | | | |
| Justice and Mental Health Collaboration Program | 16.745 | 15PBJA-21-GG-03974-MENT | 98,045 | - |
| Direct Programs: | | | | |
| Innovations in Community-Based Crime Reduction | 16.817 | 2020-BJ-BX-0006 | 435,463 | - |
| National Sexual Assault Kit Initiative | 16.833 | 2018-AK-BX-0015 | 55,827 | - |
| National Sexual Assault Kit Initiative | 16.833 | 15PBIA-21-GG-04310-SAKI | 316,120 | 85,175 |
| Total National Sexual Assault Kit Initiative | | | 371,947 | 85,175 |
| Equitable Sharing Program | 16.922 | OK0720500 | 80,907 | - |
| Equitable Sharing Program | 16.922 | OK0721600 | 5,465 | - |
| Total Equitable Sharing Program | | | 86,372 | - |
| Total U.S. Department of Justice | | | 3,046,494 | 289,966 |

(Continued)

CITY OF TULSA
Schedule of Expenditures of Federal Awards
Year Ended June 30, 2023

| Federal Grantor/Pass-Through Grantor/Program Title | Federal Assistance Listing Number | Grant Number or Pass-Through Entity Identifying Number | Current Year Expenditures | Amounts Provided to Subrecipients |
|---|-----------------------------------|--|---------------------------|-----------------------------------|
| U.S. DEPARTMENT OF TRANSPORTATION | | | | |
| Highway Planning and Construction Cluster | | | | |
| <u>Pass-Through Indian Nations Council of Governments (INCOG)</u> | | | | |
| Highway Planning and Construction | 20.205 | 136650 | 64,081 | - |
| Total Highway Planning and Construction and Highway Planning and Construction Cluster | | | 64,081 | - |
| Federal Transit Cluster | | | | |
| Direct Programs: | | | | |
| Federal Transit Formula Grants | 20.507 | OK-2017-009-00 | 20,665 | - |
| Federal Transit Formula Grants | 20.507 | OK-2018-011-00 | 257,062 | - |
| Federal Transit Formula Grants | 20.507 | OK-2019-024-00 | 252,232 | - |
| COVID-19 Federal Transit Formula Grants - CARES ACT | 20.507 | OK-2020-022-00 | 392,022 | - |
| Federal Transit Formula Grants | 20.507 | OK-2020-030-00 | 43,400 | - |
| Federal Transit Formula Grants | 20.507 | OK-2022-032-00 | 5,134,750 | - |
| Federal Transit Formula Grants | 20.507 | OK-2022-034-00 | 4,776,062 | - |
| Total Federal Transit Formula Grants | | | 10,876,193 | - |
| Bus and Bus Facilities Formula & Discretionary Programs | 20.526 | OK-2017-025-00 | 15,828 | - |
| Bus and Bus Facilities Formula & Discretionary Programs | 20.526 | OK-2017-026-00 | 58,782 | - |
| Bus and Bus Facilities Formula & Discretionary Programs | 20.526 | OK-2018-007-00 | 146,183 | - |
| Federal Transit Formula Grants | 20.526 | OK-2018-018-00 | 106,509 | - |
| Bus and Bus Facilities Formula & Discretionary Programs | 20.526 | OK-2021-021-00 | 3,772 | - |
| Bus and Bus Facilities Formula & Discretionary Programs | 20.526 | OK-2021-028-00 | 789,136 | - |
| Bus and Bus Facilities Formula & Discretionary Programs | 20.526 | OK-2022-031-00 | 178,305 | - |
| Total Bus and Bus Facilities Formula & Discretionary Programs | | | 1,298,515 | - |
| Total Federal Transit Cluster | | | 12,174,708 | - |
| Transit Services Program Cluster | | | | |
| <u>Pass-Through Indian Nations Council of Governments (INCOG)</u> | | | | |
| Enhanced Mobility of Seniors and Individuals with Disabilities | 20.513 | 22222 | 48,578 | - |
| Total Transit Services Program Cluster | | | 48,578 | - |
| Highway Safety Cluster | | | | |
| <u>Pass-Through State of Oklahoma Highway Safety Office</u> | | | | |
| State and Community Highway Safety | 20.600 | PT-22-03-27-15 | 24,274 | - |
| State and Community Highway Safety | 20.600 | PT-23-03-34-16 | 64,369 | - |
| Tulsa Police Department Motorcycle Safety | 20.600 | STMC-22-01-10-15 | 50 | - |
| Tulsa Police Department Motorcycle Safety | 20.600 | STMC-23-01-11-16 | 10,655 | - |
| Total State and Community Highway Safety and Highway Safety Cluster | | | 99,348 | - |
| <u>Pass-Through State of Oklahoma Dept. of Emergency Management</u> | | | | |
| 911 Management Authority | 20.615 | F707224-S88 | 73,036 | - |
| Total U.S. Department of Transportation | | | 12,459,751 | - |
| U.S. DEPARTMENT OF THE TREASURY | | | | |
| Direct Programs: | | | | |
| Equitable Sharing Program | 21.016 | TULSA POLICE DEPT (OK) | 16,608 | - |
| Direct Programs: | | | | |
| COVID-19 Emergency Rental Assistance Program | 21.023 | ERA-2101070472 | 590,324 | 570,846 |
| COVID-19 Emergency Rental Assistance Program | 21.023 | ERA-2101070472-1 | 1,055,985 | 1,040,346 |
| Total COVID-19 Emergency Rental Assistance Program | | | 1,646,309 | 1,611,192 |
| COVID-19 American Rescue Plan - Coronavirus State and Local Fiscal Recovery Funds | 21.027 | SLFRF | 5,774,777 | 3,334,205 |
| <u>Pass-Through Oklahoma Water Resources Board</u> | | | | |
| COVID-19 American Rescue Plan | 21.027 | ARP-23-0009-DPG | 44,001 | - |
| Total American Rescue Plan | | | 5,818,778 | 3,334,205 |
| Total U.S. Department of the Treasury | | | 7,481,695 | 4,945,397 |

(Continued)

CITY OF TULSA
Schedule of Expenditures of Federal Awards
Year Ended June 30, 2023

| Federal Grantor/Pass-Through Grantor/Program Title | Federal Assistance Listing Number | Grant Number or Pass-Through Entity Identifying Number | Current Year Expenditures | Amounts Provided to Subrecipients |
|--|-----------------------------------|--|---------------------------|-----------------------------------|
| U.S. ENVIRONMENTAL PROTECTION AGENCY | | | | |
| Direct Programs: | | | | |
| Brownfields Assessment and Cleanup Cooperative Agreements | 66.818 | BF-00F70901-0 | 2,877 | 2,575 |
| Brownfields Assessment and Cleanup Cooperative Agreements | 66.818 | BF-01F48401-0 | 38,926 | - |
| <u>Pass-Through State of Oklahoma Dept. of Environmental Quality</u> | | | | |
| Brownfields Assessment and Cleanup Cooperative Agreements | 66.818 | BFODEQ | 173,804 | - |
| Total Brownfields Assessment and Cleanup Cooperative Agreements | | | 215,607 | 2,575 |
| Total U.S. Environmental Protection Agency | | | 215,607 | 2,575 |
| U.S. DEPARTMENT OF HEALTH AND HUMAN SERVICES | | | | |
| <u>Pass-Through National Recreation and Park Association</u> | | | | |
| Assistance Programs for Chronic Disease Prevention and Control | 93.945 | CDC-RFA-DP21-2106 | 670 | - |
| Total U.S. Department of Health and Human Services | | | 670 | - |
| U.S. DEPARTMENT OF HOMELAND SECURITY | | | | |
| <u>Pass-Through State of Oklahoma Dept. of Emergency Management</u> | | | | |
| Hazard Mitigation Grant | 97.039 | FEMA-4373-DR-OK | 907 | - |
| Hazard Mitigation Grant | 97.039 | FEMA-DR-4256-OK | 878,107 | - |
| Total Hazard Mitigation Grants | | | 879,014 | - |
| Direct Program: | | | | |
| Assistance to Firefighters Grant | 97.044 | EMW-2020-FP-00252 | 30,198 | - |
| <u>Pass-Through State of Oklahoma Dept. of Emergency Management</u> | | | | |
| Building Resilient Infrastructure and Communities Program | 97.047 | PDMC-PL-06-OK-2018-001 | 1,131 | - |
| <u>Pass-Through State of Oklahoma Office of Homeland Security</u> | | | | |
| Homeland Security Grant Program | 97.067 | 1160.041 | 20,663 | - |
| Homeland Security Grant Program | 97.067 | 1160.061 | 8,524 | - |
| Total State Homeland Security Grant Program | | | 29,187 | - |
| Direct Program: | | | | |
| Staffing for Adequate Fire and Emergency Response (SAFER) | 97.083 | 2020 SAFER | 4,517,776 | - |
| Total U.S. Department of Homeland Security | | | 5,457,306 | - |
| Total Federal Expenditures | | | \$ 41,045,010 | \$ 14,779,980 |

See notes to schedule of expenditures of federal awards.

City of Tulsa, Oklahoma

Notes to Schedule of Expenditures of Federal Awards Year Ended June 30, 2023

Note 1. Basis of Presentation

The accompanying schedule of expenditures of federal awards (the "Schedule") includes the federal award activity of the City of Tulsa, Oklahoma (the City) and some of the City's component units under programs of the federal government for the year ended June 30, 2023. The schedule of expenditures of federal awards does not include the federal grant activity of the Tulsa Development Authority, the Tulsa Airport Improvement Trust, the Tulsa Authority for Economic Opportunity, and the Tulsa Performing Arts Center Trust, discretely presented component units of the City, and the Tulsa Stadium Trust, a blended component unit of the City. 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 position, changes in net position, or cash flows of the City.

Note 2. Significant Accounting Policies

Expenditures of federal awards are recognized under the accrual basis of accounting. Such expenditures are reported following the cost principles contained in Uniform Guidance, wherein certain types of expenditures are not allowed or are limited as to reimbursement.

Note 3. Indirect Cost Rate

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



FINANCE

SUMMARY SCHEDULE OF PRIOR AUDIT FINDINGS FOR THE YEAR ENDED JUNE 30, 2023

Identifying Number: 2022-001

Finding: The City did not properly record the fair value of the investment portfolio. On an annual basis, the Finance department records an adjustment in the general ledger to state the value of investments at the current fair value. An error occurred in the process of updating the report used to make the adjustment. Specifically, the updated amounts input into the investment tracking system were not captured in the report used to record the fair value adjustment.

Corrective Actions Taken: The City implemented procedures to ensure adequate review of fair values in the investment tracking system report used for recording the annual fair value adjustment in the general ledger to ensure the investment portfolio value is properly recorded in the financial statements.

City of Tulsa, Oklahoma

**Schedule of Findings and Questioned Costs
Year Ended June 30, 2023**

I. Summary of Auditor's Results

Financial Statements

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

Internal control over financial reporting:

| | | |
|---|-----------------|----------------------------|
| Material weakness(es) identified? | <u> </u> Yes | <u> x </u> No |
| Significant deficiency(ies) identified? | <u> </u> Yes | <u> x </u> None reported |
| Noncompliance material to financial statements noted? | <u> </u> Yes | <u> x </u> No |

Federal Awards

Internal control over major federal programs:

| | | |
|---|-----------------|----------------------------|
| Material weakness(es) identified? | <u> </u> Yes | <u> x </u> No |
| Significant deficiency(ies) identified? | <u> </u> Yes | <u> x </u> 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 Section 2 CFR 200 516(a)? | <u> x </u> Yes | <u> </u> No |
|--|------------------|----------------|

Identification of major federal programs:

| Federal Assistance Listing Number(s) | Name of Federal Program or Cluster |
|--------------------------------------|--|
| 14.218 | CDBG-Entitlement Grants Cluster |
| 21.023 | COVID-19 Emergency Rental Assistance Program |
| 21.027 | COVID-19 American Rescue - Coronavirus State and Local Fiscal Recovery Funds |
| 97.083 | Staffing for Adequate Fire and Emergency Response (SAFER) |

Dollar threshold used to distinguish between type A and type B programs: \$1,231,350

| | | |
|--|-----------------|-----------------|
| Auditee qualified as low-risk auditee? | <u> </u> Yes | <u> x </u> No |
|--|-----------------|-----------------|

(Continued)

City of Tulsa, Oklahoma

Schedule of Findings and Questioned Costs (Continued)
Year Ended June 30, 2023

II. Financial Statement Findings

A. Internal Control

No matters to report.

B. Compliance Findings

No matters to report.

III. Findings and Questioned Costs for Federal Awards

A. Internal Control

No matters to report.

B. Instances of Noncompliance

Finding 2023-001: Reporting

**U.S. Department of Homeland Security
Staffing for Adequate Fire and Emergency Response (SAFER)
Assistance Listing No. 97.083
Federal award year 2020**

Criteria: The U.S. Department of Homeland Security and terms of the related grant agreement, require the City to prepare and submit semi-annual performance reports.

Condition: The City did not submit one of the required reports within the 30-day deadline. Specifically, the report for the period January 1, 2023 – June 30, 2023 was due by July 30, 2023, but submitted by the City on November 30, 2023.

Cause: Personnel responsible for the submission of the semi-annual reports during fiscal year 2023 were changed, due to personnel turnover at the City.

Effect or potential effect: One of the required reports were not submitted timely.

Questioned costs: None

Context: There were two semi-annual performance reports that were required to be submitted, relating to fiscal year 2023. One of the two reports selected for testing was submitted late.

Identification as a repeat finding, if applicable: This is not a repeat finding.

Recommendation: We recommend the City establish and maintain procedures to ensure reports are submitted by the applicable deadline. We suggest maintaining documentation that provides guidance for who specifically has responsibility for all reports required to be filed with granting agencies, and tracks if the relevant reports have been submitted timely.

Views of responsible officials and auditee: Management agrees with this finding.



FINANCE

CORRECTIVE ACTION PLAN YEAR ENDED JUNE 30, 2023

Identifying Number: 2023-001

Finding: The U.S. Department of Homeland Security and terms of the related grant agreement, require the City to prepare and submit semi-annual programmatic performance reports. The City did not submit one of the required reports within the 30-day deadline. Specifically, the programmatic performance report for the period January 1, 2023 - June 30, 2023 was due by July 30, 2023, but was submitted by the City on November 30, 2023.

Corrective Actions Taken or Planned: The Fire Department Planning Officer responsible for administration and implementation of SAFER grant projects as well as the submission of programmatic performance reports will implement procedures to ensure programmatic reporting deadlines are met including calendar appointments with reminders. The Fire Department Planning Officer will also review for any official bulletins or announcements from the grantor changing the reporting deadlines. The Fire Department Planning Officer will also subscribe to the Assistance to Firefighters Grant Program email updates from Federal Emergency Management Agency which include reporting date reminders

Contact person(s) responsible for corrective action: Captain Justin Banks, Planning Officer

Anticipated completion date: June 30, 2024

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