

CITY OF BLOOMINGTON
HENNEPIN COUNTY, MINNESOTA

Special Purpose Audit Reports on

Single Audit,
Internal Controls, and
Compliance with Laws and Regulations

Year Ended
December 31, 2021

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CITY OF BLOOMINGTON
HENNEPIN COUNTY, MINNESOTA

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CITY OF BLOOMINGTON

Schedule of Expenditures of Federal Awards
Year Ended December 31, 2021

Federal Grantor/Pass-Through Grantor/Program Title	Federal ALN	Federal Expenditures	Passed Through to Subrecipients	Noncash Assistance
U.S. Department of Housing and Urban Development				
Direct Program				
Housing Voucher cluster				
Section 8 Housing Choice Vouchers	14.871	\$ 5,150,925		
COVID-19 – Section 8 Housing Choice Vouchers	14.871	<u>33,162</u>		
Subtotal for Housing Voucher cluster			\$ 5,184,087	
Community Development Block Grants/Entitlement Grants cluster				
Community Development Block Grants/Entitlement Grants	14.218	599,936	\$ 250,000	
COVID-19 – Community Development Block Grants/Entitlement Grants	14.218	<u>213,063</u>	213,063	
Subtotal for Community Development Block Grants/Entitlement Grants cluster				812,999
U.S. Department of Health and Human Services				
Passed through City of Edina				
Public Health Emergency Preparedness	93.069	50,835		
Passed through City of Richfield				
Public Health Emergency Preparedness	93.069	48,182		
Passed through Minnesota Department of Health				
Public Health Emergency Preparedness	93.069	<u>83,622</u>		
Subtotal for Public Health Emergency Preparedness				182,639
Passed through Minnesota Department of Health				
COVID-19 – Epidemiology and Laboratory Capacity for Infectious Diseases	93.323		235,308	
Maternal, Infant, and Early Childhood Home Visiting Grant	93.870		275,940	
Maternal and Child Health Services Block Grant to the States	93.994		150,494	
Early Hearing Detection and Intervention	93.251		975	
Early Hearing Detection and Intervention Information System (EHDI-IS) Surveillance Program	93.314		75	
Immunization Cooperative Agreements	93.268	17,252		
COVID-19 – Immunization Cooperative Agreements	93.268	<u>243,997</u>		
Subtotal for Immunization Cooperative Agreements				261,249
477 cluster				
Temporary Assistance for Needy Families	93.558			140,560
Passed through Hennepin County				
Medicaid cluster				
Medical Assistance Program	93.778		840	
U.S. Department of Education				
Passed through state of Minnesota				
Special Education – Grants for Infants and Families	84.181		2,100	
U.S. Department of Agriculture				
Passed through Minnesota Department of Health				
WIC Special Supplemental Nutrition Program for Women, Infants, and Children	10.557	2,094,232		\$ 1,409,229
WIC Farmers' Market Nutrition Program (FMNP)	10.572	1,616		
U.S. Department of Justice				
Direct Program				
Bulletproof Vest Partnership Program	16.607		22,529	
COVID-19 – Coronavirus Emergency Supplemental Funding Program	16.034		16,094	
Comprehensive Opioid, Stimulant, and Substance Abuse Program	16.838		35,000	
Passed through State of Minnesota				
Crime Victim Assistance	16.575		66,675	
Passed through Hennepin County				
Edward Byrne Memorial Grants to Units of Local Government Justice Assistance Grant (JAG) Program	16.804		33,964	

CITY OF BLOOMINGTON

Schedule of Expenditures of Federal Awards (continued)
Year Ended December 31, 2021

Federal Grantor/Pass-Through Grantor/Program Title	Federal ALN	Federal Expenditures	Passed Through to Subrecipients	Noncash Assistance
U.S. Department of Homeland Security				
Passed through State of Minnesota				
Homeland Security Biowatch Program	97.091		1,200	
Homeland Security Grant Program	97.067	371,798		
Passed through Hennepin County				
Homeland Security Grant Program	97.067	<u>14,218</u>		
Subtotal for Homeland Security Grant Program			386,016	
Executive Office of the President				
Direct Program				
High Intensity Drug Trafficking Areas Program	95.001		29,473	
U.S. Department of Transportation				
Passed through State of Minnesota				
Highway Planning and Construction cluster				
Highway Planning and Construction	20.205		250,023	
Passed through Metropolitan Airports Commission				
Minimum Penalties for Repeat Offenders for Driving While Intoxicated	20.608		42,732	
U.S. Department of Treasury				
Direct Program				
COVID-19 – Coronavirus State and Local Fiscal Recovery Funds	21.027		<u>649,063</u>	
Total federal awards			<u>\$ 10,875,883</u>	

Note 1: The Schedule of Expenditures of Federal Awards is prepared on the accrual basis of accounting. The information in this schedule is presented in accordance with the OMB's *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards*, when applicable. Therefore, some amounts presented in this schedule may differ from the amounts presented in, or used in the preparation of, the City's basic financial statements.

Note 2: Unless noted in the table above, all pass-through entities use the same federal Assistance Listing Numbers (ALN) as the federal grantors to identify these grants, and have not assigned any additional identifying numbers.

Note 3: The City has elected to use the 10 percent de minimis indirect cost rate.

Note 4: As part of its Section 8 Housing Choice Vouchers Program, the City administered portable vouchers totaling \$593,717 and related administration fees totaling \$38,855 as the receiving public housing authority (PHA) for various other initial PHAs throughout the United States. The City does not consider these amounts received from the initial PHAs to be subrecipient payments, and therefore, are excluded from the Section 8 Housing Choice Vouchers Program amount on the previous page.

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INDEPENDENT AUDITOR'S 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

To the City Council and Management
City of Bloomington, Minnesota

We have audited, in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States, the financial statements of the governmental activities, the business-type activities, the aggregate discretely presented component units, each major fund, and the aggregate remaining fund information of the City of Bloomington, Minnesota (the City) as of and for the year ended December 31, 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 June 21, 2022.

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 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 have not been identified.

(continued)

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 report is not suitable for any other purpose.

Malloy, Montague, Karnowski, Radosevich & Co., P. A.

Minneapolis, Minnesota
June 21, 2022



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INDEPENDENT AUDITOR’S 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

To the City Council and Management
City of Bloomington, Minnesota

REPORT ON COMPLIANCE FOR EACH MAJOR FEDERAL PROGRAM

QUALIFIED AND UNMODIFIED OPINIONS

We have audited the City of Bloomington, Minnesota’s (the City) compliance with the types of compliance requirements identified as subject to audit in the U.S. Office of Management and Budget *Compliance Supplement* that could have a direct and material effect on each of the City’s major federal programs for the year ended December 31, 2021. The City’s major federal programs are identified in the Summary of Audit Results section of the accompanying Schedule of Findings and Questioned Costs.

QUALIFIED OPINION ON COMMUNITY DEVELOPMENT BLOCK GRANTS/ENTITLEMENT GRANTS CLUSTER (ALN 14.218)

In our opinion, except for the noncompliance described in the Basis for Qualified and Unmodified Opinions section of our report, 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 programs for the year ended December 31, 2021.

UNMODIFIED OPINION ON EACH OF THE OTHER MAJOR FEDERAL PROGRAMS

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 other major programs identified in the Summary of Audit Results section of the accompanying Schedule of Findings and Questioned Costs for the year ended December 31, 2021.

BASIS FOR QUALIFIED AND UNMODIFIED OPINIONS

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.

(continued)

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 requirements referred to on the previous page.

MATTER(S) GIVING RISE TO QUALIFIED OPINION ON COMMUNITY DEVELOPMENT BLOCK GRANTS/ ENTITLEMENT GRANTS CLUSTER (ALN 14.218)

As described in the accompanying Schedule of Findings and Questioned Costs, the City did not comply with requirements regarding reporting in its Community Development Block Grants/Entitlement Grants cluster federal programs, as reported in finding 2021-001.

Compliance with such requirements is necessary, in our opinion, for the City to comply with requirements applicable to that program.

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 objectives referred to on the previous page 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, is therefore, 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 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 consider 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.

(continued)

REPORT ON INTERNAL CONTROL OVER COMPLIANCE

Our consideration of internal control over compliance was for the limited purpose described in the Auditor's Responsibilities for the Audit of Compliance section on the previous page and was not designed to identify all deficiencies in internal control over compliance that might be material weaknesses or significant deficiencies in internal control over compliance and, therefore, material weaknesses or significant deficiencies may exist that were not identified. However, as discussed below, we did identify a deficiency in internal control over compliance that we considered to be a material weakness.

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 combination of deficiencies, in internal control over compliance, such that there is a reasonable possibility that material noncompliance with a type of compliance requirement of a federal program will not be prevented, or detected and corrected, on a timely basis. *A significant deficiency in internal control over compliance* is a deficiency, or a combination of deficiencies, in internal control over compliance with a type of compliance requirement of a federal program that is less severe than a material weakness in internal control over compliance, yet important enough to merit attention by those charged with governance. We consider the deficiency in internal control over compliance described in the accompanying Schedule of Findings and Questioned Costs as finding 2021-001 to be a material weakness.

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

Government Auditing Standards requires the auditor to perform limited procedures on the City's response to the internal control over compliance finding identified in our audit described in the accompanying Schedule of Findings and Questioned Costs. The City's response was not subjected to the other auditing procedures applied in the audit of compliance and, accordingly, we express no opinion on the response.

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

REPORT ON SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS REQUIRED BY THE UNIFORM GUIDANCE

We have audited the financial statements of the governmental activities, 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 December 31, 2021, and have issued our report thereon dated June 21, 2022, which contained unmodified opinions on those financial statements. Our audit was conducted for the purpose of forming opinions on the financial statements as a whole. 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 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 additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the 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.

Malloy, Montague, Karnowski, Radosevich & Co., P. A.
Minneapolis, Minnesota
June 21, 2022

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INDEPENDENT AUDITOR'S REPORT
ON MINNESOTA LEGAL COMPLIANCE

To the City Council and Management
City of Bloomington, Minnesota

We have audited, in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States, the financial statements of the governmental activities, the business-type activities, the aggregate discretely presented component units, each major fund, and the aggregate remaining fund information of the City of Bloomington, Minnesota (the City) as of and for the year ended December 31, 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 June 21, 2022.

MINNESOTA LEGAL COMPLIANCE

In connection with our audit, we noted that the City failed to comply with provisions of the claims and disbursements section of the *Minnesota Legal Compliance Audit Guide for Cities*, promulgated by the State Auditor pursuant to Minnesota Statutes § 6.65, insofar as they relate to accounting matters as described in the Schedule of Findings and Questioned Costs as finding 2021-002. Also, in connection with our audit, nothing came to our attention that caused us to believe that the City failed to comply with the provisions of the contracting – bid laws, depositories of public funds and public investments, conflicts of interest, public indebtedness, miscellaneous provisions, and tax increment financing sections of the *Minnesota Legal Compliance Audit Guide for Cities*, insofar as they relate to accounting matters. However, our audit was not directed primarily toward obtaining knowledge of such noncompliance. Accordingly, had we performed additional procedures, other matters may have come to our attention regarding the City's noncompliance with the above referenced provisions, insofar as they relate to accounting matters.

CITY'S RESPONSE TO FINDING

Government Auditing Standards requires the auditor to perform limited procedures on the City's response to the legal compliance finding identified in our audit and 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 the financial statements and, accordingly, we express no opinion on the response.

PURPOSE OF THIS REPORT

The purpose of this report is solely to describe the scope of our testing of compliance and the results of that testing, and not to provide an opinion on compliance. Accordingly, this report is not suitable for any other purpose.

Malloy, Montague, Karnowski, Radosevich & Co., P.A.

Minneapolis, Minnesota
June 21, 2022

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CITY OF BLOOMINGTON

Schedule of Findings and Questioned Costs
Year Ended December 31, 2021

A. SUMMARY OF AUDIT RESULTS

This summary is formatted to provide federal granting agencies and pass-through agencies answers to specific questions regarding the audit of federal awards.

Financial Statements

What type of auditor's report is issued? X Unmodified
 Qualified
 Adverse
 Disclaimer

Internal control over financial reporting:

Material weakness(es) identified? Yes X No

Significant deficiency(ies) identified? Yes X None reported

Noncompliance material to the financial statements noted? Yes X No

Federal Awards

Internal controls over major federal award programs:

Material weakness(es) identified? X Yes No

Significant deficiency(ies) identified? Yes X None reported

Type of auditor's report issued on compliance for major programs?

U.S. Department of Housing and Urban Development Community Development Block Grants/Entitlement Grants cluster	Qualified
U.S. Department of Agriculture WIC Special Supplemental Nutrition Program for Women, Infants, and Children	Unmodified
U.S. Department of Treasury COVID-19 – Coronavirus State and Local Fiscal Recovery Funds	Unmodified

Any audit findings disclosed that are required to be reported in accordance with 2CFR200.516(a)? X Yes No

Programs tested as major programs:

Program or Cluster	Federal ALN
U.S. Department of Housing and Urban Development Community Development Block Grants/Entitlement Grants cluster	14.218
U.S. Department of Agriculture WIC Special Purpose Nutrition Program for Women, Infants, and Children	10.557
U.S. Department of Treasury COVID-19 – Coronavirus State and Local Fiscal Recovery Funds	21.027
Threshold for distinguishing between type A and B programs:	<u> \$ </u> 750,000
Does the auditee qualify as a low-risk auditee?	<u> X </u> Yes <u> </u> No

CITY OF BLOOMINGTON

Schedule of Findings and Questioned Costs (continued)
Year Ended December 31, 2021

B. FINANCIAL STATEMENT FINDINGS

None.

C. FEDERAL AWARD FINDINGS AND QUESTIONED COSTS

MATERIAL WEAKNESS IN INTERNAL CONTROL OVER COMPLIANCE AND MATERIAL NONCOMPLIANCE – U.S. DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT, COMMUNITY DEVELOPMENT BLOCK GRANTS/ENTITLEMENT GRANTS CLUSTER – ALN 14.218

2021-001 Internal Control Over Compliance and Material Noncompliance With Reporting Requirements

Criteria – 2 CFR Part 170 requires the City of Bloomington, Minnesota (the City) to report first-tier subawards of \$30,000 or more into the Federal Funding Accountability and Transparency Act Subaward Reporting System (FSRS).

Condition – During our audit, we noted that the City did not have sufficient controls to ensure proper reporting of subawards of \$30,000 or more as a direct recipient of federal programs and compliance with the U.S. Office of Management and Budget’s *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance) reporting standards, which resulted in noncompliance.

Questioned Costs – Not applicable.

Context – The City, as a direct recipient, did not properly report first-tier subawards of \$30,000 or more to the FSRS, which is required to be completed in a timely manner. The City had two unreported subawards, totaling \$425,562, in the current year.

Transactions Tested	Subaward Not Reported	Report Not Timely
2	2	2
Dollar Amount of Tested Transactions	Subaward Not Reported	Report Not Timely
\$425,562	\$425,562	\$425,562

Repeat Finding – This is a current year finding.

Cause – This was an oversight by city personnel.

Effect – This could be viewed as a violation of the award agreement.

CITY OF BLOOMINGTON

Schedule of Findings and Questioned Costs (continued)
Year Ended December 31, 2021

C. FEDERAL AWARD FINDINGS AND QUESTIONED COSTS (CONTINUED)

MATERIAL WEAKNESS IN INTERNAL CONTROL OVER COMPLIANCE AND MATERIAL NONCOMPLIANCE – U.S. DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT, COMMUNITY DEVELOPMENT BLOCK GRANTS/ENTITLEMENT GRANTS CLUSTER – ALN 14.218 (CONTINUED)

2021-001 Internal Control Over Compliance and Material Noncompliance With Reporting Requirements (continued)

Recommendation – We recommend that the City review its internal control procedures relating to reporting for its Community Development Block Grants/Entitlement Grants cluster federal program to ensure proper reporting of first-tier subawards in the future.

View of Responsible Official and Planned Corrective Actions – The City agrees with the finding. The City will review and update its policies and procedures relating to reporting for its federal programs to ensure compliance with the Uniform Guidance in the future. The City has separately issued a Corrective Action Plan related to this finding.

CITY OF BLOOMINGTON

Schedule of Findings and Questioned Costs (continued)
Year Ended December 31, 2021

D. MINNESOTA LEGAL COMPLIANCE FINDINGS

2021-002 Claims and Disbursements

Criteria – Minnesota Statutes § 471.425, Subd. 2.

Condition – Minnesota Statutes require the City to pay each vendor obligation according to the terms of each contract or within a standard payment period of 35 days from the receipt of goods and services or the invoice for the goods or services. If such obligations are not paid within the appropriate time period, the City must pay interest on the unpaid obligations at the rate of 1.5 percent per month or part of a month. For 2 of 25 disbursements selected for testing, the City did not pay the obligation within the required time period and did not pay interest on the unpaid obligation.

Questioned Costs – Not applicable.

Context – Two of twenty-five disbursements were not in compliance.

Repeat Finding – This is a current year finding.

Cause – This was an oversight by city personnel.

Effect – Certain payments made to vendors were not paid within the timeframe as required by state statutes.

Recommendation – We recommend that the City review claims and disbursements payment procedures in place to ensure that all invoices are paid within statutory requirements.

View of Responsible Official and Planned Corrective Actions – There is no disagreement with the audit finding. The City has separately issued a Corrective Action Plan related to this finding.