

12. Single Audit Report for the Fiscal Year Ended June 30, 2024

Department(s):

Recommended Action: Receive and file Single Audit Report for the Fiscal Year Ended June 30, 2024.



City of Santa Ana
20 Civic Center Plaza, Santa Ana, CA 92701
Staff Report
April 15, 2025

TOPIC: Single Audit Report for the Fiscal Year Ended June 30, 2024

AGENDA TITLE

Single Audit Report for the Fiscal Year Ended June 30, 2024

RECOMMENDED ACTION

Receive and file Single Audit Report for the Fiscal Year Ended June 30, 2024.

GOVERNMENT CODE §84308 APPLIES: No

DISCUSSION

All non-federal entities that expend \$750,000 or more of federal awards each fiscal year are required to obtain a Single Audit to comply with the regulations of the Federal Office of Management and Budget (OMB). The Single Audit for the fiscal year ended June 30, 2024 has been completed by the City's independent auditor, CliftonLarsonAllen LLP.

During the fiscal year 2023-24, the City administered twenty-three (23) federal grant programs and expended \$119.9 million, representing an increase of \$5.4 million from the prior fiscal year. The increase was primarily due to additional spending of \$5.9 million in Section 8 Housing Choice Vouchers, \$5.1 million in Highway Planning & Construction, and \$11.9 million in Coronavirus State and Local Fiscal Recovery, offset by decreases in Community Development Block Grant, HOME Investment Partnership, and Emergency Rental Assistance of \$4.1 million, \$6.6 million, and \$5.2 million, respectively.

Of the twenty-three (23) programs administered by the City, the auditors identified three major programs for the audit: Coronavirus State and Local Fiscal Recovery (\$34.7 million), Community Programs to Improve Minority Health Grant (\$0.9 million), and the Highway Planning and Construction (\$6.7 million).

The Finance and Management Services Agency is pleased to report that the City received an unmodified opinion commonly known as a clean opinion; which is considered the most favorable conclusion for the audit. The unmodified opinion indicates that the City has complied, in all material respects, with the compliance requirements for the fiscal year ended June 30, 2024. Additionally, there were no findings related to the compliance requirements of the three major programs selected for test work.

The report (Exhibit 1) is posted and available on the City's website (<https://www.santa-ana.org/financial-reports>) along with prior fiscal years and has been submitted to the Federal Audit Clearinghouse. The Single Audit Report is required to be submitted by March 31.

ENVIRONMENTAL IMPACT

There is no environmental impact associated with this action.

FISCAL IMPACT

There is no fiscal impact associated with this action.

EXHIBIT(S)

1. FY23-24 Single Audit Report

Submitted By: Alex Trinidad, Acting Executive Director, Finance and Management
Services Agency

Approved By: Alvaro Nuñez, City Manager

CITY OF SANTA ANA, CALIFORNIA
SINGLE AUDIT OF FEDERAL AWARDS
AND OTHER FINANCIAL INFORMATION

JUNE 30, 2024

CITY OF SANTA ANA, CALIFORNIA
JUNE 30, 2024
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**INDEPENDENT AUDITORS' 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**

Honorable City Council
of the City of Santa Ana
Santa Ana, 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 Santa Ana, California (the City), as of and for the year ended June 30, 2024, 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 12, 2024.

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.

Honorable City Council
of the City of Santa Ana
Santa Ana, California

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.

A handwritten signature in cursive script that reads "CliftonLarsonAllen LLP".

CliftonLarsonAllen LLP

Irvine, California
December 12, 2024



**INDEPENDENT AUDITORS' REPORT ON COMPLIANCE FOR EACH MAJOR
FEDERAL PROGRAM, REPORT ON INTERNAL CONTROL OVER COMPLIANCE,
REPORT ON THE SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS REQUIRED
BY THE UNIFORM GUIDANCE, SCHEDULE OF EXPENDITURES OF STATE
AWARDS REQUIRED BY THE STATE OF CALIFORNIA, AND HOUSING AUTHORITY
OF THE CITY OF SANTA ANA FINANCIAL DATA SCHEDULES REQUIRED BY
THE U.S. DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT**

Honorable City Council
of the City of Santa Ana
Santa Ana, California

Report on Compliance for Each Major Federal Program

Opinion on Each Major Federal Program

We have audited the City of Santa Ana'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, 2024. The City's major federal programs are identified in the summary of auditors' 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, 2024.

Basis for Opinion on Each Major Federal 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; 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 Auditors' 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 requirements referred to above.

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.

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 Auditors' 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.

Honorable City Council
of the City of Santa Ana
Santa Ana, California

Report on Schedule of Expenditures of Federal Awards Required by the Uniform Guidance, the Schedule of Expenditures of State Awards Required by the State of California, and the Housing Authority of the City of Santa Ana Financial Data Schedules Required by the U.S. Department of Housing and Urban Development

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 of Santa Ana as of and for the year ended June 30, 2024, and the related notes to the financial statements, which collectively comprise the City's basic financial statements. We issued our report thereon dated December 12, 2024, 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, the Schedule of Expenditures of State Awards, and the Housing Authority of the City of Santa Ana Financial Data Schedules are presented for purposes of additional analysis as required by the Uniform Guidance, the State of California, and the U.S. Department of Housing and Urban Development, respectively, and are 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, the Schedule of Expenditures of State Awards, and the Housing Authority of the City of Santa Ana Financial Data Schedules are fairly stated in all material respects in relation to the basic financial statements as a whole.



CliftonLarsonAllen LLP

Irvine, California
March 21, 2025

Schedule of Expenditures of Federal Awards

For the Fiscal Year Ended June 30, 2024

Federal Grantor / Pass-Through Grantor / Program / Cluster Title	Federal Assistance Listing Number	Pass-Through Entity Identifying Number	Total Federal Expenditures	Passed Through to Subrecipients
U.S. Department of Housing and Urban Development				
Direct Programs:				
Community Development Block Grants - Entitlement Grants Cluster:				
Community Development Block Grants	14.218	N/A	\$ 5,300,637	\$ 994,188
COVID-19 - Community Development Block Grants	14.218	N/A	108,808	32,759
Subtotal Community Development Block Grants - Entitlement Grants Cluster			5,409,445	1,026,947
Emergency Solutions Grant Program	14.231	N/A	426,784	308,288
COVID-19 - Emergency Solutions Grant Program	14.231	N/A	653,959	433,852
Subtotal Emergency Solutions Grant Program			1,080,743	742,140
Housing Voucher Cluster:				
Section 8 Housing Choice Vouchers	14.871	N/A	54,156,247	-
COVID-19 - Emergency Housing Voucher Rental Assistance (ARPA)	14.871	N/A	1,792,657	-
COVID-19 - Emergency HSG Voucher Rental Assist-Admin (ARPA)	14.871	N/A	113,160	12,500
Subtotal Section 8 Housing Choice Vouchers			56,062,064	12,500
Mainstream Vouchers	14.879	N/A	3,480,650	-
Subtotal Housing Voucher Cluster			59,542,714	12,500
Family Self-Sufficiency Program	14.896	N/A	133,534	-
Family Self-Sufficiency Program	14.896	N/A	126,339	-
Subtotal Family Self-Sufficiency Program			259,873	-
HOME Investment Partnerships Program	14.239	N/A	391,749	-
COVID-19 - HOME - American Rescue Plan Program	14.239	N/A	9,138	-
Subtotal HOME Investment Partnerships Program			400,887	-
Total U.S. Department of Housing and Urban Development			66,693,662	1,781,587
U.S. Department of the Interior - Bureau of Reclamation				
Direct Programs:				
Reclamation States Emergency Drought Relief	15.514	N/A	732,231	-
Reclamation States Emergency Drought Relief	15.514	N/A	740,000	-
Subtotal Reclamation States Emergency Drought Relief			1,472,231	-
WaterSMART (Sustain & Manage America's Resources for Tomorrow)	15.507	N/A	1,148,536	-
Total U.S. Department of Interior - Bureau of Reclamation			2,620,767	-
U.S. Department of Justice				
Direct Programs:				
Bulletproof Vest Partnership Program	16.607	N/A	14,378	-

(Continued)

See accompanying Notes to the Schedules of Expenditures of Federal and State Awards.

Schedule of Expenditures of Federal Awards

For the Fiscal Year Ended June 30, 2024 (Continued)

Federal Grantor / Pass-Through Grantor / Program / Cluster Title	Federal Assistance Listing Number	Pass-Through Entity Identifying Number	Federal Expenditures	Passed Through to Subrecipients
Passed through County of Orange Sheriff's Department:				
Edward Byrne Memorial Justice Assistance Grant Program:				
Byrne Justice Assistance Grant 2021	16.738	15PBJA-21-GG-01188-JAGX	\$ 14,522	\$ -
Byrne Justice Assistance Grant 2022	16.738	15PBJA-22-GG-02074-JAGX	77,572	-
Byrne Justice Assistance Grant 2023	16.738	15PBJA-23-GG-03185-JAGX	4,745	-
Board of State & Community Corrections	16.738	BSCC 5227-121-001	91,203	-
Subtotal Edward Byrne Memorial Justice Assistance Grant Program			188,042	-
Passed through Human Options:				
Culturally and Linguistically Specific Services Program	16.016	15JOVW-22-GG-01808-ICJR	55,081	-
Total U.S. Department of Justice			257,501	-
U.S. Department of Labor				
Workforce Innovation and Opportunity Act (WIOA) Cluster:				
Passed through CA Employment Development Department:				
WIOA Adult Program	17.258	AA311027	755,267	-
WIOA Adult Program	17.258	AA411027	69,183	-
Subtotal WIOA Adult Activities			824,450	-
WIOA Dislocated Worker Formula Grants	17.278	AA311027	146,990	-
WIOA Dislocated Worker Formula Grants	17.278	AA411027	670,717	-
WIOA Dislocated Worker Formula Grants (Rapid Response)	17.278	AA311027	26,895	-
WIOA Dislocated Worker Formula Grants (Rapid Response)	17.278	AA411027	228,808	-
Subtotal WIOA Dislocated Worker Formula Grants			1,073,410	-
WIOA Youth Activities	17.259	AA311027	392,134	
WIOA Youth Activities	17.259	AA411027	194,385	294,338
Subtotal WIOA Youth Activities			586,519	294,338
Subtotal Workforce Innovation and Opportunity Act (WIOA) Cluster			2,484,379	294,338
Passed through CA Employment Development Department:				
WIOA National Dislocated Worker Grants	17.277	AA311027	131,043	-
Total U.S. Department of Labor			2,615,422	294,338
U.S. Department of Transportation				
Highway Planning and Construction:				
Passed through CA Department of Transportation:				
National Highway Performance Program	20.205	BRLS 5063(184)	10,867	-
Bicycle Corridor Improvement	20.205	CMAQ 5063(181) BCI	1,728	-
Highway Safety Improvement Program	20.205	HSIPL 5063(189)	13,475	-
Highway Safety Improvement Program	20.205	HSIPL 5063(190)	340,605	-
Active Transportation Program - Federal	20.205	ATPLNI-5063(203)	47,426	-
Active Transportation Program - Federal	20.205	ATPSB1L-5063(193)	4,408,844	-
Active Transportation Program - Federal	20.205	ATPSB1L-5063(195)	1,836,180	-
Subtotal Highway Planning and Construction			6,659,125	-

(Continued)

See accompanying Notes to the Schedules of Expenditures of Federal and State Awards.

CITY OF SANTA ANA, CALIFORNIA

**Schedule of Expenditures of Federal Awards
For the Fiscal Year Ended June 30, 2024 (Continued)**

Federal Grantor / Pass-Through Grantor / Program / Cluster Title	Federal Assistance Listing Number	Pass-Through Entity Identifying Number	Federal Expenditures	Passed Through to Subrecipients
Highway Safety Cluster:				
State and Community Highway Safety:				
Passed through CA Office of Traffic Safety:				
Selective Traffic Enforcement	20.600	PT23066	\$ 249,902	\$ -
Selective Traffic Enforcement	20.600	PT24184	436,411	-
Public Education on Bicycle Safety	20.600	PS23007	180,048	-
Subtotal State and Community Highway Safety Cluster			<u>866,361</u>	<u>-</u>
Total U.S. Department of Transportation			<u>7,525,486</u>	<u>-</u>
U.S. Department of Treasury				
COVID-19 - Coronavirus State & Local Fiscal Recovery (ARPA):				
Direct Program:				
COVID-19 - Coronavirus State & Local Fiscal Recovery (ARPA)	21.027	N/A	33,048,140	712,514
Passed through the State Water Resource Control Board:				
COVID-19 - Coronavirus State & Local Fiscal Recovery (ARPA)	21.027	CA3010038	1,435,571	-
COVID-19 - Coronavirus State & Local Fiscal Recovery (ARPA)	21.027	443251	191,770	-
Subtotal COVID-19 - Coronavirus State & Local Fiscal Recovery (ARPA)			<u>34,675,481</u>	<u>712,514</u>
COVID-19 - Emergency Rental Assistance Program:				
Direct Program:				
COVID-19 - Emergency Rental Assistance Program 2	21.023	N/A	18,466	-
Subtotal COVID-19 - Emergency Rental Assistance Program			<u>18,466</u>	<u>-</u>
Total U.S. Department of Treasury			<u>34,693,947</u>	<u>712,514</u>
U.S. Department of Health and Human Services				
Direct Program:				
COVID-19 - Community Programs to Improve Minority Health Grar	93.137	N/A	945,464	945,058
Passed through County of Orange Social Services Agency:				
Temporary Assistance for Needy Families	93.558	WDM0522	797,874	-
Total U.S. Department of Health and Human Services			<u>1,743,338</u>	<u>945,058</u>
U.S. Department of Homeland Security				
Homeland Security Grant Program:				
Passed through CA Office of Emergency Services:				
Urban Area Security Initiative 2019	97.067	2019-0035 059-95010	462,204	462,204
Urban Area Security Initiative 2021	97.067	2021-0081 059-95050	2,594,416	1,686,320
Passed through City of Anaheim:				
Urban Area Security Initiative 2020	97.067	2020-0095	49,207	-
Urban Area Security Initiative 2022	97.067	2022-0043	556,182	-
Subtotal Homeland Security Grant Program			<u>3,662,009</u>	<u>2,148,524</u>

(Continued)

See accompanying Notes to the Schedules of Expenditures of Federal and State Awards.

Schedule of Expenditures of Federal Awards
For the Fiscal Year Ended June 30, 2024 (Continued)

Federal Grantor / Pass-Through Grantor / Program / Cluster Title	Federal Assistance Listing Number	Pass-Through Entity Identifying Number	Federal Expenditures	Passed Through to Subrecipients
Passed through County of Orange Sheriff's Department: Emergency Management Performance Grants	97.042	EMPG-2022-0005	\$ 52,569	\$ -
Total U.S. Department of Homeland Security			3,714,578	2,148,524
Total Expenditures of Federal Awards			\$ 119,864,701	\$ 5,882,021

See accompanying Notes to the Schedules of Expenditures of Federal and State Awards.

Schedule of Expenditures of State Awards For the Fiscal Year Ended June 30, 2024

Grantor / Program Title	Program Identification Number	State Awards Expenditures
CA Business Consumer Services and Housing Agency		
Homeless Housing Assistance & Prevention	20-HHAP-00019	\$ 125,103
Homeless Housing Assistance & Prevention 2	21-HHAP-00012	471,768
Homeless Housing Assistance & Prevention 3	22-HHAP-10004	5,376,715
Homeless Housing Assistance & Prevention 4	23-HHAP-100XX	938,806
		<u>6,912,392</u>
CA Department of Housing and Community Development		
Affordable Housing Sustainable Communities Program	16-AHSC-11200	1,073
CalHome Housing Loan Program	04-Calhome-087	368,349
SB2 Planning Grants Program	19-PGP-13895	63,015
Local Early Action Planning Program	20-LEAP-15676	445,397
Permanent Local Housing Allocation	20-PLHA-15193	6,869,607
		<u>7,747,441</u>
CA Department of Motor Vehicles		
SCAQMD - Mobile Source Air Pollution Reduction	2015 MSRC - ML-14012	116,939
CA Department of Resources Recycling and Recovery		
Beverage Container Payment Program	CCP-20-280	77,820
Beverage Container Payment Program	CCP-21-285	2,280
Beverage Container Payment Program	CCP-22-263	573
		<u>80,673</u>
CA Department of Transportation		
Solutions for Congested Corridors Program SB1	SCCPSB1L-5063(202)	1,266,100
Solutions for Congested Corridors Program SB1	SCCP-A2-2223-10 12-1301A	19,222
Clean CA Local Grant State	CCAL 12-TRANSIT-06	1,045
Caltrans Clean CA CCLGP Grant	12-TRANSIT-16	138,983
Active Transportation Program	ATPL-5063(170)	440,272
Active Transportation Program	ATPL-5063(179)	76,242
Active Transportation Program	ATPL-5063(214)	17,724
Active Transportation Program	ATPL-5063(218)	14,619
Active Transportation Program	ATPL-5063(219)	7,831
Active Transportation Program	ATPL-5063(215)	9,996
Active Transportation Program	ATPL-5063(216)	12,417
Active Transportation Program	ATPL-5063(212)	3,409
Active Transportation Program - SB1 Augmentation	ATPSB1L-5063(196)	24,339
Active Transportation Program - SB1 Augmentation	ATPSB1L-5063(197)	2,915,823
Active Transportation Program - SB1 Augmentation	ATPSB1L-5063(198)	122,876
Active Transportation Program - SB1 Augmentation	ATPSB1L-5063(199)	732,858
Highway Safety Improvement Program - State	HSIPSL-5063(204)	149,720
Local Roadway Safety Plan	LRSPL-5063(205)	147,000
Clean California Local Grant Program	CCL-5063-206	1,389,423
		<u>7,489,899</u>
CA Department of Water Resources		
Prop68 FMPRA Grant Rouselle St	4600015314	156,966
Prop 1 Integrated Regional Water Management Program	4600013842	442,823
		<u>599,789</u>
CA Natural Resources Agency		
Statewide Park Development & Community Revitalization	C9801033	2,551,606
Statewide Park Development & Community Revitalization	C9801034	212,198
General Fd Specified Grnt-F418	C5055107-0	3,835,472
General Fd Specified Grnt-CNRA	GF2107-0	1,304,132
Advanced Metering Infrastructure	GF1806-0	115,706
Proposition 68 Urban Flood Protection	UF8807-0	3,688,284
CNRA Urban Greening Grant Program	UG2119-0	186,934
		<u>11,894,332</u>
CA Governor's Office of Service and Community Engagement		
California for All Youth Workforce Program	JP21-002	2,409,782
		<u>2,409,782</u>
CA State Coastal Conservancy		
Santa Ana River Conservancy Program	19-097, 19-158	375,877
Santa Ana River Conservancy Program-PWA	22-159	129,983
		<u>505,860</u>
CA State Library		
Zip Books	ZIP22-68	3,094
Building Forward Library	BF-1-21-053	147,942
		<u>151,036</u>
CA Workforce Development Board		
Prison to Employment Program	M0113404	135,473
Total Expenditures of State Awards		<u><u>\$ 38,043,616</u></u>

See accompanying Notes to the Schedules of Expenditures of Federal and State Awards.

CITY OF SANTA ANA, CALIFORNIA
NOTES TO THE SCHEDULES OF EXPENDITURES OF FEDERAL AND STATE AWARDS
FOR THE YEAR ENDED JUNE 30, 2024

1. BASIS OF PRESENTATION

The accompanying Schedules of Expenditures of Federal and State Awards (the Schedules) include the federal and state award activities of the City of Santa Ana, California (the City), under programs of the federal government and the State of California, as well as federal and state financial assistance passed through other government agencies for the year ended June 30, 2024. The information in the Schedule of Expenditures of Federal Awards (SEFA) 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 Schedules present only a selected portion of the operations of the City, they are not intended to, and do not, present the financial statements of the City. The City's reporting entity is defined in Note 1 of the notes to the City's financial statements.

2. BASIS OF ACCOUNTING

The accompanying Schedules are presented using the modified accrual basis of accounting for governmental funds and the accrual basis for proprietary funds, which is described in the Note 1 of the notes to the City's financial statements. Such expenditures are recognized following the cost principles contained in the Uniform Guidance for all awards. The information in the SEFA is presented in accordance with the requirements of the Uniform Guidance. Therefore, some amounts presented in the SEFA may differ from amounts presented in, or used in the preparation of, the basic financial statements. Pass-through entity identifying numbers are identified where available.

3. INDIRECT COST RATE

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

CITY OF SANTA ANA, CALIFORNIA

**Housing Authority of the City of Santa Ana
Financial Data Schedule of Assets, Liabilities, and Equity
June 30, 2024**

Line Item No.	Account Description	Family Self Sufficiency Program	FSS Escrow Forfeiture Account	Housing Choice Vouchers	Mainstream Vouchers	Emergency Housing Voucher ARPA	Total
<u>Assets</u>							
Current Assets:							
111	Cash - Unrestricted	\$ -	\$ -	\$ 3,523,832	\$ 463,519	\$ 109,204	\$ 4,096,555
113	Cash - Other Restricted	-	153,865	1,002,385	-	42,888	1,199,138
115	Cash - Restricted for Payment of Current Liabilities	-	-	272,470	-	-	272,470
100	Total Cash	-	153,865	4,798,687	463,519	152,092	5,568,163
Receivables:							
122	Accounts Receivable - HUD Other Projects	-	-	32,198	-	-	32,198
125	Accounts Receivable - Miscellaneous	-	-	-	-	-	-
128	Fraud Recovery	-	-	12,376	-	-	12,376
128.1	Allowance for Doubtful Accounts - Fraud	-	-	(6,188)	-	-	(6,188)
129	Accrued Interest Receivable	-	-	-	-	-	-
120	Total Receivables, Net of Allowances for Doubtful Accounts	-	-	38,386	-	-	38,386
142	Prepaid Expenses and Other Assets	-	-	-	-	-	-
150	Total Current Assets	-	153,865	4,837,073	463,519	152,092	5,606,549
Noncurrent Assets:							
Fixed Assets:							
164	Furniture, Equipment & Machinery - Administration	-	-	-	-	-	-
166	Accumulated Depreciation	-	-	-	-	-	-
160	Total Fixed Assets, Net of Accumulated Depreciation	-	-	-	-	-	-
174	Other Assets	-	-	-	-	-	-
180	Total Non-Current Assets	-	-	-	-	-	-
290	Total Assets and Deferred Outflows of Resources	\$ -	\$ 153,865	\$ 4,837,073	\$ 463,519	\$ 152,092	\$ 5,606,549
<u>Liabilities and Equity</u>							
Liabilities:							
312	Accounts Payable - HUD PHA Programs <=90 days	\$ -	\$ -	\$ 112,133	\$ 3,986	\$ -	\$ 116,119
322	Accrued Compensated Absences - Current Portion	-	-	36,279	-	-	36,279
331	Accounts Payable - HUD PHA Programs	-	-	-	-	-	-
342	Deferred Revenues	-	-	6,188	-	33,740	39,928
345	Other Current Liabilities	-	-	272,470	-	-	272,470
346	Accrued Liabilities - Other	-	-	-	-	-	-
310	Total Current Liabilities	-	-	427,070	3,986	33,740	464,796
Noncurrent Liabilities:							
353	Noncurrent Liabilities - Other	-	-	817,411	-	-	817,411
354	Accrued Compensated Absences - Non Current	-	-	108,836	-	-	108,836
350	Total Noncurrent Liabilities	-	-	926,247	-	-	926,247
300	Total Liabilities	-	-	1,353,317	3,986	33,740	1,391,043
Equity:							
509.3	Restricted Fund Balance	-	153,865	117,032	-	9,148	280,045
511.3	Assigned Fund Balance	-	-	3,366,724	459,533	109,204	3,935,461
512.3	Unassigned Fund Balance	-	-	-	-	-	-
513	Total Equity - Net Assets/Position	-	153,865	3,483,756	459,533	118,352	4,215,506
600	Total Liabilities, Deferred Inflows of Resources and Equity - Net Assets/Position	\$ -	\$ 153,865	\$ 4,837,073	\$ 463,519	\$ 152,092	\$ 5,606,549

CITY OF SANTA ANA, CALIFORNIA

**Housing Authority of the City of Santa Ana
Financial Data Schedule of Revenues, Expenses, and Changes in Equity
For the Fiscal Year Ended June 30, 2024**

Line Item No.	Account Description	Family Self Sufficiency Program	FSS Escrow Forfeiture Account	Housing Choice Vouchers	Mainstream Vouchers	Emergency Housing Voucher ARPA	Total
Revenues							
70600	HUD PHA Operating Grants	\$ 259,873	\$ -	\$ 54,421,630	\$ 3,609,383	\$ 1,981,069	\$ 60,271,955
71100	Investment Income - Unrestricted - ADMIN	-	-	-	-	-	-
71400	Fraud Recovery	-	-	-	-	-	-
71500	Other Revenue	-	-	455,404	109	90,151	545,664
72000	Investment Income - Restricted - HAP	-	-	-	-	-	-
70000	Total Revenue	259,873	-	54,877,034	3,609,492	2,071,220	60,817,619
Expenses							
Administrative:							
91100	Administrative Salaries	150,625	-	1,582,710	82,825	59,673	1,875,833
91200	Auditing Fees	-	-	12,223	98	58	12,379
91400	Advertising and Marketing	-	-	14,402	-	-	14,402
91500	Employee Benefit Contributions - Administrative	101,059	-	807,665	47,594	34,378	990,696
91600	Other Operating - Administrative	-	-	517,354	20,226	6,602	544,182
91800	Travel, Training & Transportation	8,189	-	10,909	-	-	19,098
91810	Allocated Overhead	-	-	329,472	15,724	11,177	356,373
91900	Other	-	-	223,659	4,200	1,575	229,434
91000	Total Operating - Administrative Expenses	259,873	-	3,498,394	170,667	113,463	4,042,397
Tenant Services:							
92100	Tenant Services - Salaries	-	-	-	-	12,500	12,500
92300	Employee Benefit Contributions - Tenant Services	-	-	-	-	-	-
92400	Tenant Services - Other	-	-	-	-	-	-
92500	Total Tenant Services	-	-	-	-	12,500	12,500
General Expenses:							
96140	All Other Insurance	-	-	-	-	-	-
96200	Other General Expenses	-	-	862,405	223	-	862,628
96210	Compensated Absences	-	-	-	-	-	-
96000	Total Operating - General Expenses	-	-	862,405	223	-	862,628
96900	Total Operating Expenses	259,873	-	4,360,799	170,890	125,963	4,917,525
97000	Excess Operating Revenue over Operating Expenses	-	-	50,516,235	3,438,602	1,945,257	55,900,094
97300	Housing Assistance Payments	-	-	49,891,814	3,309,760	1,792,657	54,994,231
97350	HA Portability-In	-	-	303,709	-	70,905	374,614
90000	Total Expenses	259,873	-	54,556,322	3,480,650	1,989,525	60,286,370
10093	Transfers between Program & Project-In	-	-	-	-	-	-
10094	Transfers between Program & Project-Out	-	-	-	-	-	-
10000	Excess (Deficiency) of Operating Revenues Over (Under) Expenses	\$ -	\$ -	\$ 320,712	\$ 128,842	\$ 81,695	\$ 531,249
Memo Account Information:							
11030	Beginning Equity	-	\$153,865	\$3,163,044	\$330,691	\$36,657	3,684,257
11040	Prior period Adjustments and Equity Transfers	-	-	-	-	-	-
11050	Changes in Compensated Absence Balance	-	-	-	-	-	-
11190	Unit Months Available	-	-	35,206	2,772	1,032	39,010
11210	Number of Unit Months Leased	-	-	34,346	1,944	1,026	37,316
11170	Administrative Fee Equity	-	-	\$3,366,724	459,533	109,204	3,935,461
11180	Housing Assistance Payments Equity	-	153,865	\$117,032	-	9,148	280,045
	Line 11170 & 11180	-	153,865	3,483,756	459,533	118,352	\$ 4,215,506
	Line 513	-	153,865	3,483,756	459,533	118,352	-
		\$ -	\$ -	\$ -	\$ -	\$ -	-

**CITY OF SANTA ANA, CALIFORNIA
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
FOR THE YEAR ENDED JUNE 30, 2024**

Section I – Summary of Auditors’ Results

Financial Statements

- | | | |
|--|------------|------------------------------|
| 1. Type of auditors’ report issued: | Unmodified | |
| 2. Internal control over financial reporting: | | |
| • Material weakness(es) identified? | _____ yes | _____ <u>x</u> no |
| • Significant deficiency(ies) identified? | _____ yes | _____ <u>x</u> none reported |
| 3. Noncompliance material to financial statements noted? | _____ yes | _____ <u>x</u> no |

Federal Awards

- | | | |
|---|------------|------------------------------|
| 1. Internal control over major federal programs: | | |
| • Material weakness(es) identified? | _____ yes | _____ <u>x</u> no |
| • Significant deficiency(ies) identified? | _____ yes | _____ <u>x</u> none reported |
| 2. Type of auditors’ report issued on compliance for major federal programs: | Unmodified | |
| 3. Any audit findings disclosed that are required to be reported in accordance with 2 CFR 200.516(a)? | _____ yes | _____ <u>x</u> no |

Identification of Major Federal Programs

Assistance Listings Number(s)

20.205
21.027

93.137

Name of Federal Program or Cluster

Highway Planning and Construction
COVID-19 - Coronavirus State and Local Fiscal Recovery Funds
COVID-19 - Community Programs to Improve Minority Health Grant

Dollar threshold used to distinguish between Type A and Type B programs:

\$ 3,000,000

Auditee qualified as low-risk auditee?

_____ x yes _____ no

**CITY OF SANTA ANA, CALIFORNIA
SCHEDULE OF FINDINGS AND QUESTIONED COSTS (CONTINUED)
FOR THE YEAR ENDED JUNE 30, 2024**

Section II – Financial Statement Findings

Our audit did not disclose any matters required to be reported in accordance with *Government Auditing Standards*.

Section III – Findings and Questioned Costs – Major Federal Programs

Our audit did not disclose any matters required to be reported in accordance with 2 CFR 200.516(a).

MAYOR
Valerie Amezcua
MAYOR PRO TEM
Benjamin Vazquez
COUNCILMEMBERS
Phil Bacerra
Johnathan Ryan Hernandez
Jessie Lopez
David Penaloza
Thai Viet Phan



CITY MANAGER
Alvaro Nuñez
CITY ATTORNEY
Sonia R. Carvalho
CITY CLERK
Jennifer L. Hall

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CITY OF SANTA ANA
SUMMARY SCHEDULE OF PRIOR AUDIT FINDINGS
YEAR ENDED JUNE 30, 2024

March 21, 2025

The City of Santa Ana (the City) respectfully submits the following summary schedule of prior year audit findings for the year ended June 30, 2024.

Audit period: July 1, 2023 – June 30, 2024

The findings from the prior audit's schedule of findings and questioned costs are discussed below. The findings are numbered consistently with the numbers assigned in the schedule.

FINDINGS – FEDERAL AWARD PROGRAMS AUDIT

OTHER MATTERS

2023-001-Reporting

Federal Agency: U.S. Department of Health and Human Services

Federal Program Name: COVID-19 - Community Programs to Improve Minority Health Grant

Assistance Listing Number: 93.137

Award Period: July 1, 2021, through December 30, 2023

Condition: The City is a prime recipient and provided subawards totaling \$3,599,804 to four recipients, each over the \$30,000 reporting threshold. FFATA reports were not filed for these subgrants awarded until after inquiry by auditors.

Status: Corrected.

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2023-002 – Reporting

Federal Agency: U.S. Department of Health and Human Services

Federal Program Name: COVID-19 - Community Programs to Improve Minority Health Grant

Assistance Listing Number: 93.137

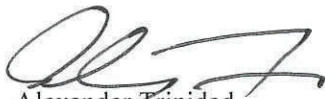
Award Period: July 1, 2021, through December 30, 2023

Condition: Three of the four Federal Financial Reports (SF-425) for the fiscal year ended June 30, 2023 were not submitted timely.

Status: Corrected.

If there are any questions regarding this finding, please call Brian Gross, Supervising Accountant, at 714-647-5459.

Sincerely,



Alexander Trinidad

Acting Director, Finance & Management Services Agency

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