



CITY OF LONG BEACH, CALIFORNIA

Single Audit Report

Year Ended September 30, 2020

(With Independent Auditors' Report Thereon)

CITY OF LONG BEACH, CALIFORNIA

Single Audit Report

Year Ended September 30, 2020

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Independent Auditors' 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 (Reissued)

The Honorable Mayor and City Council
City of Long Beach, California:

Report on Compliance for Each Major Federal Program

We have audited the City of Long Beach, California's (the City's) compliance with the types of compliance requirements described in the *OMB Compliance Supplement* that could have a direct and material effect on each of the City's major federal programs for the year ended September 30, 2020. The City's major federal programs are identified in the summary of auditors' results section of the accompanying schedule of findings and questioned costs.

The City's financial statements include the operations of the Long Beach Transportation Company, a discretely presented component unit of the City, which expended \$4,942,900 in federal awards which is not included in the City's schedule of expenditures of federal awards for the year ended September 30, 2020. Our audit, described below, did not include the operations of the discretely presented component unit because Long Beach Transportation Company engaged other auditors to perform an audit of compliance.

Management's Responsibility

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

Auditors' Responsibility

Our responsibility is to express an opinion on compliance for each of the City's major federal programs based on our audit of the types of compliance requirements referred to above. We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; and the audit requirements of Title 2 U.S. Code of Federal Regulations Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance). Those standards and the Uniform Guidance require that we plan and perform the audit to obtain reasonable assurance about whether noncompliance with the types of compliance requirements referred to above that could have a direct and material effect on a major federal program occurred. An audit includes examining, on a test basis, evidence about the City's compliance with those requirements and performing such other procedures as we considered necessary in the circumstances.

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



Opinion on Each Major Federal Program

In our opinion, the City complied, in all material respects, with the types of compliance requirements referred to above that could have a direct and material effect on each of its major federal programs for the year ended September 30, 2020.

Report on Internal Control Over Compliance

Management of the City is responsible for establishing and maintaining effective internal control over compliance with the types of compliance requirements referred to above. In planning and performing our audit of compliance, we considered the City's internal control over compliance with the types of requirements that could have a direct and material effect on each major federal program to determine the auditing procedures that are appropriate in the circumstances for the purpose of expressing an opinion on compliance for each major federal program and to test and report on internal control over compliance in accordance with the Uniform Guidance, but not for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, we do not express an opinion on the effectiveness of the City's internal control over compliance.

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

Our consideration of internal control over compliance was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control over compliance that might be material weaknesses or significant deficiencies and therefore, material weaknesses or significant deficiencies may exist that have not been identified. We did identify a deficiency in internal control over compliance, described in the accompanying schedule of findings and questioned costs as finding 2020-001 that we consider to be a material weakness.

The City's response to the internal control over compliance finding identified in our audit is described in the accompanying schedule of findings and questioned costs. The City is also responsible for preparing a corrective action plan to address each audit finding included in our auditors' report. The City's response and corrective action plan was not subjected to the auditing procedures applied in the audit of compliance and, accordingly, we express no opinion on the response or the corrective action plan.

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 discretely presented component unit, each major fund, and the aggregate remaining fund information of the City as of and for the year ended September 30, 2020, and the related notes to the financial statements, which collectively comprise the City's basic financial statements. We issued our report thereon dated March 29, 2021, 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.

Other Matter – Reissuance of Reports

The report on compliance for each major federal program, the report on internal control over compliance, and the report on the schedule of expenditures of federal awards replace our previously issued reports dated September 6, 2021. As discussed in note 5 to the schedule of expenditures of federal awards, expenditures for the Highway Planning and Construction program (CFDA 20.205) were omitted from the schedule of expenditures of federal awards for the year ended September 30, 2020. The schedule of expenditures of federal awards has been restated to include the expenditures of the Highway Planning and Construction program. Our report on compliance for each major federal program, our report on internal control over compliance, and the accompanying schedule of findings and questioned costs have been reissued to include the Highway Planning and Construction program as a major federal program and finding 2020-001.

KPMG LLP

Los Angeles, California

September 6, 2021, except for our opinion on the Highway Planning and Construction program (CFDA 20.205), finding 2020-001, and our report on the schedule of expenditures of awards, which are as of November 5, 2024.



KPMG LLP
Suite 1500
550 South Hope Street
Los Angeles, CA 90071-2629

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*

The Honorable Mayor and City Council
City of Long Beach, 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 accompanying financial statements of the governmental activities, the business-type activities, the discretely presented component unit, each major fund, and the aggregate remaining fund information of the City of Long Beach, California (the City) as of and for the year ended September 30, 2020 and the related notes to the financial statements, which collectively comprise the City's basic financial statements and have issued our report thereon dated March 29, 2021. Our report includes a reference to other auditors who audited the financial statements of the Long Beach Public Transportation Company (the Company), which is the City's only discretely presented component unit.

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 may exist that have not been identified.

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.

KPMG LLP

*Los Angeles, California
March 29, 2021*

CITY OF LONG BEACH, CALIFORNIA
Schedule of Expenditures of Federal Awards (Restated)
Year ended September 30, 2020

Federal grantor/pass-through agency/program title	Catalog of federal domestic assistance number	Federal grantor/pass-through entity identifying number	Federal disbursements/expenditures	Passed through to subrecipients
Department of Agriculture Food and Nutrition Service:				
Passed through the State of California Department of Health Services:				
WIC Special Supplemental Nutrition Program for Women, Infants, and Children	10.557	Non-Cash Value	\$ 10,601,639	—
WIC Special Supplemental Nutrition Program for Women, Infants, and Children	10.557	15-10061	4,842,537	—
Total WIC Special Supplemental Nutrition Program for Women, Infants, and Children (10.557)			15,444,176	—
Passed through the State of California Department of Health Services:				
Summer Food Service Program for Children	10.559	19-81908V	338,322	—
State Administrative Matching Grants for the Supplemental Nutrition Assistance Program (SNAP)	10.561	16-10143	620,133	—
Total Department of Agriculture Food and Nutrition Service			16,402,631	—
Department of Commerce Economic Development Administration:				
Direct:				
Economic Adjustment Assistance	11.307	07-49-05046	765,435	—
Total Department of Commerce Economic Development Administration			765,435	—
Department of Housing and Urban Development:				
Direct:				
Community Development Block Grant/Entitlement Grants	14.218	B-14-MC-06-0522	7,052	—
Community Development Block Grant/Entitlement Grants	14.218	B-17-MC-06-0522	1,364,523	—
Community Development Block Grant/Entitlement Grants	14.218	B-18-MC-06-0522	2,050,846	—
Community Development Block Grant/Entitlement Grants	14.218	B-19-MC-06-0522	3,187,443	—
Community Development Block Grant/Entitlement Grants	14.218	B-20-MW-06-0522	261,592	—
Total Community Development Block Grant/Entitlement Grants Cluster (14.218)			6,871,456	—
Emergency Solutions Grant Program	14.231	E-17-MC-06-0522	1,208	—
Emergency Solutions Grant Program	14.231	E-18-MC-06-0522	64,551	—
Emergency Solutions Grant Program	14.231	E-19-MC-06-0522	447,306	—
Emergency Solutions Grant Program	14.231	E-20-MW-06-0522	368,715	—
Total Emergency Solutions Grant Program (14.231)			881,780	—
Home Investment Partnerships Program	14.239	M-15-MC-06-0518	75,131,491	—
Home Investment Partnerships Program	14.239	M-16-MC-06-0518	1,718,427	—
Home Investment Partnerships Program	14.239	M-17-MC-06-0518	875,788	—
Home Investment Partnerships Program	14.239	M-18-MC-06-0518	515,037	—
Home Investment Partnerships Program	14.239	M-19-MC-06-0518	761,658	—
Total Home Investment Partnerships Program (14.239)			79,002,401	—
Passed through the City of Los Angeles:				
Housing Opportunities for Persons with AIDS (HOPWA)	14.241	98256	1,362,848	—
Direct:				
Continuum of Care Program	14.267	CA0000U9D061806	6,346,996	3,993,774
Continuum of Care Program	14.267	CA0000U9D061800	67,727	53,294
Continuum of Care Program	14.267	CA0000U9D061907	1,542,445	1,542,445
Continuum of Care Program	14.267	CA0000U9D061900	113,049	113,049
Total Continuum of Care Program (14.267)			8,070,217	5,702,562

CITY OF LONG BEACH, CALIFORNIA
Schedule of Expenditures of Federal Awards (Restated)
Year ended September 30, 2020

Federal grantor/pass-through agency/program title	Catalog of federal domestic assistance number	Federal grantor/pass-through entity identifying number	Federal disbursements/expenditures	Passed through to subrecipients
Department of Housing and Urban Development:				
Direct:				
Section 8 Housing Choice Vouchers	14.871	CA068VO	\$ 100,276,371	—
COVID-19 Section 8 Housing Choice Vouchers	14.871	CA068VO	242,796	—
Total Section 8 Housing Choice Voucher			<u>100,519,167</u>	—
Family Self-Sufficiency Program	14.896	CA068FSH057A014	61,468	—
Family Self-Sufficiency Program	14.896	FSS20CA3285	210,214	—
Total Family Self-Sufficiency Program (14.896)			271,682	—
Lead-based Paint Hazard Control in Privately-Owned Housing	14.900	CALHB0591-19	734,651	—
Total Department of Housing and Urban Development			<u>197,714,202</u>	<u>5,702,562</u>
Department of the Interior:				
Direct:				
Water Desalination Research and Development Program	15.506	R15AC00086	14,771	—
WaterSMART (Sustaining and Manage America's Resources For Tomorrow)	15.507	R19AP00130	1,499,000	—
Reclamation States Emergency Drought Relief	15.514	R20AP00109	29,466	—
Total Department of the Interior			<u>1,543,237</u>	—
Department of Justice:				
Direct:				
COVID-19 Coronavirus Emergency Supplemental Funding Program	16.034	2020-VD-BX-1444	253,329	—
Passed through the State of California Office of Emergency Services:				
Services for Trafficking Victims	16.320	2018-VT-BX-0019	177,241	—
Special Data Collections and Statistical Studies	16.734	2016-FU-CX-K065	500,000	—
Paul Coverdell Forensic Sciences Improvement Grant Program	16.742	CQ19157240	8,271	—
Paul Coverdell Forensic Sciences Improvement Grant Program	16.742	CQ18147240	28,572	—
Total Paul Coverdell Forensic Sciences Improvement Grant Program (16.742)			<u>36,843</u>	—
Direct:				
Smart Prosecution Initiative	16.825	2019-YX-BX-0001	123,542	—
Equitable Sharing Program	16.922	N/A	979,266	—
Total Department of Justice			<u>2,070,221</u>	—
Department of Labor:				
Passed through the State of California Employment Development Department:				
WIOA Adult Program – Adult Round 2 (2018)	17.258	K8106641	6	—
WIOA Adult Program – Adult Round 1 (2019)	17.258	K9110023	9,452	—
WIOA Adult Program – Adult Round 2 (2019)	17.258	K9110023	69,747	—
WIOA Adult Program – Adult Round 1 (2020)	17.258	AA011103	(12,992)	—
WIOA Adult Program – Adult Round 2 PY19-20	17.258	AA011103	1,048,621	—
WIOA Adult Program – Adult Round 1 PY20-21	17.258	AA111013	179,122	—
			<u>1,293,956</u>	—

CITY OF LONG BEACH, CALIFORNIA
Schedule of Expenditures of Federal Awards (Restated)
Year ended September 30, 2020

Federal grantor/pass-through agency/program title	Catalog of federal domestic assistance number	Federal grantor/pass-through entity identifying number	Federal disbursements/expenditures	Passed through to subrecipients
Department of Labor:				
Passed through the State of California Employment Development Department:				
Passed through the City of Los Angeles:				
WIOA Adult Program – SLINGSHOT 2.0	17.258	8001014	\$ 10,000	—
WIOA Adult Program – Harbor Worksource Ctr WIOA Adult (2020)	17.258	C-134844	331,912	—
WIOA Adult Program – Harbor Worksource Ctr WIOA Adult (2021)	17.258	C-137191	123,410	—
			<u>465,322</u>	<u>—</u>
Passed through the State of California Employment Development Department:				
Passed through the City of Los Angeles:				
WIOA Adult Program – Southeast Los Angeles County Workforce Board (SELACO)				
WIOA Adult Program – SELACO Staff Training (2020)	17.258	N/A	2,658	—
Total WIA/WIOA Adult Program (17.258)			<u>1,761,936</u>	<u>—</u>
Passed through the State of California Employment Development Department:				
WIOA Youth Activities – 2020	17.259	C-129810	422,602	—
WIOA Youth Activities – PY20-21	17.259	K8106641	184,252	—
WIOA Youth Activities Round 1 (2019)	17.259	K9110023	419,215	3,358
WIOA Youth Activities Round 2 (2019)	17.259	K9110023	546	—
WIOA Youth Activities Round 1 (2020)	17.259	AA011013	1,037,684	85,966
WIOA Youth Activities Round 2 (2020)	17.259	AA111013	4,569	—
WIOA Youth Activities Round 1 (2021)	17.259	K8106641	563,354	—
Total WIA/WIOA Youth Activities (17.259)			<u>2,632,222</u>	<u>89,324</u>
Passed through the State of California Employment Development Department:				
WIOA Dislocated Worker Formula Grant – Rapid Response Round 1 (2019)	17.278	K9110023	2,615	—
WIOA Dislocated Worker Formula Grant – Rapid Response Round 2 (2019)	17.278	K9110023	6,693	—
WIOA Dislocated Worker Formula Grant – Rapid Response Round 2 (2020)	17.278	AA011013	21,018	—
WIOA Dislocated Worker Formula Grant – Rapid Response Round 2 (2020)	17.278	AA111013	173,835	—
WIOA Dislocated Worker Formula Grant – Rapid Response Round 1 (2021)	17.278	AA111013	53,357	—
WIOA Dislocated Worker Formula Grant – Layoff Aversion Round 2 (2020)	17.278	AA011013	43,889	—
WIOA Dislocated Worker Formula Grant – Layoff Aversion Round 1 (2021)	17.278	AA111013	2,861	—
COVID-19 WIOA Dislocated Worker Formula Grant – COVID-19 Response	17.278	AA011013	185,729	—
COVID-19 WIOA Dislocated Worker Formula Grant – Underserved COVID-19 Impacted Individuals	17.278	AA011013	203,988	—
WIOA Dislocated Worker Formula Grants Round 1 (2019)	17.278	K9110023	6,955	—
WIOA Dislocated Worker Formula Grants Round 2 (2019)	17.278	K9110023	65,521	—
WIOA Dislocated Worker Formula Grants Round 1 (2020)	17.278	AA011013	22,269	—
WIOA Dislocated Worker Formula Grant – Round 2 PY19-20	17.278	AA011013	757,848	—
WIOA Dislocated Worker Formula Grant – Round 1 PY20-21	17.278	AA111013	53,342	—
Department of Labor:				
Passed through the State of California Employment Development Department:				
Passed through the City of Los Angeles:				
WIOA Dislocated Worker Formula Grants – Harbor Worksource Ctr WIOA Dislocated Worker	17.278	C-134844	258,736	—
WIOA Dislocated Worker Formula Grants – Harbor Worksource WIOA DW PY20-21	17.278	C-137191	94,508	—
WIOA Dislocated Worker Formula Grants – Keep LA Working Initiative	17.278	C-134844	83,701	—
WIOA Dislocated Worker Formula Grants – Survivors of Domestic Violence or Human Trafficking – Supplemental DW	17.278	C-137191	3,182	—
Total WIOA/WIA Dislocated Workers (17.278)			<u>2,040,047</u>	<u>—</u>
Total WIOA Cluster			<u>6,434,205</u>	<u>89,324</u>

CITY OF LONG BEACH, CALIFORNIA
Schedule of Expenditures of Federal Awards (Restated)
Year ended September 30, 2020

Federal grantor/pass-through agency/program title	Catalog of federal domestic assistance number	Federal grantor/pass-through entity identifying number	Federal disbursements/expenditures	Passed through to subrecipients
Direct:				
WIA Dislocated Workers	17.260	YF-30260-17-60-A6	\$ 76,822	—
H-1B Job Training Grants	17.268	HG-29534-16-60-A-6	317,354	24,060
Passed through the State of California Employment Development Department:				
COVID-19 WIOA Nation Dislocated Worker Grants / WIA National Emergency Grants	17.277	AA011013	114,831	—
Total Department of Labor			<u>6,943,212</u>	<u>113,384</u>
Department of Transportation:				
Direct:				
Airport Improvement Program – (AIP) 45	20.106	30601270452019	21,536,234	—
Airport Improvement Program – (AIP) 46	20.106	30601270462020	380,627	—
Airport Improvement Program – (AIP) 48	20.106	30601270482020	709,696	—
Airport Improvement Program – (AIP) 49	20.106	30601270492020	659,676	—
COVID-19 Airport Improvement Program – Cares Act Airport Grant	20.106	30601270472020	14,771,241	—
Total Airport Improvement Program (20.106)			<u>38,057,474</u>	<u>—</u>
Passed through the State of California Department of Transportation:				
Highway Planning and Construction	20.205	HPLUL-5108 (126)	276,681	—
Highway Planning and Construction	20.205	HSIPL-5108(190)	11,318	—
Highway Planning and Construction	20.205	HSIPL-5108(188)	10,156	—
Highway Planning and Construction	20.205	HSIPL-5108(178)	100,704	—
Highway Planning and Construction	20.205	STPLR-5108 (172)	649	—
Highway Planning and Construction	20.205	CMLN-5108 (159)	84	—
Highway Planning and Construction	20.205	ATPL-5108(184)	497,932	—
Highway Planning and Construction	20.205	ACNH-7101 (807)	14,394,314	—
Highway Planning and Construction	20.205	BRLS-5108 (137)	6,988,946	—
Total Highway Planning and Construction (20.205)			<u>22,280,784</u>	<u>—</u>
Passed through the State of California Department of Transportation:				
Metropolitan Transportation Planning and State and Non-Metropolitan Planning and Research	20.505	74A0822	25,307	—
State and Community Highway Safety	20.600	PS1706	9,025	—
State and Community Highway Safety	20.600	PS20025	196,122	—
Total State and Community Highway Safety (20.600)			<u>205,147</u>	<u>—</u>
National Priority Safety Programs	20.616	DI20003	135,269	—
National Priority Safety Programs	20.616	0521-0890-101	185,684	—
Total National Priority Safety Programs (20.616)			<u>320,953</u>	<u>—</u>
Total Highway Safety Cluster			<u>526,100</u>	<u>—</u>
Minimum Penalties for Repeat Offenders for Driving While Intoxicated	20.608	0521-0890-101	109,171	—
Total Department of Transportation			<u>60,998,836</u>	<u>—</u>
Department of Treasury:				
Direct:				
Equitable Sharing Program	21.016	N/A	100,000	—
Passed through the State of California:				
COVID-19 Coronavirus Relief Fund	21.019	N/A	40,280,494	—
Total Department of Treasury			<u>40,380,494</u>	<u>—</u>

CITY OF LONG BEACH, CALIFORNIA
Schedule of Expenditures of Federal Awards (Restated)
Year ended September 30, 2020

Federal grantor/pass-through agency/program title	Catalog of federal domestic assistance number	Federal grantor/pass-through entity identifying number	Federal disbursements/expenditures	Passed through to subrecipients
Environmental Protection Agency:				
Passed through the State of California Department of Health Services:				
Beach Monitoring and Notification Program Implementation Grants	66.472	SWRCB000000000D1914103	\$ 90,853	—
Direct:				
Superfund State, Political Subdivision, and Indian Tribe Site-Specific Cooperative Agreements	66.802	V-99T06101-5	14,853	—
Total Environmental Protection Agency			<u>105,706</u>	<u>—</u>
Department of Health & Human Services:				
Direct:				
Healthy Marriage Promotion and Responsible Fatherhood Grants	93.086	90FK0112	748,737	—
Substance Abuse and Mental Health Services – Projects of Regional and National Significance	93.243	1H79SM081177-01	74,088	—
Passed through the State of California Department of Health Services:				
Project Grants and Cooperative Agreements for Tuberculosis Control Programs	93.116	1975BASE00 / 1 NU52PS910219	157,562	—
Project Grants and Cooperative Agreements for Tuberculosis Control Programs	93.116	2075BASE00 / 1 NU52PS910219	75,654	—
Total Tuberculosis Local Assistance Funding (93.116)			<u>233,216</u>	<u>—</u>
Childhood Lead Poisoning Prevention Projects_State and Local Childhood Lead Poisoning Prevention and Surveillance of Blood Lead Levels in Children	93.197	14-10023	247,643	—
Childhood Lead Poisoning Prevention Projects_State and Local Childhood Lead Poisoning Prevention and Surveillance of Blood Lead Levels in Children	93.197	17-10224	58,155	—
Total Childhood Lead Poisoning and Prevention Program (93.197)			<u>305,798</u>	<u>—</u>
Immunization Cooperative Agreements	93.268	15-10428	222,075	—
Centers for Disease Control and Prevention – Invention and Technical Assistance	93.283	PH-003348	893,610	—
Epidemiology and Laboratory Capacity for Infectious Diseases (ELC)	93.323	PH-003348	996,355	—
COVID-19 Public Health Emergency Response: Cooperative Agreement for Emergency Response	93.354	PH-003448	451,952	—
Passed through the State of California Department of Health Services:				
Passed through the County of Los Angeles Department of Public Social Services:				
Passed through the City of Los Angeles:				
Temporary Assistance for Needy Families	93.558	C-134293	50,087	—
Temporary Assistance for Needy Families	93.558	C-132188	13,056	—
Passed through the State of California Department of Health Services:				
Passed through the County of Los Angeles Department of Public Social Services:				
Temporary Assistance for Needy Families	93.558	IA-0514	164,296	—
Temporary Assistance for Needy Families	93.558	IA-0514	75,570	—
Passed through the State of California Department of Health Services:				
Passed through the County of Los Angeles Department of Public Social Services:				
Passed through the City of Hawthorne/South Bay Workforce Investment Board:				
Temporary Assistance for Needy Families	93.558	16-W129	3,897	—
Total Temporary Assistance for Needy Families (93.558)			<u>306,906</u>	<u>—</u>
Passed through the State of California Department of Health Services:				
Medical Assistance Program – Childhood Health and Disability	93.778	V#002713-01	221,368	—
Medical Assistance Program – Children’s Health Outreach	93.778	PH-002508-14	127,256	—
Medical Assistance Program – MAA/ TCM Administration	93.778	14-90021	178,785	—
Medical Assistance Program – Nursing TCM Claiming	93.778	61-19Evrgm	209,899	—
Medical Assistance Program – County-based Medi-cal Administrative Activities (CMAA) 2020-2023	93.778	N/A	26,476	—
Medical Assistance Program – Child Health and Disability Prevention (CHDP) Admin 2020-2021	93.778	N/A	55,074	—
Medical Assistance Program – Children’s Health Outreach (LA County) (DMH-MHSA) 2020-2021	93.778	PH-002508-16	41,716	—
Total Medicaid Assistance Program (93.778)			<u>860,574</u>	<u>—</u>

CITY OF LONG BEACH, CALIFORNIA
Schedule of Expenditures of Federal Awards (Restated)
Year ended September 30, 2020

Federal grantor/pass-through agency/program title	Catalog of federal domestic assistance number	Federal grantor/pass-through entity identifying number	Federal disbursements/expenditures	Passed through to subrecipients
Department of Health and Human Services:				
Passed through the County of Los Angeles:				
HIV Emergency Relief Project Grants – AIDS EIP Outpatient Medical	93.914	PH-002425-3	\$ 57,570	—
HIV Emergency Relief Project Grants – AIDS/HIV Benefits Specialty	93.914	PH-002901	1,619	—
HIV Emergency Relief Project Grants – AIDS/HIV Benefits Specialty	93.914	PH-002902	95,690	—
HIV Emergency Relief Project Grants – Medical Care Coordination	93.914	PH-002431-3	418,053	—
Total HIV Emergency Relief Project Grants (93.914)			<u>572,932</u>	<u>—</u>
Passed through the State of California Department of Health Services:				
HIV Care Formula Grants	93.917	18-10872	1,039,756	—
HIV Care Formula Grants	93.917	15-11059	152,971	—
COVID-19 HIV Care Formula Grants	93.917	19-11154	52,714	—
Total HIV Care Formula Grants (93.917)			<u>1,245,441</u>	<u>—</u>
Passed through the State of California Department of Health Services:				
HIV Prevention Activities – Health Department Based	93.940	19-10424	155,911	—
HIV Prevention Activities – Health Department Based – Counseling and Testing	93.940	PH-003492/NU62PS924569	275,450	—
HIV Prevention Activities – Health Department Based – Counseling and Testing	93.940	PH-003082 W1-2	45,813	—
Total HIV Prevention Activities (93.940)			<u>477,174</u>	<u>—</u>
Passed through the State of California Department of Health Services:				
Maternal and Child Health Services Block Grant to the States	93.994	201960	679,527	—
Maternal and Child Health Services Block Grant to the States	93.994	201960	182,276	—
Maternal and Child Health Services Block Grant to the States	93.994	202060	70,530	—
Maternal and Child Health Services Block Grant to the States	93.994	202060	260,092	—
Total Maternal and Child Health Services Block Grant to the States (93.994)			<u>1,192,425</u>	<u>—</u>
Total Department of Health & Human Services			<u>8,581,283</u>	<u>—</u>
Department of Homeland Security:				
Passed through the State of California – California Office of Emergency Services:				
Disaster Grants – Public Assistance (Presidentially Declared Disasters)	97.036	037-43000	2,951,445	—
Disaster Grants – Public Assistance (Presidentially Declared Disasters)	97.036	037-43000	390,732	—
Disaster Grants – Public Assistance (Presidentially Declared Disasters)	97.036	037-43000	12,789	—
Disaster Grants – Public Assistance (Presidentially Declared Disasters)	97.036	037-43000	1,064,749	—
Total Disaster Grants – Public Assistance (Presidentially Declared Disasters) (97.036)			<u>4,419,715</u>	<u>—</u>
Direct:				
Port Security Grant Program	97.056	EMW2016PU00417	147,768	—
Port Security Grant Program	97.056	EMW2017PU00643	73,469	—
Port Security Grant Program	97.056	EMW2018PU00587	238	—
Port Security Grant Program	97.056	EMW-2017-PU-00542	759,757	—
Port Security Grant Program	97.056	EMW-2018-PU-00287	90,309	—
Port Security Grant Program	97.056	EMW2016PU00124	585,392	—
Port Security Grant Program	97.056	EMW2017PU00048	433,982	—
Port Security Grant Program	97.056	EMW2018PU00090	1,942,485	—
Port Security Grant Program	97.056	EMW2019PU00170	356,189	—
Total Port Security Grant Program (97.056)			<u>4,389,589</u>	<u>—</u>

CITY OF LONG BEACH, CALIFORNIA
Schedule of Expenditures of Federal Awards (Restated)
Year ended September 30, 2020

Federal grantor/pass-through agency/program title	Catalog of federal domestic assistance number	Federal grantor/pass-through entity identifying number	Federal disbursements/expenditures	Passed through to subrecipients
Department of Homeland Security:				
Passed through the State of California – California Office of Emergency Services:				
Passed through the County of Los Angeles:				
Homeland Security Grant Program	97.067	C-127472	\$ 302	—
Homeland Security Grant Program	97.067	C-131833	561,922	—
Homeland Security Grant Program	97.067	18LA0183	330,981	—
Homeland Security Grant Program	97.067	C-136541	63,293	—
			<u>956,498</u>	<u>—</u>
Passed through the State of California – California Office of Emergency Services:				
Passed through the City of Los Angeles:				
Homeland Security Grant Program	97.067	2017-0083	1,402,520	—
Homeland Security Grant Program	97.067	2018-00054	254,061	—
			<u>1,656,581</u>	<u>—</u>
Total Homeland Security Grant Program (97.067)			<u>2,613,079</u>	<u>—</u>
Total Department of Homeland Security			<u>11,422,383</u>	<u>—</u>
Total Expenditures of Federal Awards			<u>\$ 346,927,640</u>	<u>5,815,946</u>

See accompanying notes to schedule of expenditures of federal awards.

CITY OF LONG BEACH, CALIFORNIA

Notes to Schedule of Expenditures of Federal Awards (Restated)

September 30, 2020

(1) Basis of Presentation

The accompanying schedule of expenditures of federal awards (the Schedule) presents the activity of all federal financial assistance programs of the City of Long Beach, California (the City). All federal financial assistance received directly from federal agencies, as well as federal financial assistance passed through to the City by other government agencies, has been included in the accompanying Schedule. The Schedule did not include federal expenditures of \$4,942,900 for the year ended September 30, 2020 of the Long Beach Transportation Company (the Company), a discretely presented component unit of the City, as the Company engaged other auditors to perform audits in accordance with the Uniform Guidance. The City's reporting entity is defined in note 1 to the City's basic financial statements.

Expenditures reported on the Schedule are reported on the accrual basis of accounting. 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, Costs Principles, and Audit Requirements for Federal Awards* (Uniform Guidance).

(2) Community-Based Loan Programs with Continuing Compliance

The City considers loans advanced to eligible participants for the Home Investment Partnerships Program (HOME) to have continuing compliance requirements. As such, the amounts reported in the accompanying Schedule for the HOME program include current year disbursements as well as the balance of the beginning of the year of loans with continuing compliance requirements.

As of September 30, 2020, the balance of loans with continuing compliance requirements for the HOME program was \$71,323,461.

(3) Food Instruments/Vouchers

Food instruments/vouchers expenditures represent the estimated value of the Special Supplemental Nutrition Program for Women, Infants and Children food instruments distributed during the year as communicated by the State of California Department of Health Services. The food instruments/vouchers totaled \$10,601,639 but do not represent cash expenditures in the City's basic financial statements for the year ended September 30, 2020.

(4) Indirect Cost Rate

The City did not elect to use the 10% de minimis indirect cost rate as discussed in the Uniform Guidance Section 200.414.

(5) Restatement of Schedule of Expenditures of Federal Awards

The City determined that expenditures of \$21,383,260 for the Highway Planning and Construction program (CFDA 20.205) were inadvertently omitted from the Schedule. Additionally, the City determined that the Disaster Grants – Public Assistance (Presidentially Declared Disasters) (CFDA 97.036) expenditures were inadvertently overstated by \$474,231. The net of these amounts resulted in total expenditures of \$20,909,029 added to the Schedule for the year ended September 30, 2020.

CITY OF LONG BEACH, CALIFORNIA
Schedule of Findings and Questioned Costs (Reissued)
September 30, 2020

(1) Summary of Auditors' Results

- (a) Type of report issued on whether the basic financial statements were prepared in accordance with generally accepted accounting principles: **Unmodified opinions on the governmental activities, the business-type activities, the discretely presented component unit, each major fund, and the aggregate remaining fund information**
- (b) Internal control deficiencies over financial reporting disclosed by the audit of the basic financial statements:
 - Material weaknesses: **No**
 - Significant deficiencies: **None Reported**
- (c) Noncompliance material to the basic financial statements: **No**
- (d) Internal control deficiencies over major programs disclosed by the audit:
 - Material weaknesses: **Yes**
 - Significant deficiencies: **None Reported**
- (e) Type of report issued on compliance for major programs: **Unmodified**
- (f) Audit findings that are required to be reported in accordance with 2 CFR 200.516(a): **Yes**
- (g) Major programs:
 - Continuum of Care Program, CFDA number 14.267
 - Section 8 Housing Choice Voucher and COVID-19 Section 8 Housing Choice Voucher, CFDA number 14.871
 - Highway Planning and Construction, CFDA number 20.205
 - COVID-19 Coronavirus Relief Fund, CFDA number 21.019
 - Disaster Grants – Public Assistance (Presidentially Declared Disasters), CFDA number 97.036
- (h) Dollar threshold used to distinguish between Type A and Type B programs: **\$3,000,000**
- (i) Auditee qualified as a low-risk auditee: **Yes**

(2) Findings Relating to the Financial Statements Reported in Accordance with *Government Auditing Standards*

None

CITY OF LONG BEACH, CALIFORNIA
Schedule of Findings and Questioned Costs (Reissued)
September 30, 2020

(3) Findings and Questions Costs Relating to Federal Awards

Finding 2020-001

Federal Program: Highway Planning and Construction

CFDA Number: 20.205

Federal Agency: U.S. Department of Transportation

Federal Award Year: 2020

Grant numbers: ACNH 7101 (807), BRLS-5108 (137)

Pass-Through Entity: State of California Department of Transportation

Compliance Requirement: Other – Inaccurate reporting of the Schedule of Expenditures of Federal Awards

Criteria:

According to 2 CFR 200.510(b), a recipient of federal awards is required to prepare a schedule of expenditures of Federal awards (SEFA) for the period covered by the entity's financial statements which must include the total Federal awards expended as determined in accordance with 2 CFR 200.502.

Additionally, 2 CFR 200.303 requires non-Federal entities receiving Federal awards to establish and maintain internal controls designated to reasonably ensure compliance with Federal laws, regulations and program compliance requirements. Effective internal controls should include procedures to ensure federal expenditures are accurately and completely reported on the SEFA.

Conditions Found:

The City did not have adequate internal controls related to the reporting of expenditures on the SEFA for the Highway Planning and Construction program. The Gerald Desmond Bridge (Harbor Bridge) reconstruction was a \$1.6 billion design, development, and construction project that included multiple funding sources, including federal, state, and private funds. As part of the completeness and accuracy of the SEFA control, the City needed to timely prepare and review a reconciliation of all of the federal, state, and private funding sources received for the overall Harbor Bridge project year-to-date, and determine at a proper level of precision, which expenditures were being reimbursed with federal funding sources to determine what amounts to report on the SEFA for the year ended September 30, 2020. This overall year-to-date reconciliation was not timely performed and as a result, an additional \$21,383,260 of federal expenditures related to the Highway Planning and Construction program should have been reported on the SEFA for the year ended September 30, 2020.

CITY OF LONG BEACH, CALIFORNIA
Schedule of Findings and Questioned Costs (Reissued)
September 30, 2020

Cause and Effect:

In discussing these conditions with the City, they stated the error was primarily due to the control over the completeness and accuracy of the SEFA was not timely performed and designed at the appropriate precision level for multi-year and multi-funded construction projects.

Failure to establish effective internal controls regarding financial reporting for the preparation of the Schedule may prevent the City from completing an audit in accordance with the timelines of Uniform Guidance.

Questioned Costs:

Not applicable.

Statistical sampling:

Not applicable.

Repeat Finding:

A similar finding was not reported in the prior year.

Recommendation:

We recommend the City implement a system of internal control that is designed and operating at a level of precision to ensure the Schedule is complete and accurate.

View of Responsible Official:

The Harbor Department acknowledges the finding. The Harbor Department believes this omission was the result of an internal miscommunication.