

**City of Philadelphia,
Pennsylvania**



**Schedule of Financial Assistance
Fiscal Year Ended
June 30, 2020
Office of the Director of Finance**



**City of Philadelphia,
Pennsylvania**

**Schedule of
Financial Assistance**

Fiscal Year Ended June 30, 2020

**CITY OF PHILADELPHIA
SCHEDULE OF FINANCIAL ASSISTANCE
FOR THE FISCAL YEAR ENDED JUNE 30, 2020**

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**CITY OF PHILADELPHIA
SCHEDULE OF FINANCIAL ASSISTANCE
FOR THE FISCAL YEAR ENDED JUNE 30, 2020**

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**CITY OF PHILADELPHIA
SCHEDULE OF FINANCIAL ASSISTANCE
FOR THE FISCAL YEAR ENDED JUNE 30, 2020**

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INTRODUCTORY SECTION

Letter of Transmittal



CITY OF PHILADELPHIA

OFFICE OF THE DIRECTOR OF FINANCE

Room 1330 Municipal Services Building
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Philadelphia, PA 19102
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ROB DUBOW
Director of Finance

April 22, 2022

Honorable James F. Kenney
Mayor, City of Philadelphia
Room 215 City Hall
Philadelphia, PA 19102

Dear Mayor Kenney:

The Schedule of Financial Assistance (SFA) of the City of Philadelphia (City) for the fiscal year ended June 30, 2020, comprised of the Schedule of Expenditures of Federal Awards (SEFA), the Schedule of Expenditures of Pennsylvania Department of Human Services (PaDHS) Awards and associated Supplemental Financial Schedules, and the Schedule of Federal Cash Receipts passed through the Pennsylvania Department of Community and Economic Development (PaDCED), is submitted herewith. We believe the data, as presented, is accurate in all material aspects; that it is presented in a manner designed to fairly set forth the Federal, PaDHS and PaDCED financial activity of the City as measured by the financial activity of its various funds; and that all disclosures necessary to enable the reader to gain the maximum understanding of the City's financial assistance have been included.

THE FEDERAL SINGLE AUDIT REQUIREMENT

The United States Congress enacted the Single Audit Act Amendments of 1996 (the Act), which the President signed into law on July 5, 1996. The Office of Management and Budget (OMB) issued Circular A-133, in accordance with the Act, to clarify and establish audit requirements for States, Local Governments, and Non-Profit Organizations. On December 26, 2013, OMB Circular A-133 was superseded by the issuance of Title 2 U.S. Code of Federal Regulations Part 200, Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards (Uniform Guidance). In fiscal year 2016, OMB's new Uniform Guidance became effective for the City. The City is required by the Act to have an annual audit performed on its entire operations, including a separate reporting on its Federal financial activity, the SEFA. The SEFA is presented in accordance with the requirements contained in the Uniform Guidance.

The City's Annual Comprehensive Financial Report (ACFR) for the fiscal year ended June 30, 2020, presents the entire operations of the City. The ACFR was issued under separate cover on February 25, 2021. The SFA is issued in conjunction with the ACFR in order to comply with the reporting provisions of the Act. The report of the independent auditor on the SEFA, dated April 22, 2022 is reported in conjunction with the Independent Auditor's Report on Compliance for Each Major Federal Program and on Internal Control Over Compliance in Accordance with the Uniform Guidance, and the PaDHS Single Audit Supplement. The financial presentations in each report are derived from the same financial activity in the City's various funds. Copies of the reporting package (ACFR and SFA) and Data Collection Form must be forwarded to the Federal Audit Clearinghouse (The U.S. Bureau of the Census). In addition, a reporting package must be issued to each grantor agency (federal, state or other government) affected by an audit finding on the Schedule of Findings and Questioned Costs or the Summary Schedule of Prior Year Findings. The report must be forwarded within 30 days of our receipt, but no later than nine months after our fiscal year end of June 30, 2020. In accordance with the Act, the SEFA will be made available for public inspection. The Federal financial activity of the City of Philadelphia is presented in the Financial Section of the SFA.

AGREED-UPON PROCEDURES REPORTS

In July 2019, the PaDHS reissued the Single Audit Supplement as an aid to local government entities and their independent auditors in the specific auditing and performance of the Single Audit. This supplement provides program specific auditing and reporting requirements which are applied in conjunction with the Single Audit Act's required standards and guidelines for programs funded through the PaDHS.

The Schedule of Expenditures of Pennsylvania Department of Human Services Awards, and associated Supplemental Financial Schedules, are presented in the Supplementary Financial Information Section.

On January 3, 2003, the PaDCED requested specific auditing and reporting requirements for all federal cash receipts passing through the department. The Schedule of Federal Cash Receipts Passed through PaDCED is presented in the Supplementary Financial Information Section.

OTHER REPORTING ENTITIES

For Single Audit purposes, other quasi-governmental organizations included in the ACFR, as required by the Governmental Accounting Standards Board, are treated as subrecipients of the City. Only those Federal funds passed on to these agencies by the City are included in the SEFA. Each quasi-governmental agency is required to perform its own Single Audit, which would include Federal financial assistance received directly by the agency from all sources.

COGNIZANT AGENCY

The OMB, in accordance with the Act, assigned the U.S. Department of Housing and Urban Development as the City's Cognizant Agency.

INDEPENDENT AUDITOR

The Philadelphia Home Rule Charter establishes the City Controller, a separately elected official, as the independent auditor of the City of Philadelphia. Our Cognizant Agency has recognized the independence of the City Controller, and the Single Audit was conducted through the Controller's appointed Certified Public Accountant in charge of auditing, in accordance with the Home Rule Charter.

AUDITOR REPORTS

The Single Audit Act Amendments of 1996, in conjunction with the American Institute of Certified Public Accountants, requires that the auditor issue four reports in connection with the examination of the SEFA: The Independent Auditor's Report on (1) the Schedule of Expenditures of Federal Awards; (2) 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; (3) Compliance with Requirements Applicable to Each Major Program; and (4) Internal Control Over Compliance. Additionally, the Pennsylvania departments of Human Services and Community and Economic Development require that the Auditor issue a report on the application of certain agreed-upon procedures. These Federal and Pennsylvania requirements have been met and the reports are included herein.

PLAN FOR CORRECTIVE ACTION

The Act requires that the City submit its Plan for Corrective Action to eliminate such cases of material non-compliance cited in the Independent Auditor's Report on Compliance and Internal Controls. The City's Plan for Corrective Action to eliminate those cases of non-compliances and material weaknesses and or significant deficiencies in the systems of internal control, is presented in the Corrective Action Plan.

ACKNOWLEDGMENTS

The preparation of this report has been accomplished with the efficient and dedicated service of the Office of the Director of Finance. We would like to express our appreciation to all the members of the Grants Accounting and Administration Unit, and to the City Agencies involved in the management of Federal assistance funds, who assisted and contributed to the report's preparation, and enabled the City to successfully complete this Single Audit. We would also like to thank the Mayor, who continues to support our efforts to establish strong, centralized accounting and administrative internal control systems for the effective and efficient management of grant-funded programs City-wide.

Respectfully submitted,



Rob Dubow,
Director of Finance

FINANCIAL SECTION

Schedule of Expenditures of Federal Awards

City of Philadelphia
Schedule of Expenditures of Federal Awards
July 1, 2019 to June 30, 2020

Grantor Agency Project Title	City ID Number	CFDA	Contract Number	Federal Award	Federal Expenditure	Subrecipient Expenditures
U.S. Department of Agriculture						
Child Nutrition Cluster- PA Department of Education:						
School Breakfast and Milk FY20	221935	10.553	Receipts	110,497	110,497	0
Subtotal CFDA # 10.553 National School Breakfast Program				110,497	110,497	0
School Lunch FY20	221935	10.555	Receipts	164,927	164,927	0
Subtotal CFDA # 10.555 National School Lunch Program				164,927	164,927	0
Summer Food Program	143981	10.559	Receipts	41,470	41,470	0
Summer Food Program FY19	160659	10.559	300-51-726-0	5,037,751	3,124,371	0
Summer Food Program FY20	160662	10.559	300-51-726-0	2,518,875	410,484	0
Subtotal CFDA # 10.559 Summer Food Service Program for Children				7,598,096	3,576,325	0
Subtotal: Child Nutrition Cluster PA Department of Education				7,873,520	3,851,749	0
Pass- Through- PA Department of Education:						
After School Snack Program FY19	160694	10.558	300-51-726-0	2,279,343	97,551	0
After School Snack Program FY20	160695	10.558	300-51-726-0	2,182,544	836,237	0
Child & Adult Care Food Program	240900	10.558	Agreement #300-51-	1,085,652	743,827	720,022
Subtotal CFDA # 10.558 Child and Adult Care Food Program				5,547,539	1,677,615	720,022
Subtotal: Pass-Through PA Department of Education				5,547,539	1,677,615	720,022
Pass- Through- PA Department of Human Services:						
Supported Work Program (Workwise) SNAP FY19	80325	10.561	4100083793	281,250	215,253	191,104
Supported Work Program (Workwise) SNAP FY20	80327	10.561	4100083793	375,000	182,863	182,863
Subtotal CFDA # 10.561 State Administrative Matching Grants for SNAP				656,250	398,116	373,967
Subtotal: Pass-Through PA Department of Human Services				656,250	398,116	373,967
Total U.S. Department of Agriculture				14,077,309	5,927,480	1,093,989
U.S. Department of Commerce						
Pass- Through- PA Department of Environmental Resources:						
Schuylkill Banks North End Vegetated	C16094	11.419	CZM 2017-PD-06	26,500	26,500	0
Subtotal: CFDA 11.419 & Pass-Through PA Department of Environmental Resources				26,500	26,500	0
Total U.S. Department of Commerce				26,500	26,500	0
U.S. Department of Housing & Urban Development						
Direct- U.S. Department of Housing & Urban Development:						
HUD Homes Inspection Services FY19	143530	14.000	Receipts	35,610	35,610	0
Subtotal CFDA # 14.000 HUD Home Inspection Services				35,610	35,610	0
CDBG Prior Year	H720PY	14.218	B-10-MC-42-0012	2,449,902	2,449,902	2,413,901
CDBG YEAR 36	H06036	14.218	B-11-MC-42-0012	55,325,903	460,591	445,433
CDBG YEAR 37	H06037	14.218	B-12-MC-42-0012	46,186,638	1,728,880	1,728,879
CDBG YEAR 38	H06038	14.218	B-13-MC-42-0012	38,344,629	127,652	127,652
CDBG YEAR 39	H06039	14.218	B-14-MC-42-0012	40,049,151	1,464,807	1,442,217
CDBG YEAR 40	H06040	14.218	B-15-MC-42-0012	39,308,769	814,510	133,186
CDBG YEAR 41	H06041	14.218	B-15-MC-42-0012	39,046,238	135,275	126,359
CDBG YEAR 42	H06042	14.218	B-15-MC-42-0012	38,807,206	2,197,974	2,088,857
CDBG YEAR 43	H06043	14.218	B-15-MC-42-0012	38,700,839	1,291,467	1,291,467
CDBG YEAR 44	H06044	14.218	B-15-MC-45-0012	42,828,109	4,078,222	3,987,235
CDBG YEAR 45	H06045	14.218	B-15-MC-45-0012	42,828,109	28,202,473	19,534,126
CDBG YEAR 45 Program Income	H06045	14.218	Program Income	1,697,423	1,697,423	1,697,423
NSP 2 Program Income	729988	14.218	Program Income	880,088	880,088	880,088
Subtotal CFDA # 14.218 Community Development Block Grant Program				426,453,004	45,529,264	35,896,823
McKinney Shelter Program (S-11) FY19	241421	14.231	E-18-MC-42-0012	630,722	157,550	115,907
McKinney Shelter Program (S-11) FY19	241422	14.231	E-18-MC-42-0012	1,674,452	406,670	406,670
McKinney Shelter Program (S-11) FY19	241423	14.231	E-18-MC-42-0012	1,178,722	254,865	165,177
McKinney Shelter Program(S-11) FY20	241356	14.231	E-19-MC-42-0012	1,586,571	1,575,170	1,486,571

City of Philadelphia
 Schedule of Expenditures of Federal Awards
 July 1, 2019 to June 30, 2020

Grantor Agency Project Title	City ID Number	CFDA	Contract Number	Federal Award	Federal Expenditure	Subrecipient Expenditures
McKinney Shelter Program(S-11) FY20	241355	14.231	E-19-MC-42-0012	302,657	302,657	256,769
McKinney Shelter Program(S-11) FY20	241357	14.231	E-19-MC-42-0012	1,722,672	1,379,209	1,311,039
Subtotal CFDA # 14.231 Emergency Solutions Grant Program				7,095,796	4,076,121	3,742,133
Home Investment Partnership	72HM18	14.239	M-17MC-42-0203	7,896,797	994,052	994,052
Home Investment Partnership	72HM14	14.239	M-17MC-42-0203	7,896,797	341,222	341,222
Home Investment Partnership	72HM11	14.239	M-17MC-42-0203	7,896,797	54,150	54,150
Home Investment Partnership	72HM15	14.239	M-14MC-42-0203	8,946,920	384,070	384,070
Home Investment Partnership	72HM16	14.239	M-15MC-42-0203	7,800,365	300,273	300,273
Home Investment Partnership	72HM17	14.239	M-16MC-42-0203	8,185,058	4,171,557	4,171,557
Home Investment Partnership	72HM19	14.239	M-18-MC-42-0203	10,371,509	917,670	895,604
Home Investment Partnership	72HM20	14.239	M-19-MC-42-0203	10,127,509	559,999	559,999
Home Investment Partnership	72HMPY	14.239	M-17MC-42-0203	16,275,816	1,016,012	1,016,012
Home-Payroll-FY20	723121	14.239	M-19-MC-42-0203	244,000	244,000	0
Subtotal CFDA # 14.239 Home Investment Partnerships Program				85,641,568	8,983,005	8,716,939
HOPWA- Housing for Persons with AIDS	72HW16	14.241	PA-H15-F-001	7,223,295	33,096	33,096
HOPWA- Housing for Persons with AIDS	72HW19	14.241	PA-H17-F-001	7,343,333	621,487	621,487
HOPWA- Housing for Persons with AIDS	72HW18	14.241	PA-H17-F-001	7,157,610	216,904	216,904
HOPWA- Housing for Persons with AIDS	2HW202	14.241	Award Letter	1,059,147	724,628	712,596
HOPWA- Housing for Persons with AIDS	72HW20	14.241	PA-H19-F-001	7,277,934	5,299,835	5,299,835
HOWPA- Payroll FY20	723122	14.241	PA-H19-F-001	213,000	213,000	0
Subtotal CFDA # 14.241 Housing Opportunities for Persons with AIDS				30,274,319	7,108,950	6,883,918
CoC - Bethesda - Bainbridge Consolidated	242377	14.267	PA0013L3T001811	151,344	113,718	113,718
CoC - Calcutta House Apartments	242373	14.267	PA0002L3T001805	45,312	17,135	17,135
CoC - CEA BHRS	242371	14.267	PA0863L3T001700	184,800	73,548	73,548
CoC - CES HMIS	242350	14.267	PA0789L3T001701	214,200	53,250	0
CoC - DOEH Housing First Project	242361	14.267	PA0619L3T001704	192,335	20,926	0
CoC - Edison 64	242388	14.267	PA0865L3T001700	360,100	306,475	292,835
CoC - FIT Rapid ReHousing	242370	14.267	PA0869L3T001700	364,270	49,068	49,068
CoC - Gaudenzia Shelton Court	242353	14.267	PA0568L3T001702	102,230	17,862	17,862
CoC - Help Help RRH	242365	14.267	PA0788L3T001701	511,600	290,294	278,779
CoC - HMIS	242372	14.267	PA0036L3T001811	461,396	276,544	0
CoC - Northern Home for Children Generation	242354	14.267	PA0566L3T001704	80,943	19,951	19,951
CoC - Project Home - Fairmount	242364	14.267	PA0007L3T001710	42,387	6,650	6,650
CoC - Project Home - Hope Haven I	242356	14.267	PA0038L3T001710	149,520	30,647	30,647
CoC - Project Home - Integrated Supportive	242358	14.267	PA0501L3T001702	266,430	29,560	29,560
CoC - Project Home - Rowan Diamond	242362	14.267	PA0470L3T001708	139,356	22,656	22,656
CoC - Project Home in Community/The Cross	242346	14.267	PA0049L3T001710	393,588	59,174	59,174
CoC - Rapid Re-Housing	242375	14.267	PA0691L3T001802	106,720	58,401	58,401
CoC - Reunification	242379	14.267	PA0072L3T001811	3,086,332	2,350,679	2,350,679
CoC - Valley Youth - RAP 4 Youth	242360	14.267	PA0787L3T001701	728,915	169,391	158,350
CoC - Volunteers of America(VOA)	241208	14.267	PA0673L3T001300	352,323	26,898	26,898
CoC- 1260 Housing Develop Corp Hopin I	242522	14.267	PA0040L3T001811	855,372	409,463	409,463
CoC -1260 Housing Develop Corp Hopin I	242363	14.267	PA0040L3T001710	817,728	302,496	302,496
CoC- 1260 Housing Development Corp CTT	242386	14.267	PA0468L3T001809	202,800	183,644	183,644
CoC- 1260 Housing Development Corp Hopin II	242376	14.267	PA0041L3T001811	667,920	529,288	529,288
CoC- 1260 Housing Development Corp Hopin IV	242384	14.267	PA0336L3T001810	421,008	319,750	319,750
CoC- Action AIDS Back on Track	242517	14.267	PA0868L3T001801	198,408	148,806	148,806
CoC -Action AIDS Back on Track	242369	14.267	PA0868L3T001700	193,488	58,727	58,727
CoC- APM Esperanza	242382	14.267	PA0466L3T001708	108,984	97,877	97,877
CoC- Calcutta House Independence Place	242359	14.267	PA0786L3T001701	158,006	26,332	23,962
CoC- Calcutta House Independence Place	242378	14.267	PA0050L3T001811	120,791	41,214	41,214
Coc- Covenant House Embrace	242526	14.267	PA0909L3T001800	635,000	423,700	395,309
CoC- DePaul St. Raymonds House	242507	14.267	PA0569L3T001804	338,757	259,011	259,011
CoC- DOEH Housing First Project	242518	14.267	PA0681L3T001704	324,929	192,659	192,659
CoC Family Rapid Re Housing	241310	14.267	PA0757L3T001500	2,552,751	659,276	583,676

City of Philadelphia
Schedule of Expenditures of Federal Awards
July 1, 2019 to June 30, 2020

Grantor Agency Project Title	City ID Number	CFDA	Contract Number	Federal Award	Federal Expenditure	Subrecipient Expenditures
CoC-First Foundation	242368	14.267	PA0866L3T001700	508,825	111,936	111,936
CoC- Gaudenzia - Tioga Arms	242504	14.267	PA0690L3T001805	324,463	297,424	297,424
CoC- Gaudenzia Shelton Court	242510	14.267	PA0568L3T001803	106,934	81,462	81,462
CoC- Housing First & Community Intergration	242351	14.267	PA0758L3T001702	975,269	194,229	194,229
CoC- Housing First & Community Intergration	242508	14.267	PA0758L3T001803	975,547	713,916	713,916
CoC- Methodist (Brigde Hope)	242383	14.267	PA0672LT001803	226,622	147,921	147,921
CoC- Pathways Bonus Project	242374	14.267	PA0004L3T001805	552,884	485,731	485,731
CoC- Patriot House	242380	14.267	PA0434L3T001806	62,393	62,393	62,393
CoC- Philadelphia Rapid Re-Housing	242501	14.267	PA0619L3T001805	198,263	194,336	194,336
CoC- Planning Grant	242506	14.267	PA0908L3T001800	973,958	737,703	123,490
CoC- Project Home - Kate's Palce Consolidated	242381	14.267	PA0469L3T001809	281,280	271,139	271,139
CoC- Project Home Fairmount (1523)	242503	14.267	PA0007L3T001811	270,440	134,577	134,577
CoC- Project Home Hope Haven I	242514	14.267	PA0038L3T001811	156,480	97,983	97,983
CoC- Project Home in Community/The Crossing	242502	14.267	PA0049L3T001811	411,828	345,550	345,550
CoC- Project Home Integrated Supportive Housing	242513	14.267	PA0501L3T001803	278,430	189,848	189,848
CoC- Project Home Rowan Judson	242505	14.267	PA0338L3T001810	656,652	516,124	516,124
CoC- Project Home St. John the Evangelist	242385	14.267	PA0607L3T001807	667,974	525,624	525,624
CoC- Rapid Re-Housing	242512	14.267	PA0759L3T001803	653,794	459,775	459,775
CoC- Rapid Re-housing FY19	242355	14.267	PA0759L3T001702	631,390	252,658	247,685
CoC- Salvation Army - Apartments Consolidated	242387	14.267	PA0059L3T001811	352,740	315,254	315,254
CoC- WAA Safe at Home	242516	14.267	PA0867L3T001801	251,354	180,182	180,182
CoC-APM - Escalera	242357	14.267	PA0023L3T001710	72,720	18,553	18,553
CoC-Apm Esperanza	242533	14.267	PA0466L3T001910	108,984	18,164	18,164
CoC-Calutta House Independence PL Expan	242520	14.267	PA0786L3T001802	162,038	54,389	54,389
Coc-Cea Bhrs	242527	14.267	PA0863L3T001801	293,108	169,292	169,292
CoC-DePaul ST Raymond's House	242352	14.267	PA0569L3T001703	328,179	81,670	81,670
Coc-DV CEV BHRS Training	242524	14.267	PA0912D3T001800	47,905	29,355	20,000
Coc-First Foundation	242515	14.267	PA0866L3T001801	520,945	390,709	390,709
CoC-Fit Rapid Re Housing	242511	14.267	PA0869L3T001801	375,490	298,038	298,038
CoC-Gaudenzia Tioga Arms	242349	14.267	PA0690L3T001704	310,243	44,190	44,190
Coc-Help Help RRH	242523	14.267	PA0788L3T001802	525,760	251,365	251,365
CoC-Methodist (Bridge Hope)	242532	14.267	PA0672L3T001904	226,622	37,770	37,770
CoC-Northern Home for Children Generation	242509	14.267	PA0566L3T001805	83,621	69,684	69,684
CoC-Pathways Bonus Project	242528	14.267	PA0004L3T001906	499,884	164,098	164,098
CoC-Pathways Streets to Home	242525	14.267	PA0911L3T001800	267,463	180,452	180,452
CoC-Philadelphia Rapid Re-Housing	242345	14.267	PA0619L3T001704	192,335	16,596	16,596
CoC-Planning Grant	242366	14.267	PA0864L3T001700	979,975	162,276	5,297
CoC-Project Home Kairos House	242347	14.267	PA0055L3T001709	234,576	17,888	17,888
CoC-Rapid Re-housing	242500	14.267	PA0910L3T001800	544,648	420,911	396,969
CoC-Rapid Re-housing	242530	14.267	PA0691L3T001903	104,920	34,974	34,974
CoC-Volunteer of America Allegeny Housing	242521	14.267	PA0673L3T001801	133,296	88,864	88,864
CoC-WAA-Safe at Home	242367	14.267	PA0867L3T001700	244,490	27,830	27,830
Subtotal CFDA # 14.267 Continuum of Care Program				31,304,765	16,537,903	15,235,164
Choice Neighborhoods	722250	14.889	PA3A518CNG113	30,000,000	10,772,907	10,632,907
Subtotal CFDA # 14.889 Choice Neighborhoods Implementation Grants				30,000,000	10,772,907	10,632,907
HUD Healthy Homes Supplement	147152	14.905	PALHB0702-18	600,000	125,768	0
HUD Lead Hazard Demo - Part 7	147151	14.905	PALHB0702-18	3,500,000	646,445	0
Subtotal CFDA # 14.905 Lead Hazard Reduction Demonstration				4,100,000	772,213	0
Subtotal: Direct U.S. Department of Housing & Urban Development				614,905,062	93,815,973	81,107,884
Pass- Through- PA Department of Community & Economic Development:						
Mckinney Shelter Program (S-11) FY20	241349	14.231	C000072754	359,441	255,500	255,500
Emergency Solutions Grant Program	241424	14.231	C000070339	300,000	249,035	249,035
Subtotal CFDA # 14.231 Emergency Solutions Grant Program				659,441	504,535	504,535
Subtotal: Pass- Through- PA Department of Community and Economic Development				659,441	504,535	504,535

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Grantor Agency Project Title	City ID Number CFDA	Contract Number	Federal Award	Federal Expenditure	Subrecipient Expenditures	
Pass- Through- PA Department of Health:						
HUD Lead Based Paint Hazard Control	144601	14.900	4100077833	576,577	149,512	148,012
Subtotal CFDA # 14.900 Lead-Based Paint Hazard Control in Privately-Owned Housing				576,577	149,512	148,012
Subtotal: Pass-Thorough PA Department of Health				576,577	149,512	148,012
Total U.S. Department of Housing & Urban Development				616,141,080	94,470,020	81,760,431
U.S. Department of the Interior						
Direct- U.S. Department of the Interior:						
Tinicum Wildlife Preserve	360144	15.608	P.L. 95-469	4,455	4,455	0
Subtotal CFDA # 15.608 Fish and Wildlife Management Assistance				4,455	4,455	0
Subtotal: Direct U.S. Department of the Interior				4,455	4,455	0
Total U.S. Department of the Interior				4,455	4,455	0
U.S. Department of Justice						
Direct- U.S. Department of Justice:						
Improv Criminal Justice Resp - Arrest Program	100684	16.590	2017-WE-AX-0015	899,666	333,959	333,959
Subtotal CFDA # 16.590 Grants to Encourage Arrest Policies and Enf. Of Protection Orders				899,666	333,959	333,959
Implementation of the IBR/NIBRS	110980	16.734	2016-FU-CX-K056	3,872,621	208,728	0
Subtotal CFDA # 16.734 Special Data Collections and Statistical Studies				3,872,621	208,728	0
2015 JAG XI	100740	16.738	2015-DJ-BX-0752	0	37,761	0
2016 JAG XII	100741	16.738	2016-DJ-BX-0949	0	52,000	0
2018 JAG XIV	111087	16.738	2018-DJ-BX-0465	1,565,517	46,584	0
Edward Byrne Justice Assistance Grant (JAG) - Phase IX	111054	16.738	2013-DJ-BX-1040	1,759,507	281,434	0
JAG - IX - Interest	111055	16.738	2013-DJ-BX-1040	28,425	27,100	0
JAG - XI	111073	16.738	2015-DJ-BX-0752	1,601,647	1,038,409	0
JAG - XII	111077	16.738	2016-DJ-BX-0949	1,677,937	1,393,892	0
JAG - XII Interest	111078	16.738	2016-DJ-BX-0949	48,252	37,247	0
JAG - XIII	111083	16.738	2017-DJ-BX-0727	1,598,674	268,921	0
JAG - XIII Interest	111084	16.738	2017-DJ-BX-0727	23,475	1,625	0
JAG XI Mentor Program	840747	16.738	2015-DJ-BX-0752	0	49,941	49,941
Subtotal CFDA # 16.738 Edward Byrne Memorial Justice Assistance Grant P				8,303,434	3,234,914	49,941
2018 DNA CEBR Backlog Reduction Pgm	111194	16.741	2018-DN-BX-0077	830,044	219,407	219,407
Forensic Casework Backlog Reduction	111191	16.741	2017-DN-BX-0074	823,553	567,644	260,813
Subtotal CFDA # 16.741 DNA Backlog Reduction Program				1,653,597	787,051	480,220
Paul Coverdell Forensic Science Improvement	110985	16.742		58,414	37,710	0
Subtotal CFDA # 16.742 Paul Coverdell Forensic Sciences Improvement Grant Program				58,414	37,710	0
Building Partnerships & Enhancing Surveillance	147180	16.838	2018-AR-BX-K448	996,160	280,916	176,753
Subtotal CFDA # 16.838 Comprehensive Opioid, Stimulant, and Substance Abuse Program				996,160	280,916	176,753
2018 JLEO FBI Program	111193	16.922	MOU	450,085	437,293	0
Federal Forfeiture - DOJ - All Years	110993	16.922	Receipts	5,389,569	405,442	0
Federal Forfeiture Funds - DOJ	690310	16.922	Revenue Based	712,523	182,334	0
Subtotal CFDA # 16.922 Equitable Sharing Program				6,552,177	1,025,069	0
Subtotal: Direct U.S. Department of Justice				22,336,069	5,908,347	1,040,873
Pass- Through- PA Commission on Crime and Delinquency:						
Victim Witness (RASA) FY19	840806	16.523	2018-VS-ST-29242	184,674	79,637	0
Subtotal CFDA # 16.523 Juvenile Accountability Block Grants				184,674	79,637	0
Basic Service-Victim of Juvenile Offenders FY19	690519	16.575	2016/2017/2018-VF	439,125	209,549	0
Evaluation of the Philadelphia Cares	690803	16.575	2017/18-VF-05-291:	180,933	64,871	64,871
Philadelphia Cares	690801	16.575	2016-VF-05-28259	1,009,178	304,887	53,067
Victim Witness FY19	690463	16.575	2016/2017/2018-VF	2,258,835	1,150,009	0
VOJO - Victims of Juvenile Offenders FY19	840527	16.575	2018-VF-05-29244	432,155	196,589	0
Subtotal CFDA # 16.575 Crime Victim Assistance				4,320,226	1,925,905	117,938
PCCD Stop FY19	690147	16.588	2018/2019-VA-01/0	31,250	31,250	0
Subtotal CFDA # 16.588 Violence Against Women Formula Grant				31,250	31,250	0

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Addressing Root Causes (ARC)	100726	16.738	2015/2016-JG-LS-21	149,985	123,400	44,080
Cross System Data & Information Sharing	150725	16.738	2016-JG-LS-28576	149,932	88,971	88,971
Cross System Data & Information Sharing	150726	16.738	Allocation Letter	104,952	44,080	0
JAG XI Interest	111074	16.738	Interest	56,875	56,875	0
Subtotal CFDA # 16.738 Edward Byrne Memorial Justice Assistance Grant P				461,744	313,326	133,051
Phila County Vocational Coordinators	841101	16.812	2016-SR-04 / ST-27	333,169	126,982	126,982
Subtotal CFDA # 16.812 Second Chance Act Reentry Initiative				333,169	126,982	126,982
Building Trade Opioid Initiative	144615	16.838	2018-CO-01 30972	149,928	37,172	37,172
Subtotal CFDA # 16.838 Comprehensive Opioid, Stimulant, and Substance Abuse Program				149,928	37,172	37,172
Subtotal: Pass-Through- PA Commission on Crime and Delinquency				5,480,991	2,514,272	415,143
Total U.S. Department of Justice				27,817,060	8,422,619	1,456,016

U.S. Department of Labor

Direct- U.S. Department of Labor:

1199C	130306	17.278	Award Letter	269,497	166,136	0
Subtotal CFDA # 17.278 WIOA Dislocated Worker Formula Grants				269,497	166,136	0
Subtotal: Direct U.S. Department of Labor				269,497	166,136	0

Pass- Through- PA Department of Labor and Industry:

Program Partnerships Project	100727	17.258	090-18-301-1	191,200	48,127	0
Subtotal CFDA # 17.258 WIOA Adult Program				191,200	48,127	0
Subtotal: Pass-Through- PA Department of Labor and Industry				191,200	48,127	0

Pass- Through- Private Industry Council (PIC):

Phil-A-Job II - Work Experience FY18	160651	17.225	18145/S124	164,700	480	0
Phil-A-Job II - Work Experience FY19	160665	17.225	19145/S124	284,700	14,725	0
Phil-A-Job II - Work Experience FY20	160660	17.225	19145/S124	314,600	217,413	0
Phil-A-Job II - Work Experience FY20	160666	17.225	19145/S124	218,750	136,226	0
Subtotal CFDA # 17.225 Unemployment Insurance				982,750	368,844	0
PYN - Slip Summer Program 2019	160701	17.278	19190/SLP02	11,571	2,658	0
PYN - Slip Summer Program 2020	160702	17.278	19190/SLP02	15,428	13,087	0
PYN - Slip Summer Program 2020	160704	17.278	Award letter	10,500	7,245	0
Subtotal CFDA # 17.278 WIOA Dislocated Worker Formula Grants				37,499	22,990	0
Subtotal: Pass-Through- Private Industry Council (PIC)				1,020,249	391,834	0

Pass- Through- Philadelphia Corporation for the Aging (PCA):

Comm on Aging - PCA FY19	050314	17.235	1030100	832,108	5,403	0
Comm on Aging - PCA FY20	050330	17.235	1-0301-27	838,171	830,999	0
Subtotal CFDA # 17.235 Senior Community Service Employment Program				1,670,279	836,402	0
Subtotal: Pass-Through- Philadelphia Corporation for the Aging (PCA)				1,670,279	836,402	0

Pass- Through- University City District:

West Phila Skills Initiative - WPSI	130305	17.258	Award Letter	191,330	191,330	0
Subtotal CFDA 17.258 & Pass-Through- University City District				191,330	191,330	0
Total U.S. Department of Labor				3,342,555	1,633,829	0

U.S. Department of Transportation

Direct- U.S. Department of Transportation:

Cares Act Funding A Result of Covid 19 FY2020	A42215	20.106	3-42-0076-118-2020	116,281,843	53,790,692	0
Extend RW 9L/27R-Design Phase	C42605	20.106	3-42-0076-111-17	16,686,735	2,113,257	0
Extend RW 9L/27R-Design Phase I	C42605	20.106	3-42-0076-109-16	13,986,135	699,135	0
Reconstruct Runway	C42611	20.106	3-42-0074-021-2018	1,684,631	391,621	0
Reconstruct Runway 6/24	C42611	20.106	3-42-0074-022-2019	8,806,653	3,333,395	0
Reconstruct Taxiway K, Phase 1	C42615	20.106	3-42-0076-115-2019	13,414,936	2,014,124	0
Reconstruction of N&S Aprons & Taxiways	C42612	20.106	3-42-0076-113-2018	18,182,302	8,570,962	0
Rehabilitate Airfield Signs/Approach Aid	C42610	20.106	3-42-0074-020-17	930,980	78,009	0
Subtotal CFDA # 20.106 Airport Improvement Program				189,974,215	70,991,195	0
CMAQ CNG Vehicle	C25004	20.205	0651121	2,000,000	2,000,000	0

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Subtotal CFDA # 20.205 Highway Planning and Construction			2,000,000	2,000,000	0
Subtotal: Direct U.S. Department of Transportation			191,974,215	72,991,195	0
Pass- Through- Delaware Valley Regional Planning Commission:					
Central Philadelphia Multimodal Trans Analysis	104631	20.205 19-67-120	100,000	33,222	0
Complete Streets Plan	720192	20.205 Award Letter	100,000	13,807	0
North Philadelphia Station Area Plan	720200	20.205 Award Letter	100,000	99,967	0
Pedestrian Safety Study and Action Plan	104630	20.205 19-67-130	100,000	21,949	0
Regional GIS Implement & Coordination	120479	20.205 Award Letter	14,096	14,096	0
SHRPP - DVRPC -PY	120233	20.205 receipts	205,799	205,799	0
Subtotal CFDA # 20.205 Highway Planning and Construction			619,895	388,840	0
Short Range Planning	724104	20.505 Award letter	119,758	119,657	0
Transit Planning and Programming FY20	104625	20.505 20-63-005	98,535	96,595	0
Subtotal CFDA # 20.505 Metropolitan Transportation Planning and State and Non-Metr. Pl.			218,293	216,252	0
Subtotal: Pass-Through- Delaware Valley Regional Planning Commission			838,188	605,092	0
Pass- Through- PA Department of Transportation:					
2nd Street Signal Improvement (Green Light-Go)	C12316	20.205 R18060027	3,207,255	416,659	0
53rd Street & Baltimore Ave Safety Improvement	C12312	20.205 068593A	594,000	43,830	0
ADA Ramp Reserve List	C12267	20.205 068551A	467,200	2,700	0
American Cities/Safe Rts Schools	C12250	20.205 066526C; 0651145A	640,000	342,495	0
American Street	C12209	20.205 receipts	22,109,097	6,941,005	0
Bridge Design/Inspection-PY	120253	20.205 R18060025	76,003	76,003	0
Chelton Greene Plaza TA SET ASIDE	C12311	20.205 R18060032	366,300	199,083	0
Cherokee Street Brigde over Valley Green	C12309	20.205 R17060012	100,000	7,400	0
City ADA Ramps	C12304	20.205 R17060010	6,951,670	24,724	0
City ADA Ramps 2	C12305	20.205 0651059A; R170600	503,200	175,955	0
Citywide Resurfacing 104	C12282	20.205 0651062A	12,210,134	3,468,696	0
Citywide Resurfacing 105	C12283	20.205 R17060006	1,159,200	164,751	0
Citywide Resurfacing 106	C12300	20.205 065697B	15,200,000	636,001	0
Delaware Ave (Lewis-Orthodox)	C12169	20.205 receipts	5,141,600	325,476	0
Federal Highways-CY	120241	20.205 receipts	299,595	299,595	0
Federal Highways-PY	120243	20.205 065699C	440,502	440,502	0
Island Avenue Signals/Transit Ist II	C12140	20.205 69535	1,460,400	417,432	0
Kensington and Tacony Trail	C16053	20.205 065695C	2,652,000	73,503	0
Lincoln Drive	C12194	20.205 065595D	3,008,783	3,008,783	0
Montgomery Avenue/Amtrak	C12182	20.205 651030	2,275,200	947,104	0
Schuylkill River Swing Bridge	C12298	20.205 0651147A	11,109,336	3,413,423	0
South Philadelphia Neighborhood Bikeway	C12288	20.205 0651048	147,500	25,828	0
Swanson Street	C12281	20.205 68553	600,000	112,349	0
Traffic Operations Center	C12249	20.205 0651216	280,000	25,599	0
Transportation Alternatives set aside	100687	20.205 0651191	450,000	100,609	0
Transportion Alternatives Set Aside	C10005	20.205	983,692	983,692	0
Subtotal CFDA # 20.205 Highway Planning and Construction			92,432,667	22,673,197	0
Vision Zero Community Traffic Safety Edu	100734	20.616 CTSP2019-PHILA-(	455,805	30,839	0
Subtotal CFDA # 20.616 National Priority Safety Programs			455,805	30,839	0
Roosevelt Blvd Multipodal Study	C12280	20.933 0651049	2,500,000	93,635	0
Subtotal CFDA # 20.933 National Infrastructure Investments			2,500,000	93,635	0
Subtotal: Pass-Through- PA Department of Transportation			95,388,472	22,797,671	0
Total U.S. Department of Transportation			288,200,875	96,393,958	0
U.S. Department of Treasury					
Direct- U.S. Department of Treasury:					
Federal Forfeiture - DOT - All Years	110994	21.016 Receipts	2,474,065	48,050	0
Federal Forfeiture Funds - DOT	690311	21.016 Revenue Based	554,090	9,119	0
Subtotal CFDA # 21.016 Equitable Sharing			3,028,155	57,169	0

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FY 2020 Cares Act	100392	21.019	Receipts	212,437,826	901,325	0
FY2020 Cares Act	100391	21.019	Receipts	62,975,896	62,975,896	10,568,230
Subtotal CFDA # 21.019 Coronavirus Relief Fund				275,413,722	63,877,221	10,568,230
Subtotal: Direct U.S. Department of Treasury				278,441,877	63,934,390	10,568,230
Total U.S. Department of Treasury				278,441,877	63,934,390	10,568,230
<u>U.S. General Services Administration</u>						
Pass- Through- PA Department of State:						
Help America Vote Act - HAVA	730020	39.011	Interest	539,721	301,705	0
Subtotal CFDA # 39.011 Help American Vote Act (HAVA)				539,721	301,705	0
Subtotal: Pass Thru - Pa Department of State				539,721	301,705	0
Total U.S. General Services Administration				539,721	301,705	0
<u>U.S. Library of Congress</u>						
Direct- U.S. Library of Congress:						
National Library Service Material	520998	42.001	Donated Books	99,148	99,148	0
Subtotal CFDA # 42.001 Books for the Blind and Physically Handicapped				99,148	99,148	0
Subtotal: Direct U.S. Library of Congress				99,148	99,148	0
Total U.S. Library of Congress				99,148	99,148	0
<u>U.S. Environmental Protection Agency</u>						
Direct- U.S. Environmental Protection Agency:						
Air Pollution Control Program	143837	66.001	A-00304517-0	1,855,120	36,000	0
Air Pollution Control Program (F) FY19	143832	66.001	A-00304517-8	1,784,066	710,775	0
Air Pollution Control Program FY20	143866	66.001	A-00304320-3	1,825,436	1,206,493	0
Subtotal CFDA # 66.001 Air Pollution Control Program Support				5,464,622	1,953,268	0
Ambient Air Monitoring Network FY19	143512	66.034	PM-97311805-0	163,387	124,135	0
Ambient Air Monitoring Network FY20	143549	66.034	PM-97311805-1	163,387	71,956	0
Subtotal CFDA # 66.034 Surveys, Studies, Research, Investig. Clean Air Act				326,774	196,091	0
Phila Air Quality Survey Project	143498	66.204	AA-96346101-1	100,000	12,975	0
Subtotal CFDA # 66.204 Multipurpose Grants to States and Tribes				100,000	12,975	0
Subtotal: Direct U.S. Environmental Protection Agency				5,891,396	2,162,334	0
Pass- Through- Phila Redevelopment Authority:						
Brownfields Site Assessment Grant	492011	66.818	BF-963374-01	168,673	6,586	0
Subtotal CFDA # 66.818 Brownfield Assesment and Clean Up Grant Progr				168,673	6,586	0
Subtotal: Pass- Through- Phila Redevelopment Authority:				168,673	6,586	0
Pass- Through- PENNVEST:						
Green Infrastructure Tree Planting	C17056	66.458	51001021005-CN	1,825,375	41,284	0
Subtotal CFDA # 66.458 Capitalization Grants for Clean Water State Revolvi				1,825,375	41,284	0
Subtotal: Pass- Through- PENNVEST:				1,825,375	41,284	0
Total U.S. Environmental Protection Agency				7,885,444	2,210,204	0
<u>U.S. Department of Education</u>						
Pass- Through- PA Department of Human Services:						
ID - Early Intervention (70170) FY20	150871	84.181	Allocation Letter	6,026,536	6,026,536	6,026,536
Subtotal CFDA # 84.181 Special Education Grants for Infants and Families				6,026,536	6,026,536	6,026,536
Subtotal: Pass-Through- PA Department of Human Services:				6,026,536	6,026,536	6,026,536
Pass- Through- PA Department of Community & Economic Development:						
Prosper	080545	84.215	Subgrant #830003	175,000	76,572	0
Subtotal CFDA 84.215 & Pass-Through- PA Department of Community & Economic development				175,000	76,572	0
Total U.S. Department of Education				6,201,536	6,103,108	6,026,536
<u>U.S. Elections Assistance Commission</u>						
Pass- Through- PA Department of State:						

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HAVA - Title II - Section 251 Polling Places	730028	90.401	4100029051	1,457,878	304,544	0
Subtotal CFDA 90.401 & Pass-Through- PA Department of State:				1,457,878	304,544	0
Total U.S. Election Assistance Commission				1,457,878	304,544	0
U.S. Department of Health & Human Services						
Direct- U.S. Department of Health & Human Services:						
Surveillance, intervention, and referral to services activitis for infants with Zika	143816	93.073	NU50DD000042-01	522,278	37,466	37,466
Subtotal CFDA # 93.073 Birth Defects and Developmental Prevention & Surveill.				522,278	37,466	37,466
GHP - Sodium Reduction FY20	143536	93.082	5 NU58DP000012-0	395,000	154,064	60,499
GHP-Sodium Reduction FY19	143509	93.082	5 NU58DP000012-0	395,000	157,294	129,605
Subtotal CFDA # 93.082 Sodium Reduction in Communities				790,000	311,358	190,104
Federal Tuberculosis Control FY19	143778	93.116	5 NU52PS004713-0	591,378	490,226	168,791
Federal Tuberculosis Control FY20	143851	93.116	5 NU52PS910223-0	576,093	172,729	5,200
Subtotal CFDA # 93.116 Project Grants and Cooperative Agreements for Tuberculosis Cntr				1,167,471	662,955	173,991
Accerlating Strategic Plan to end HIV	144625	93.118	1 NU65PS923706-0	381,444	144,597	144,597
Subtotal CFDA # 93.118 Acquired Immunodeficiency Syndrome (AIDS)				381,444	144,597	144,597
Hepatitis B Virus Infection Prevention	144116	93.137	1CPIMP191179-01-	499,980	499,980	483,480
Subtotal CFDA # 93.137 Community Programs to Improve Minority Health Grant Program				499,980	499,980	483,480
Woman Infant Children Youth HIV Service FY19	146635	93.153	5 H12HA24868-07-0	365,529	53,489	18,711
Woman Infant Children Youth HIV Service FY20	146636	93.153	4 H12HA24868-08-0	731,058	278,228	224,460
Subtotal CFDA # 93.153 Coordinated Services for Women, Infants, Children				1,096,587	331,717	243,171
Coronavirus PreParedness & Response	144419	93.224	A H8CCS3509-01-0	79,303	30,824	0
HRSA Cares Health Center Program	144418	93.224	1 H8DCS3637-01-00	994,070	20,164	0
HRSA Health Care Qualiity Improvement FY19	144413	93.224	6 H80CS29024-05-0	35,000	30,278	30,278
HRSA Health Center #10 FQHC New Access Point	144410	93.224	6 H80CS29024-05-0	651,152	568,829	226,115
HRSA Health Center Dental Component	144412	93.224	6 H80CS29024-05-0	349,265	290,763	12,047
HRSA Health Center Outreach & Enrollment FY19	144411	93.224	6H80CS29024-05-0	502,852	448,773	447,152
HRSA Health Center#10 FQHC New Access PT	144414	93.224	2 H80CS29024-06-0	318,019	20,788	0
HRSA Integrated Behavioral Health ServiceFY19	144416	93.224	6 H80CS29024-05-0	167,000	48,996	43,271
HRSA NAP Yr 6 Dental Funding	144481	93.224	2 H80CS29024-06-0	347,021	19,409	0
HRSA NAP Yr 6 Sub MH Funding	144482	93.224	2 H80CS29024-06-0	396,442	6,807	0
HRSA Primary Care HIV Prevention (PCHP)	144417	93.224	1 H8DCS6344-01-00	262,086	8,468	0
HRSA Substance Use Disorder Mental Health FY19	144415	93.224	6 H80CS29024-05-0	306,992	144,079	42,102
Subtotal CFDA # 93.224 Health Center Program				4,409,202	1,638,178	800,965
Comprehensive Addiction/Recovery Service	144570	93.243	1H79SP080336-01	999,658	535,042	312,917
Subtotal CFDA # 93.243 Substance Abuse and Mental Health Services Projects of Reg. Sgn.				999,658	535,042	312,917
Immunization Program - Donated Vaccines	149999	93.268	Direct Assistance Va	29,269,225	25,226,136	0
Childhood Immunization Program FY17	143518	93.268	5NH23IP0000735-0	1,560,407	14,856	14,856
FED Immunization & Vaccines PPHF	143522	93.268	6NH23UIP000735-0	1,279,132	4,170	4,170
Immunization & Vaccines for Children Cor	144460	93.268	1 NH23IP922583-01	3,408,644	3,408,644	2,796,778
Subtotal CFDA # 93.268 Immunization Cooperative Agreements				35,517,408	28,653,806	2,815,804
Perinatal Hepatitis B Prevention Program-Auxiliary Prevention Projects	143794	93.270	5 NU51PS005057-0	40,000	28,432	28,432
Philadelphia Improving Hepatitis B&C Care CASCA	143828	93.270	5 NU51PS005109-0	139,309	139,309	139,041
Subtotal CFDA # 93.270 Viral Hepatitis Prevention and Control				179,309	167,741	167,473
Enhanced Epidemiology & Lab Capacity FY20	143849	93.323	6 NU50CK000521-0	1,877,926	1,423,993	1,122,280
Enhanced Epidemiology & Lab Cap FY19	143808	93.323	6 NU50CK000430-0	2,083,788	626,357	571,511
Subtotal CFDA # 93.323 Epidemiology and Lab Capacity for Infectious Disea				3,961,714	2,050,350	1,693,791
Pub Health Crisis Response Covid 19	144243	93.354	1 NU90TP22088-01	3,500,000	157,133	117,307
Subtotal CFDA # 93.354 Public Health Emergency Response				3,500,000	157,133	117,307
Health Strategies to Prevent Diabetes	144510	93.435	1 NU58DP006628-0	1,200,000	591,829	588,616
Health Strategies to Prevent Diabetes FY20	144511	93.435	5 NU58DP006628-0	1,200,000	562,924	558,590
Subtotal CFDA # 93.435 Innovative State and Local Public Health Strategies				2,400,000	1,154,753	1,147,206
Title IV-E Reimb Administrative Claims	840725	93.658	receipts	156,955	156,955	0
Subtotal CFDA # 93.658 Foster Care Title IV-E				156,955	156,955	0

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Grantor Agency Project Title	City ID Number	CFDA	Contract Number	Federal Award	Federal Expenditure	Subrecipient Expenditures
HIV Emergency Relief FY19	144056	93.914	2H89HA000013-29-	1,443,087	959,359	56,971
HIV Emergency Relief - UA/CMI FY 20	144065	93.914	2H89HA000013-30-	379,900	120,161	0
HIV Emergency Relief FY20	144064	93.914	2H89HA000013-30-	1,385,087	129,268	28,113
HIV Emergency Relief Project	144066	93.914	2H89HA000013-30-	4,131,028	4,002,137	3,685,947
HIV Emergency Relief Project - CQI FY19	144059	93.914	2H89HA000013-29-	446,803	341,727	329,047
HIV Emergency Relief Project - UA/CMI FY19	144057	93.914	2H89HA000013-29-	408,058	408,058	2,500
HIV Emergency Relief Project FY19	144058	93.914	2H89HA000013-29-	20,888,870	16,222,601	15,702,505
HIV Emergency Relief-CQI FY20	144067	93.914	2H89HA000013-30-	78,929	5,911	0
Subtotal CFDA # 93.914 HIV Emergency Relief Project Grants				<u>29,161,762</u>	<u>22,189,222</u>	<u>19,805,083</u>
Outpatient HIV Early Intervention FY18	143496	93.918	2 H76HA00077-27-(	538,002	28,942	27,564
Outpatient HIV Early Intervention FY19	143546	93.918	5 H76HA00077-28-(	789,009	435,741	272,444
Outpatient HIV Early Intervention FY20	143548	93.918	6 H76HA00077-29-(	789,009	339,850	205,434
Part C Covid 19 Outpatient Supplemental Funding	144085	93.918	1H7CHA37115-01-(	141,592	26,265	0
Part D Covid 19 WICY Supplemental Funding	146638	93.918	1 H1XHA36E976-0	26,834	5,318	0
Subtotal CFDA # 93.918 Grants to Provide Outpatient Early Intervention Services				<u>2,284,446</u>	<u>836,116</u>	<u>505,442</u>
Healthy Start Initiative (West) FY2020	143538	93.926	5 H49MC00135-20-	1,122,899	204,588	204,588
Healthy Start Initiative (West) FY 2019	143510	93.926	6 H49MC00135-19-	1,455,979	1,194,987	1,017,987
Subtotal CFDA # 93.926 Healthy Start Initiative				<u>2,578,878</u>	<u>1,399,575</u>	<u>1,222,575</u>
SPNS HCV Grant FY19	144232	93.928	59030518-03-00	643,930	194,946	194,946
Subtotal CFDA # 93.928 Special Projects of National Significance				<u>643,930</u>	<u>194,946</u>	<u>194,946</u>
AIDS Prevention Project Navigation FY19	144218	93.940	6 NU62PS005039-0-	1,065,227	975,402	879,343
CSP Component B FY19	144157	93.940	6 NU62PS924545-0-	707,941	252,494	217,925
CSP Component B FY 20	144168	93.940	6 NU62PS924545-0-	707,941	153,851	103,317
CSP Division of Disease Control DDC FY20	144170	93.940	6 NU62PS924545-0-	394,999	199,470	0
CSP HIV Surveillance FY19	144155	93.940	6NU62PS924545-02	989,160	516,817	175,429
CSP HIV Surveillance FY20	144166	93.940	6 NU62PS924545-C	989,160	413,276	155,595
CSP Prevention Project FY19	144156	93.940	6NU62PS924545-02	4,748,990	2,782,438	2,068,408
CSP Prevention Project FY20	144167	93.940	6 NU62PS924545-C	4,468,700	1,653,453	1,334,913
CSP Project FY19	144154	93.940	6NU62PS924545-02	598,386	287,258	0
CSP Project FY20	144165	93.940	6 NU62PS924545-C	483,677	143,803	0
Subtotal CFDA # 93.940 HIV Prevention Activities Health Department Based				<u>15,154,181</u>	<u>7,378,262</u>	<u>4,934,930</u>
Philadelphia Cooperative Reengage Controlled Trial	144060	93.943	6U01PS00S004505-	317,494	156,861	131,339
Subtotal CFDA # 93.943 Epidemiologic Research, Studies, of Acquired Immunodeficiency				<u>317,494</u>	<u>156,861</u>	<u>131,339</u>
Medical Monitoring Project (MMP) FY18	143856	93.944	NU62PS004960-04	483,212	36,384	36,384
Medical Monitoring Project (MMP) FY19	143943	93.944	6 NU62PS004960-0-	570,611	388,160	283,284
Medical Monitoring Project (MMP) FY20	143965	93.944	1 NU62PS924608-0	483,211	8,141	0
National HIV Behavioral Surveillance FY19	143378	93.944	5NU62PS005088-04	412,837	231,366	231,366
National HIV Behavioral Surveillance FY20	143523	93.944	6 NU62PS005088-0-	350,001	110,000	110,000
National HIV Hepatitis C FY19	143349	93.944	5NU62PS005088-01	47,522	24,834	18,804
National HIV Transgender FY19	143386	93.944	5NU62PS005088-04	300,000	188,240	188,240
Subtotal CFDA # 93.944 Human Immunodeficiency Virus (HIV)/Acq. Immun				<u>2,647,394</u>	<u>987,125</u>	<u>868,078</u>
STD - Program Income FY19	143756	93.977		130,623	8,695	5,086
STD Surveillance Network FY18	143821	93.977	NH25PS004248-05-	718,494	280,471	245,111
STD Surveillance Network FY20	144068	93.977	1 NH25PS005193-0	285,417	127,523	100,000
Strengthening STD Prevention & Control	143823	93.977	1 NH25PS005145-0	1,843,711	1,006,314	765,380
Strengthening STD Prevention & Control	143847	93.977	5NH 25PS005145-0-	785,365	785,365	627,107
Subtotal CFDA # 93.977 Sexually Transmitted Diseases (STD) Preventive and Control Grant				<u>3,763,610</u>	<u>2,208,368</u>	<u>1,742,684</u>
Subtotal: Direct U.S. Department of Health and Human Services				<u>112,133,701</u>	<u>71,852,506</u>	<u>37,733,349</u>
Pass- Through- PA Department of Drug and Alcohol Programs:						
Homeless 2 Home Behavioral Health Project FY20	150612	93.243	Allocation Letter	1,268,388	835,834	835,834
Philadelphia Alliance for Child Trauma Services (PACTS) FY19	150609	93.243	3U79SM063192-03S	707,692	126,791	126,791
Philadelphia Alliance for Child Trauma Services (PACTS) FY20	150611	93.243	Allocation Letter	400,000	332,115	332,115
Philadelphia Healthy & H.O.M.E. FY20	150613	93.243	1H79SM082199-01	1,000,000	236,355	228,583
Subtotal CFDA # 93.243 Substance Abuse and Mental Health Services Projects of Reg. Sgn.				<u>3,376,080</u>	<u>1,531,095</u>	<u>1,523,323</u>

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Grantor Agency Project Title	City ID Number	CFDA	Contract Number	Federal Award	Federal Expenditure	Subrecipient Expenditures
State Opioid Response (SOR) Treatment	150966	93.788	Annual Sch of fundi	1,379,533	1,311,372	1,311,372
State Opioid Response Pervention	150965	93.788	Annual Sch of fundi	64,800	53,500	53,500
Subtotal CFDA # 93.788 State Targeted Response to the Opioid Crisis Grants				<u>1,444,333</u>	<u>1,364,872</u>	<u>1,364,872</u>
SAPT - Alcohol Intervention/Treatment FY18	150928	93.959	Allocation Letter	1,897,455	7,656	7,656
SAPT - Alcohol Intevention/Treatment Fee FY20	150964	93.959	Annual Sch of fundi	282,047	282,047	282,047
SAPT - Alcohol Intevention/Treatment FY20	150963	93.959	Annual Sch of fundi	1,894,103	1,894,103	1,894,103
SAPT - Drug Intervention/Treatment Service Fee FY18	150927	93.959	Allocation Letter	2,519,317	94,921	94,921
SAPT - Drug Intervention/Treatment FY18	150926	93.959	Allocation Letter	3,859,601	136,712	136,712
SAPT - Drug Intervention/Treatment FY20	150961	93.959	Annual Sch of fundi	4,367,968	4,365,581	4,365,581
SAPT - Drug Intervention/Treatment Service Fee FY20	150962	93.959	Annual Sch of fundi	2,010,950	2,010,950	2,010,950
SAPT- Alcohol Intervention / Treatment Service Fee	150929	93.959	Allocation Letter	278,695	408	408
Substance Abuse Prevention (SAPT)	150925	93.959	Allocation Letter	2,500,913	44,235	44,235
Substance Abuse Prevention (SAPT)	150960	93.959	Annual Sch of fundi	2,500,913	2,500,913	2,500,913
Subtotal CFDA # 93.959 Block Grants for Prevention and Treatment of Substance Abuse				<u>22,111,962</u>	<u>11,337,526</u>	<u>11,337,526</u>
Subtotal: Pass- Through- PA Department of Drug and Alcohol Programs:				<u>26,932,375</u>	<u>14,233,493</u>	<u>14,225,721</u>
Pass- Through- PA Department of Human Services:						
Title IV-E Legal Custodian SPLC FY20	222229	93.090	Award Letter	12,066,402	3,853,357	0
Title IV-E SPLC	222219	93.090	Award Letter	4,653,732	1,520	66
Subtotal CFDA # 93.090 Guardianship Assistance				<u>16,720,134</u>	<u>3,854,877</u>	<u>66</u>
MH - Homeless Grant (70154) FY20	150897	93.150	Allocation Letter	438,674	438,674	0
Subtotal CFDA # 93.150 Project for assistance in Transition from Homelessness				<u>438,674</u>	<u>438,674</u>	<u>0</u>
Supported Work Program (Workwise) FY19	080322	93.558	4,100,065,378	1,886,509	105	0
Supported Work Program (Workwise) FY19	080324	93.558	4100083793	5,659,525	3,395,273	3,204,249
Supported Work Program (Workwise) FY20	080326	93.558	4100083793	7,546,034	5,479,139	5,231,608
Temporary Assistance for Needy Families - TANF FY18	221659	93.558	Children & Youth P	26,033,804	1,871	1,871
Temporary Assistance for Needy Families FY19	221662	93.558	Children & Youth P	26,033,804	420,684	420,684
Temporary Assistance for Needy Families TANF	221656	93.558	Children & Youth P	26,033,804	548	0
Temporary Assistant for Needy Families TANF FY20	221665	93.558	Award Letter	26,033,804	20,281,073	20,281,073
Subtotal CFDA # 93.558 Temporary Assistance for Needy Families				<u>119,227,284</u>	<u>29,578,693</u>	<u>29,139,485</u>
Child Support Enforcement FY20	690485	93.563	Title IV-D Program	1,032,128	1,032,128	0
Child Support Program FY20	841030	93.563	Title IV-D Program	17,728,121	17,728,121	0
Subtotal CFDA # 93.563 Child Support Enforcement				<u>18,760,249</u>	<u>18,760,249</u>	<u>0</u>
Title IV-B FY19	221683	93.645	Award Letter	2,575,773	162,361	162,361
Title IV-B FY20	221684	93.645	Award Letter	2,575,773	2,174,675	2,174,675
Subtotal CFDA # 93.645 Steph Tubbs Jones Child Welfare Service Program				<u>5,151,546</u>	<u>2,337,036</u>	<u>2,337,036</u>
Title IV-E Demonstration Project	221447	93.648	Award Letter	60,298,449	805,275	805,275
Title IV-E Demonstration Project FY18	221493	93.648	Award Letter	59,836,117	129,697	126,207
Subtotal CFDA # 93.648 Child Welfare Training or Demonstration				<u>120,134,566</u>	<u>934,972</u>	<u>931,482</u>
Information Technology (ITG) FY20	222257	93.658	Award Letter	3,281,992	2,997,921	0
Title IV-E Foster Care	222007	93.658	Award Letter	3,264,912	126	126
Title IV-E Foster Care	222014	93.658	Award Letter	3,946,026	24,864	24,684
Title IV-E Foster Care FY18	222025	93.658	Award Letter	2,861,878	99,074	99,074
Title IV-E Foster Care FY19	222030	93.658	Award Letter	88,495,964	2,115,245	2,115,245
Title IV-E Foster Care FY20	222037	93.658	Award Letter	57,942,059	100,746,696	66,754,066
Title IV-E Program Income	229995	93.658	Child Support SSI	1,815,864	1,815,864	0
Subtotal CFDA # 93.658 Foster Care Title IV-E				<u>161,608,695</u>	<u>107,799,790</u>	<u>68,993,195</u>
Title IV-E Adoption Assistance FY18	222058	93.659	Award Letter	16,984,368	4,794	4,436
Title IV-E Adoption Assistance FY20	222068	93.659	Award Letter	54,914,042	30,107,146	0
Subtotal CFDA # 93.659 Adoption Assistance				<u>71,898,410</u>	<u>30,111,940</u>	<u>4,436</u>
Child Protective Services FY20	221780	93.667	Award Letter	2,888,308	2,888,308	0
Family Preservation Funds- Title XX	150498	93.667	Award Letter	605,304	82,425	82,425
Family Preservation Funds -Title XX FY20	150500	93.667	Award Letter	605,304	605,304	605,304
HAP - Briddge Housing (F)FY19	241268	93.667	Allocation Letter	2,717,027	201,102	201,102
HAP - Bridge Housing FY20	241361	93.667	Allocation Letter	3,030,161	3,030,161	2,955,236

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HAP - Case Management (F) FY19	241266	93.667	Allocation Letter	983,699	38,795	38,795
HAP - Case Management (F) FY19	241271	93.667	Allocation Letter	300,704	16,664	16,664
HAP - Case Management FY20	241365	93.667	Allocation Letter	607,900	157,234	157,234
HAP - Case Management FY20	241364	93.667	Allocation Letter	1,175,529	840,482	677,627
HAP - Program Income FY19	241274	93.667	Allocation Letter	19,865	8,858	8,858
ID - SSBG (70177) FY20	150872	93.667	Allocation Letter	1,422,353	1,422,352	1,422,352
MH - SSBG (70135) FY20	150896	93.667	Allocation Letter	5,532,135	5,532,135	2,817,969
Subtotal CFDA # 93.667 Social Services Block Grant				19,888,289	14,823,820	8,983,566
Title IV-E Independent Living FY20	222040	93.674	Award Letter	1,044,895	1,044,751	1,044,751
Subtotal CFDA # 93.674 Chafee Foster Care Independence Program				1,044,895	1,044,751	1,044,751
ID - TSM Admin (70175) FY20	150875	93.778	Allocation Letter	612,998	612,998	0
ID - Waiver - Admin (70175) FY20	150873	93.778	Allocation Letter	7,035,767	7,035,767	3,114,820
ID - Waiver - EI (70184) FY20	150874	93.778	Allocation Letter	469,624	205,872	72,717
Title IV-E Medical Assistance FY18	222148	93.778	Award Letter	264,476	1,579	0
Subtotal CFDA # 93.778 Medical Assistance Program				8,382,865	7,856,216	3,187,537
Navigation & Housing Services - Individual w/Opioid Use Disorder 19	150621	93.788	4100083253	1,015,805	353,101	353,101
Navigation & Housing Services - Individual w/Opioid Use Disorder 20	150622	93.788	Allocation Letter	1,749,677	955,355	955,355
Subtotal CFDA # 93.788 State Targeted Response to the Opioid Crisis Grants				2,765,482	1,308,456	1,308,456
Temporary Money Follows the Person MFP FY20	150876	93.791	Allocation Letter	180,000	53,334	0
Subtotal CFDA # 93.791 Money Follows the Person Rebalancing Demonstrati				180,000	53,334	0
MH - CMHSBG (70167) FY 20	150898	93.958	Allocation Letter	2,731,551	2,731,551	0
Subtotal CFDA # 93.958 Block Grants for Community Mental Health Services				2,731,551	2,731,551	0
HAP - Bridge Housing (Pennfree) FY20	241362	93.959	Allocation Letter	1,251,800	1,247,589	1,247,589
HAP - Bridge Housing (PENNFREE)FY19	241269	93.959	Allocation Letter	1,251,800	13,787	13,787
Subtotal CFDA # 93.959 Block Grants for Prevention and Treatment of Subst				2,503,600	1,261,376	1,261,376
Subtotal: Pass- Through- PA Department of Human Services:				551,436,240	222,895,735	117,191,386
Pass- Through- PA Department of Community & Economic Development:						
Community Services Block Grant FY20	160717	93.569	MOU	0	201,443	0
Community Services Block Grant FY20	160718	93.569	MOU	0	205,288	0
Community Services Block Grant -LEAD FY20	143764	93.569	MOU	0	152,228	0
Community Services Block Grant-Lead FY19	143777	93.569	MOU	0	180,556	0
CSBG - Administration FY19	080332	93.569	C000066926	5,330,531	3,040,865	1,799,281
CSBG - Administration FY20	080334	93.569	C000066926	5,415,451	841,199	253,814
CSBG - Emergency Assistance FY19	241352	93.569	MOU	0	96,969	96,969
CSBG - Emergency Assistance FY20	241354	93.569	MOU	0	403,159	203,999
CSBG- Administration FY18	080331	93.569	C000066926	5,647,334	239,949	238,740
SERVE Philadelphia FY20	100668	93.569	MOU	0	69,494	0
SERVE Philadelphia FY20	100790	93.569	MOU	0	51,691	0
Subtotal CFDA # 93.569 Community Services Block Grants				16,393,316	5,482,841	2,592,803
Subtotal: Pass- Through- PA Department of Community and Economic Development:				16,393,316	5,482,841	2,592,803
Pass- Through- NACCHO - National Association of County and City Health Officials						
Opioid Response Strategy Pilot Projects	144885	93.421	2019-010302	100,000	100,000	100,000
Subtotal CFDA # 93.421 Strengthening Public Health Systems & Services thru Nat'l Partnerships				100,000	100,000	100,000
Subtotal: Pass- Through- NACCHO - National Association of County and City Health Officials				100,000	100,000	100,000
Pass- Through- Family Planning Council:						
Family Planning Services FY20	143532	93.217	200301	502,775	473,585	307,339
Family Planning Supplemental FY17	143524	93.217	170,301	398,790	398,790	40,414
Subtotal CFDA # 93.217 Family Planning Services				901,565	872,375	347,753
C & B Cancer Prevention (F) FY16	143383	93.919	170304	975,393	89,565	62,349
C & B Cancer Prevention FY18	143384	93.919	170304	952,181	701,107	78,620
Subtotal CFDA # 93.919 Cooperative Agr. St. Based Compr.Breast & Cerv, C				1,927,574	790,672	140,969
Subtotal: Pass- Through- Family Planning Council:				2,829,139	1,663,047	488,722
Pass- Through- Philadelphia Corporation for the Aging (PCA):						
Older Adult Program FY20	160686	93.044	1-0119-00-3117	791,622	780,470	0

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Subtotal CFDA # 93.044 Spec. Programs for the Aging Title III, Part B Supp.			791,622	780,470	0	
Med Improvement for Patients and Prov (MIPP) FY19	050304	93.071	Award Letter	13,133	13,133	0
Subtotal CFDA # 93.071 Medicare Enrollment Assistance				13,133	13,133	0
Comm on Aging - Apprise FY20	050329	93.324	1-0301-25	38,107	36,654	0
Comma on Aging - Apprise- MIPPA FY20	050328	93.324	1-0301-27	11,345	11,345	0
Subtotal CFDA # 93.324 State Health Insurance Assistance Program				49,452	47,999	0
Subtotal: Pass- Through- Philadelphia Corporation for the Aging (PCA) :				854,207	841,602	0
Pass- Through- Philadelphia Health Management Corp:						
Mentally Ill Homeless Services FY18	150860	93.224	Award Letter	55,000	17,733	17,733
Subtotal CFDA # 93.224 Health Center Program				55,000	17,733	17,733
Subtotal: Pass- Through- Philadelphia Health Management Corp:				55,000	17,733	17,733
Pass- Through- PA Department of Health:						
Bioterrorism Grant - Cities Readiness Initiative	144401	93.069	SAP#4100080549	626,112	92,291	92,291
Bioterrorism Grant - Cities Readiness Initiative FY20	144405	93.069	SAP#4100083768	623,159	608,158	603,202
Bioterrorism Grant - Core (Prev B) FY20	144404	93.069	SAP#4100083768	446,926	445,227	443,627
Bioterrorism Grant - Hospital Prepare Program MRC FY20	144407	93.069	SAP#4100083768	10,343	10,343	10,343
Community Preparedness for Opioid Crisis FY20	144409	93.069	SAP#4100083768	125,000	122,212	122,212
Subtotal CFDA # 93.069 Public Health Emergency Preparedness				1,831,540	1,278,231	1,271,675
Phila Integ System of Care (PISCE)	150080	93.104	5U79SM062463-02	383,172	383,172	383,172
Philadelphia Integrated System of Care Expansion (PISCE) FY20	150081	93.104	5U79SM062463-02	370,540	370,540	362,768
Subtotal CFDA # 93.104 Compreh. Comm. Mental Serv. Children SED				753,712	753,712	745,940
Opioid Involved Mortality Surveillance	144181	93.136	Award Letter	233,495	44,000	44,000
Build Evidence Based Prevention in Phila	144522	93.136	1 NU17CE924977-0	400,000	25,117	25,117
Opioid Involved Mortality Surveillance FY20	144180	93.136	SAP 4100075927 S/	18,037	16,857	16,857
Opioid Involved Mortality Surveillance Part 2	144195	93.136	SAP 4100075927 S.	90,446	203	0
Using Drug Overdose Data to Inform & B	144521	93.136	1 NU17CE924977-0	5,865,402	1,393,598	1,292,915
Subtotal CFDA # 93.136 Injury Prevention & Control Research and St. Com.				6,607,380	1,479,775	1,378,889
Philadelphia Project to End Lead Poisoning	144018	93.197	5NUE2EH01400-02	291,972	149,676	0
Subtotal CFDA # 93.197 Childhood Lead Poisoning Prevention Projects				291,972	149,676	0
Citywide Opioid Overdose Surveillance	144199	93.324	NU38OT000297-01-	50,000	18,733	18,733
Subtotal CFDA # 93.324 State Insurance Assistance Program				50,000	18,733	18,733
MSA Tobacco FY20	143985	93.520	SAP #4000020370 :	113,193	58,360	58,360
MSA Tobacco FY19	143798	93.520	SAP#4000020370-S	206,967	42,565	42,565
Subtotal CFDA # 93.520 Centers for Disease Control and Prevention ACA				320,160	100,925	100,925
SPAN	144820	93.539	SAP#4100081965	120,000	29,433	29,433
SPAN	144821	93.539	SAP 4100081965 R1	120,000	62,773	62,773
Subtotal CFDA # 93.539 PPHF Capacity Building Assistance to Strengthen Pub. Health Immun.				240,000	92,206	92,206
Phila Project to End Lead Poisoning	143919	93.753	6 NUE2EH001400-0	394,162	184,559	0
Philadelphia Project to End Lead Poisoning Supplemental Funding	144020	93.753	6 NUE1E001280-03	291,972	887	0
Subtotal CFDA # 93.753 Child Lead Poisoning Prevention Surveillance Progr				686,134	185,446	0
A Large Scale Long Term Trial of Nutrition FY20	144776	93.847	5-R01-DK-113307-	14,987	14,987	14,987
Subtotal CFDA # 93.847 Diabetes, Digestive, and Kidney Diseases Extramural Research				14,987	14,987	14,987
Ryan White Title II FY20	144141	93.917	SAP 4100080127	6,420,707	6,420,707	5,924,621
Ryan White Title II (F) FY19	143953	93.917	SAP 4100080127	7,034,000	211,630	211,630
Subtotal CFDA # 93.917 HIV Care Formula Grants				13,454,707	6,632,337	6,136,251
Children with Special Healthcare Needs FY19	143831	93.994	SAP#4100073279	630,431	72,385	72,385
Children with Special Healthcare Needs FY20	143993	93.994	SAP #4100073279	612,737	609,133	533,240
Fed Sudden Death in Young Fed FY19	143844	93.994	SAP#4100073279	58,890	28,729	28,729
MIC Primary Services FY19	143829	93.994	SAP#4100073279	760,674	24,700	24,700
MIC Primary Services FY20	143991	93.994	SAP #4100073279	929,229	737,660	713,243
Services for Children FY19	143830	93.994	SAP#4100073279	909,130	123,389	123,389
Services for Children FY20	143992	93.994	SAP #4100073279	858,269	722,566	714,316
Sudden Death in the Young MEO FY20	144076	93.994	SAP#4000022686	110,000	69,161	69,161
Subtotal CFDA # 93.994 Maternal and Child Health Services Block Grant to				4,869,360	2,387,723	2,279,163
Subtotal: Pass- Through- PA Department of Health:				29,119,952	13,093,751	12,038,769

City of Philadelphia
Schedule of Expenditures of Federal Awards
July 1, 2019 to June 30, 2020

Grantor Agency Project Title	City ID Number	CFDA	Contract Number	Federal Award	Federal Expenditure	Subrecipient Expenditures
Pass- Through- PA Commission on Crime and Delinquency:						
Philadelphia Treatment Court and DUI	840850	93.788	2018-CU-01-28766	190,613	136,206	0
Subtotal CFDA # 93.788 State Targeted Response to the Opioid Crisis Grants				<u>190,613</u>	<u>136,206</u>	<u>0</u>
Subtotal: Pass- Through- PA Commission on Crime and Delinquency:				<u>190,613</u>	<u>136,206</u>	<u>0</u>
Total U.S. Department of Health and Human Services				<u>740,044,543</u>	<u>330,316,914</u>	<u>184,388,483</u>
<u>U.S. Corporation of National and Community Services</u>						
Direct- U.S. Corporation of National and Community Services:						
Youth Policy Institute (YPI) FY19	080821	94.006	18NDHCA001	216,793	530	0
Subtotal CFDA # 94.006 AmeriCorps				<u>216,793</u>	<u>530</u>	<u>0</u>
Foster Grandparent Program	100659	94.011	17SFAPA002	463,166	400,264	0
Subtotal CFDA # 94.011 Foster Grandparent Program				<u>463,166</u>	<u>400,264</u>	<u>0</u>
Subtotal: Direct- U.S. Corporation for National & Community Service:				<u>679,959</u>	<u>400,794</u>	<u>0</u>
Pass- Through- PA Department of Labor and Industry:						
2019-2020 Americorps Competitive Award	100715	94.006	4100083809	755,413	755,413	755,413
Subtotal CFDA # 94.006 AmeriCorps				<u>755,413</u>	<u>755,413</u>	<u>755,413</u>
Subtotal: Pass- Through- PA Department of Labor & Industry				<u>755,413</u>	<u>755,413</u>	<u>755,413</u>
Total U.S. Corporation for National & Community Service				<u>1,435,372</u>	<u>1,156,207</u>	<u>755,413</u>
<u>U.S. Executive Office of the President</u>						
Direct- U.S. Executive Office of the President:						
Drug Violence Intelligence Initiative HIDTA 2018	111068	95.001	G18PC0003A	133,450	26,760	0
Drug Violence Intelligence Initiative HIDTA 2019	111089	95.001	G19PC0003A	133,450	100,139	0
Subtotal CFDA # 95.001 High Intensity Drug Trafficking Areas Program				<u>266,900</u>	<u>126,899</u>	<u>0</u>
Subtotal: Direct- U.S. Executive Office of the President:				<u>266,900</u>	<u>126,899</u>	<u>0</u>
Total U.S. Executive Office of the President				<u>266,900</u>	<u>126,899</u>	<u>0</u>
<u>U.S. Social Security Administration</u>						
Direct- U.S. Social Security Administration:						
SSA Prisoner Incentive Payments	230058	96.006	Receipt	186,300	186,300	0
Subtotal CFDA # 96.006 Supplemental Security Income				<u>186,300</u>	<u>186,300</u>	<u>0</u>
Subtotal: Direct- U.S. Social Security Administration:				<u>186,300</u>	<u>186,300</u>	<u>0</u>
Total U.S. Social Security Administration				<u>186,300</u>	<u>186,300</u>	<u>0</u>
<u>U.S. Department of Homeland Security</u>						
Direct- U.S. Department of Homeland Security:						
PA Task Force I 2015 Grant	130171	97.025	EMW-2015-CA-001	1,268,733	270,686	0
PA Task Force I 2016 Grant	130172	97.025	EMW-2016-CA-000	1,339,493	294,715	0
PA Task Force I - 2017 Grant	130173	97.025	EMW-2017-CA-000	1,265,013	134,959	0
PA Task Force I - 2018 Grant	130174	97.025	EMW-2017-CA-000	1,255,990	595,193	0
PA Task Force I - 2019	130175	97.025	EMW-2019-CA-000	1,243,104	433,323	0
Response Cooperative Agreement	130320	97.025	EMW-2013-CA-USI	4,661,063	141,467	0
Response Cooperative Agreement FY19	130321	97.025	EMW-2018-CA-USI	1,546,200	1,295,430	0
Subtotal CFDA # 97.025 National Urban Search and Rescue Response				<u>12,579,596</u>	<u>3,165,773</u>	<u>0</u>
Fire Prevention & Safety FPS FY18	130191	97.044	EMW-2018-FP-004	220,357	175,441	0
FY 2016 Assistance to Firefighters (FPS)	130157	97.044	EMW-2016-FP-007	952,381	64,438	0
FY 2017 Assistance to Firefighters Grant	130159	97.044	EMW-2017-FO-063	2,733,636	1,387,626	0
FY 2018 Assistance to Firefighters Grant	130190	97.044	EMW-2018-FO-057	3,043,478	988,102	0
Subtotal CFDA # 97.044 Assistance to Firefighters Grant				<u>6,949,852</u>	<u>2,615,607</u>	<u>0</u>
2017 Port Security Program	110990	97.056	EMW-2017-PU-003	120,000	92,167	0
Port Security Grant Fast Boat 1 FY16	C25002	97.056	EMW2016PU00319	383,475	6,650	0
Port Security Grant Fast Boat 2 FY17	C25003	97.056	EMW-2017-PU-002	441,732	266,809	0
Subtotal CFDA # 97.056 Port Security Grant Program				<u>945,207</u>	<u>365,626</u>	<u>0</u>
SAFER - FEMA Grant FY19	130354	97.083	EMW-2017-FH-005	16,669,092	6,991,993	0

City of Philadelphia
Schedule of Expenditures of Federal Awards
July 1, 2019 to June 30, 2020

Grantor Agency Project Title	City ID Number	CFDA	Contract Number	Federal Award	Federal Expenditure	Subrecipient Expenditures
Subtotal CFDA # 97.083 Staffing for Adequate Fire & Emergency Response				16,669,092	6,991,993	0
Homeland Security - Bio Watch Program FY20	143478	97.091	06OHBIO000006-14-	400,538.00	372,228	0
Homeland Security Bio-Watch Program FY19	143464	97.091	06OHBIO000006-13-	449,075.00	45	0
Homeland Security-Bio-Watch	144280	97.091	06OHBIO000006-15-	207,592.00	112,968	0
Subtotal CFDA # 97.091 Homeland Security Biowatch				1,057,205	485,241	0
Subtotal: Direct- U.S. Department of Homeland Security:				38,200,952	13,624,240	0
Pass- Through- PA Emergency Management Agency:						
Emergency Management Performance Grant	100377	97.042	Emergency Mgmt S	181,182	181,182	0
Subtotal CFDA # 97.042 Emergency Management Performance Grants				181,182	181,182	0
Subtotal: Pass- Through- PA Emergency Management Agency:				181,182	181,182	0
Pass- Through- Southeastern PA Regional Taskforce:						
2018 Homeland Security Grant FY18	100678	97.067	EMW-2017-SS-000	1,300,000	140,038	0
2018 Homeland Security Grant FY19	100679	97.067	EMW-2018-SS-000-	2,946,000	1,012,320	0
Subtotal CFDA # 97.067 & Pass- Through- PA Emergency Management Agency:				4,246,000	1,152,358	0
Pass- Through- Maritime Exchange For Delaware River & Bay:						
Port Security Grant (NETS)	130154	97.056	EMW-2018-PU-008	397,739	211,889	0
Port Security Grant FY2019	130164	97.056	EMW-2019-PU-005	171,752	53,487	0
Subtotal CFDA # 97.56 Port Security Grant Program				569,491	265,376	0
Subtotal: Pass- Through- Maritime Exchange For Delaware River & Bay:				569,491	265,376	0
Total U.S. Department of Homeland Security				43,197,625	15,223,156	0
<u>U.S. Army Corps of Engineers</u>						
Direct- U.S. Army Corps of Engineers:						
Homeless Alcoholic Men FY20	150684	14.235	DACA-31-1-15-468	93,750	93,750	93,750
Homeless Alcoholic Men FY18	150674	14.235	DACA-31-1-15-468	128,750	128,750	128,750
Homeless Alcoholic Men FY 19	150683	14.235	DACA-31-1-15-468	120,000	30,000	30,000
Subtotal CFDA #14.235 Supportive Housing Program				342,500	252,500	252,500
Subtotal: Direct U.S. Army Corps of Engineers				342,500	252,500	252,500
Total U.S. Army Corps of Engineers				342,500	252,500	252,500
Total Schedule of Expenditures of Federal Awards				2,029,708,678	627,093,936	286,301,598

**CITY OF PHILADELPHIA
NOTES TO THE SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
FOR THE FISCAL YEAR ENDED JUNE 30, 2020**

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**CITY OF PHILADELPHIA
NOTES TO THE SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
FOR THE FISCAL YEAR ENDED JUNE 30, 2020**

1. BASIS OF PRESENTATION AND SIGNIFICANT ACCOUNTING POLICIES

The accompanying Schedule of Expenditures of Federal Awards (SEFA) presents the activity of all federal financial assistance programs of the City of Philadelphia (City). The City’s reporting entity is defined in Note I.1. to the City’s annual financial statements. All federal financial assistance received directly by the primary government from federal agencies as well as federal financial assistance passed through other governmental agencies is included on this schedule. Federal financial assistance, if any, relating to the City’s component units is reported separately by other auditors. Except for the programs listed in note 3 below, federal program expenditures included in the accompanying schedule are presented on the modified accrual basis of accounting. Such expenditures are recognized following, as applicable, either the cost principles in Office of Management and Budget Circular A-87, *Cost Principles for State, Local, and Indian Tribal Governments*, or the cost principles contained in Title 2 U.S. Code of Federal of Federal Regulations Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirments for Federal Awards* (Uniform Guidance), wherein certain types of expenditures are not allowable or are limited as to reimbursement. The U.S. Department of Housing and Urban Development has been designated the cognizant agency for the City’s single audit. The information in this schedule is presented in accordance with the requirements contained in the Uniform Guidance.

2. COMPONENT UNITS

The City’s annual financial statements include the operations of the following entities and their expenditures of federal awards. Amounts listed include funds provided directly by the federal government and, in some cases, significant funds received first by the City and passed on to the respective entities. Only funds received first by the City, and then passed on, have been included in the accompanying SEFA. These entities have had separately performed financial statement audits conducted in accordance with the requirements of Uniform Guidance:

<u>Entity</u>	<u>Expenditures of Federal Awards</u>
School District of Philadelphia	\$ 394,554,914
Community College of Philadelphia	\$ 73,166,631
Philadelphia Redevelopment Authority	\$ 9,466,400*
Philadelphia Authority for Industrial Development	\$ 456,314
Philadelphia Housing Authority	\$ 441,735,363

* The accompanying SEFA includes funding provided to the Component Unit under a \$30 million award from the United States Department of Housing and Urban Development (HUD) for CFDA Number 14.889 Choice Neighborhood Implementation in the amount of \$9,102,052.00. The Component Unit’s Single Audit Report (SAR) for fiscal year 2020 did not include this funding.

**CITY OF PHILADELPHIA
NOTES TO THE SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
FOR THE FISCAL YEAR ENDED JUNE 30, 2020**

This program was identified as a Type A program for the City in fiscal year 2020. However, Subrecipient Monitoring was not subject to audit per the 2020 OMB Compliance Supplement. Therefore, no audit procedures were performed. The Component Unit will reissue its fiscal year 2020 SAR.

The 2019 and 2018 SARs were also determined to be materially misstated. Funding provided by the City was \$6,425,619.00 and \$7,000,000.00 respectively was not audited in those years. Those reports will be re-audited and reissued according to the Component Unit's management and outside auditors. This program was also a Type A program for the City in fiscal year 2018.

**CITY OF PHILADELPHIA
NOTES TO THE SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
FOR THE FISCAL YEAR ENDED JUNE 30, 2020**

3. NOTES TO SPECIFIC PROGRAMS

The following explanatory notes relate to specific grant programs of the City, as indicated by CFDA Number.

HUD Section 108 Loans (14.218) – The Federal Department of Housing and Urban Development (HUD) awards Section 108 Loans to the City for the purposes of Housing and Economic Development. The Housing portion is received by the primary government and disclosed on the SEFA under CFDA 14.218 (City ID Numbers: 06986). The Economic Development portion is received by the Philadelphia Industrial Development Corporation (PIDC), a quasi-governmental agency. During fiscal year 2020 the City, through PIDC, did not make any loans under the HUD 108 Loan program (CFDA 14.248). Through PIDC, the City had direct federal loan balances outstanding at June 30, 2020, under the HUD 108 Loan Program (CFDA 14.248), in the amount of \$64,747,000. Loan repayments and investment proceeds from unloaned funds are used by PIDC to repay HUD. HUD Section 108 loan repayments made in fiscal year 2020 were: B-97-MC-42-0012-D \$1,475,000.00; B-06-MC-42-0012-A \$545,000.00; B-06-MC-42-0012 \$1,330,000.00; B-10-MC-42-0012 \$165,000.00; B-11-MC-42-0012 282,000.00.

4. MAJOR PROGRAMS

Major programs are identified in the Summary of Auditor’s Results section of the Schedule of Findings and Questioned Costs.

5. CITY ID NUMBER

Number used by the Grants Accounting and Administration Unit (GAAU) to track grant activity in the City’s accounting system.

6. INDIRECT COST RATE

The City has elected not to use the 10-percent de minimis indirect cost rate per 2 CFR 200.510(b)(6).

7. FEDERAL AWARDS PASSED THROUGH THE PA DEPARTMENT OF HEALTH

The Pennsylvania Department of Health (PA-DOH) has requested additional information regarding federal program funding. The table below provides the additional information requested to assist the PA-DOH in monitoring the various programs. The accrued or deferred revenues in the beginning, and end of year columns in the table below are reported on a net basis. Refer to the SEFA for the corresponding contract numbers.

**CITY OF PHILADELPHIA
NOTES TO THE SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
FOR THE FISCAL YEAR ENDED JUNE 30, 2020**

Project Title	City ID Number	CFDA Number	Federal Funding Received during the Year	Accrued or (Deferred) at the beginning of the Year	Federal Revenue Recognized during the Year	Accrued or (Deferred) at end of the Year
Bioterrorism Grant Cities	144401	93.069	387,673.77	22,404.01	365,269.76	0.00
Bioterrorism Grant Cities	144405	93.069	6,616.38	0.00	6,616.38	0.00
Bioterrorism Grant Core	144404	93.069	1,747.50	0.00	1,747.50	0.00
Bioterrorism Grant Hospital	144407	93.069	0.00	0.00	0.00	0.00
Community Preparedness Opioid	144409	93.069	122,212.00	0.00	122,212.00	0.00
Philadelphia Integrated System	150080	93.104	388,201.00	190,911	197,290.00	0.00
Philadelphia Integrated System	150081	93.104	125,726.00	0.00	212,045	86,319
Opioid Involved Mortality	144181	93.136	0.00	0.00	26,599.16	26,599.16
Build Evidence Based	144522	93.136	0.00	0.00	0.00	0.00
Opioid Involved Mortality	144180	93.136	20,829.98	0.00	20,829.98	(3,973.15)
Opioid Involved Mortality	144195	93.136	0.00	0.00	0.00	0.00
Using Drug Overdose Data to Inform & B	144521	93.136	752,005.00	0.00	1,110,726	358,721.00
Philadelphia Project to End Lead Poisoning	144018	93.197	59,196.00	0.00	131,108	71,912.00
Citywide Opioid Overdose	144199	93.324	16,667.00	(32,816.21)	16,667.00	(30,750.71)
MSA Tobacco	143985	93.520	0.00	0.00	0.00	0.00
MSA Tobacco	143798	93.520	0.00	0.00	0.00	0.00
SPAN	144820	93.539	80,170.04	14,814.66	65,355.38	0.00
SPAN	144821	93.539	29,227.46	0.00	38,145.63	8,918.17
Phila Project to End Lead Poisoning	143919	93.753	203,921.25	723.00	203,921.25	(342.25)
Phila Project to End Lead Poisoning Supplemental	144020	93.753	0.00	(10,070.30)	0.00	(9,182.95)
A Large Scale Long Term	144776	93.847	20,658.94	0.00	20,658.94	(5,671.94)
Ryan White Title II - FED	144141	93.917	4,828,722.99	0.00	5,910,806.07	1,082,083.08
Ryan White Title II - FED	143953	93.917	2,239,902.28	1,751,292.28	488,610.00	0.00
Title V Children w spec care	143831	93.994	346,019.73	77,115.83	268,903.90	0.00
Title V Children w spec care	143993	93.994	286,844.33	0.00	372,036.13	85,191.80
Title V: Fed Sudden Death in Young	143844	93.994	36,890.00	9,370.00	27,520.00	0.00
Title V: MIC Primary Svs	143829	93.994	148,668.78	51,501.45	97,167.33	(3,374.66)
Title V: MIC Primary Svs	143991	93.994	403,844.17	0.00	477,082.69	73,238.52
Title V: Service for Children	143830	93.994	614,375.65	153,130.38	461,245.27	(11,044.22)
Sudden Death in the Young MEO	144076	93.994	0.00	0.00	0.00	0.00
Title V: Service for Children	143992	93.994	193,153.68	0.00	390,291.56	197,137.88

**CITY OF PHILADELPHIA
NOTES TO THE SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
FOR THE FISCAL YEAR ENDED JUNE 30, 2020**

8. FEDERAL AWARDS PASSED THROUGH THE PA DEPARTMENT OF DRUG AND ALCOHOL PROGRAMS

The Pennsylvania Department of Drug and Alcohol Programs (PA-DDAP) has requested additional information regarding federal program funding. The table below provides the additional information requested to assist the PA-DDAP in monitoring the various programs. The accrued or deferred revenues in the beginning, and end of year columns in the table below are reported on a net basis. Refer to the SEFA for the corresponding contract numbers.

Project Title	City ID Number	CFDA Number	Federal Funding Received during Year	Accrued or (Deferred) at Beg Year	Federal Revenue Recognized during Year	Accrued or (Deferred) at End Year
Homeless 2 Home	150612	93.243	538,802.00	0.00	769,072	230,270.00
Philadelphia Alliance	150609	93.243	234,007.00	113,408.00	120,599.00	0.00
Philadelphia Alliance	150611	93.243	147,778.00	0.00	331,577	183,799.00
Philadelphia Healthy	150613	93.243	78,289.00	0.00	123,209	44,920.00
State Opioid Response Treatment	150966	93.788	276,006.00	0.00	356,335	80,329.00
State Opioid Response Prevention	150965	93.788	0.00	0.00	0.00	0.00
SAPT- Alcohol	150928	93.959	0.00	0.00	0.00	0.00
SAPT- Alcohol	150964	93.959	155,190.00	0.00	155,190.00	0.00
SAPT- Alcohol	150963	93.959	1,782,521.00	0.00	1,782,521.00	0.00
SAPT-Drug	150927	93.959	0.00	0.00	0.00	0.00
SAPT-Drug	150926	93.959	0.00	0.00	0.00	0.00
SAPT-Drug	150961	93.959	4,086,004.00	0.00	4,086,004.00	0.00
SAPT-Drug	150962	93.959	1,011,850.00	0.00	1,150,651	138,801.00
SAPT- Alcohol	150929	93.959	0.00	0.00	0.00	0.00
Substance Abuse	150925	93.959	0.00	(82,172.60)	0.00	(37,938.00)
Substance Abuse	150960	93.959	2,297,351.00	0.00	2,297,351.00	0.00

**CITY OF PHILADELPHIA
NOTES TO THE SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
FOR THE FISCAL YEAR ENDED JUNE 30, 2020**

9. PRIOR PERIOD INCURRED EXPENDITURES REPORTED IN THE CURRENT YEAR

The table below provides fiscal year 2019 incurred expenditures arisen in the current year as a result of omission or errors in the preparation of the fiscal year 2019 SEFA. The fiscal year 2019 accounts payable accrual did not include the expenditures. Invoices from subrecipients were not received by the city until after the accounting system was closed and the accounts payable accrual was determined. The city reported the expenditures in the fiscal year 2020 ACFR and the reports submitted to HUD during fiscal year 2020. The city requested and received guidance from HUD regarding how to report the Accounts Payable Accrual Expenditures. Refer to the SEFA for the corresponding contract numbers.

Project Title	City ID Number	CFDA Number	FY 19 incurred expenditures
McKinney Shelter Program	241422	14.231	\$405,055.47
McKinney Shelter Program	241423	14.231	\$57,275.31
Choice Neighborhood	722250	14.889	\$1,372,835

INDEPENDENT AUDITOR'S SECTION

Auditor's Reports

Schedule of Findings and Questioned Costs

Summary Schedule of Prior Audit Findings



CITY OF PHILADELPHIA

OFFICE OF THE CONTROLLER
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REBECCA RHYNHART
City Controller

CHRISTY BRADY
Deputy City Controller

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 Honorable Mayor and Honorable Members
of the Council of the City of Philadelphia

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, the aggregate discretely presented component units, each major fund, and the aggregate remaining fund information of the City of Philadelphia, Pennsylvania, as of and for the year ended June 30, 2020, and the related notes to the financial statements, which collectively comprise the City of Philadelphia, Pennsylvania's basic financial statements, and have issued our report thereon dated February 25, 2021. Our report includes a reference to other auditors who audited the financial statements of the following entities, as described in our report on the City of Philadelphia, Pennsylvania's financial statements.

Primary Government

Municipal Pension Fund
Philadelphia Gas Works Retirement Reserve Fund
Parks and Recreation Departmental and Permanent Funds
Philadelphia Municipal Authority
Pennsylvania Intergovernmental Cooperation Authority

Component Units

Community College of Philadelphia
Philadelphia Parking Authority
Philadelphia Redevelopment Authority
Community Behavioral Health
Philadelphia Authority for Industrial Development
Philadelphia Gas Works
Philadelphia Housing Authority

www.philadelphiacontroller.org

This report does not include the results of the other auditors' testing of internal control over financial reporting or compliance and other matters that are reported on separately by those auditors. The financial statements of the Philadelphia Parking Authority were not audited in accordance with *Government Auditing Standards*. Also, the reported amounts for the Philadelphia Housing Authority (PHA) include PHA's discretely presented component units whose financial statements (except for St. Ignatius Senior Housing I, L.P., St. Ignatius Senior Housing II, L.P., St. Francis Villa Senior Housing, L.P., 1952 Allegheny Associates Limited Partnership, Spring Garden Development Associates, L.P., Uni-Penn Housing Partnership II, and Mantua Phase II, L.P.) were not audited in accordance with *Government Auditing Standards*.

We have also audited the basic financial statements of the School District of Philadelphia, a component unit of the City of Philadelphia, in accordance with *Government Auditing Standards* and issued a separate report on the School District's internal control over financial reporting and on compliance and other matters.

Internal Control Over Financial Reporting

In planning and performing our audit of the financial statements, we considered the City of Philadelphia, Pennsylvania'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 of Philadelphia, Pennsylvania's internal control. Accordingly, we do not express an opinion on the effectiveness of the City of Philadelphia, Pennsylvania's internal control.

Our consideration of internal control was for the limited purpose described in the preceding paragraph and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies and therefore, material weaknesses or significant deficiencies may exist that have not been identified. However, as described in the accompanying Schedule of Findings and Questioned Costs, we did identify certain deficiencies in internal control that we consider to be material weaknesses and significant deficiencies.

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. We consider the deficiencies described in the accompanying Schedule of Findings and Questioned Costs as items 2020-001 to 2020-003 to be material weaknesses.

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. We consider the deficiencies described in the accompanying Schedule of Findings and Questioned Costs as items 2020-004 to 2020-009 to be significant deficiencies.

Compliance and Other Matters

As part of obtaining reasonable assurance about whether the City of Philadelphia, Pennsylvania’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*.

City of Philadelphia, Pennsylvania’s Response to Findings

The City of Philadelphia, Pennsylvania’s response to the findings identified in our audit is described in the accompanying Schedule of Findings and Questioned Costs. The City of Philadelphia, Pennsylvania’s response was not subjected to the auditing procedures applied in the audit of the financial statements and, accordingly, we express no opinion on it.

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 entity’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 entity’s internal control and compliance. Accordingly, this communication is not suitable for any other purpose.



CHRISTY BRADY, CPA
Deputy City Controller
Philadelphia, Pennsylvania
February 25, 2021



CITY OF PHILADELPHIA

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REBECCA RHYNHART
City Controller

CHRISTY BRADY
Deputy City Controller

INDEPENDENT AUDITOR'S 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 AND THE PENNSYLVANIA DEPARTMENT OF HUMAN SERVICES SINGLE AUDIT SUPPLEMENT

To the Honorable Mayor and Honorable Members
of the Council of the City of Philadelphia

Report on Compliance for Each Major Federal Program

We have audited the City of Philadelphia, Pennsylvania's compliance with the types of compliance requirements described in the *OMB Compliance Supplement* and the *Pennsylvania Department of Human Services (DHS) Single Audit Supplement* that could have a direct and material effect on each of the City of Philadelphia, Pennsylvania's major federal and DHS programs for the year ended June 30, 2020. The City of Philadelphia, Pennsylvania's major federal programs and DHS programs are identified in the summary of auditor's results section of the accompanying Schedule of Findings and Questioned Costs.

The City of Philadelphia, Pennsylvania's basic financial statements include the operations of the School District of Philadelphia, Community College of Philadelphia, Philadelphia Redevelopment Authority, Philadelphia Authority for Industrial Development, and Philadelphia Housing Authority, which expended a total of \$876,983,526 in federal awards which is not included in the City of Philadelphia, Pennsylvania's Schedule of Expenditures of Federal Awards for the year ended June 30, 2020. Our audit, described below, did not include the operations of these component units because they had separate audits performed in accordance with the *Uniform Guidance*.

Management's Responsibility

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

Auditor's Responsibility

Our responsibility is to express an opinion on compliance for each of the City of Philadelphia, Pennsylvania's major federal and DHS 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; 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); and the DHS Single Audit Supplement. Those standards, the Uniform Guidance, and the DHS Single Audit Supplement 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 or DHS program occurred. An audit includes examining, on a test basis, evidence about the City of Philadelphia, Pennsylvania'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 qualified and unmodified opinions on compliance for major federal and DHS programs. However, our audit does not provide a legal determination of the City of Philadelphia, Pennsylvania's compliance.

Basis for Qualified Opinion on CFDA 16.738 Edward Byrne Memorial Justice Assistance Grant

As described in the accompanying Schedule of Findings and Questioned Costs, we were unable to obtain sufficient appropriate audit evidence supporting the compliance of the City of Philadelphia, Pennsylvania with CFDA 16.738 Edward Byrne Memorial Justice Assistance Grant as described in finding number 2020-010 for Reporting, consequently we were unable to determine whether the City of Philadelphia, Pennsylvania complied with those requirements applicable to that program.

Qualified Opinion on CFDA 16.738 Edward Byrne Memorial Justice Assistance Grant

In our opinion, except for the possible effects of the matter described in the Basis for Qualified Opinion paragraph, City of Philadelphia, Pennsylvania complied, in all material respects, with the types of compliance requirements referred to above that could have a direct and material effect on CFDA 16.738 Edward Byrne Memorial Justice Assistance Grant for the year ended June 30, 2020.

Unmodified Opinion on Each of the Other Major Federal Programs

In our opinion, the City of Philadelphia, Pennsylvania 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 other

major federal and DHS programs identified in the summary of auditor's results section of the accompanying Schedule of Findings and Questioned Costs for the year ended June 30, 2020.

Other Matters

The results of our auditing procedures disclosed instances of noncompliance which are required to be reported in accordance with the Uniform Guidance and the DHS Single Audit Supplement and which are described in the accompanying Schedule of Findings and Questioned Costs as items 2020-011, 2020-012, 2020-013, 2020-014 and 2020-015. Our opinion on each major federal and DHS program is not modified with respect to these matters.

The City of Philadelphia, Pennsylvania's response to the noncompliance findings identified in our audit is described in the accompanying Schedule of Findings and Questioned Costs. The City of Philadelphia, Pennsylvania's response was not subjected to the auditing procedures applied in the audit of compliance and, accordingly, we express no opinion on the response.

Report on Internal Control over Compliance

Management of the City of Philadelphia, Pennsylvania 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 of Philadelphia, Pennsylvania's internal control over compliance with the types of requirements that could have a direct and material effect on each major federal and DHS 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 and DHS program and to test and report on internal control over compliance in accordance with the Uniform Guidance and the DHS Single Audit Supplement, 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 of Philadelphia, Pennsylvania's internal control over compliance.

Our consideration of internal control over compliance was for the limited purpose described in the preceding paragraph 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. However, as discussed below, we did identify certain deficiencies in internal control over compliance that we consider to be material weaknesses and significant deficiencies.

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 or DHS 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 or DHS program will not be prevented, or detected and corrected, on a timely basis. We consider the deficiency in internal control over compliance described in the accompanying Schedule of Findings and Questioned Costs as item 2020-010 to be a material weakness.

C I T Y O F P H I L A D E L P H I A
O F F I C E O F T H E C O N T R O L L E R

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 or DHS 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 deficiencies in internal control over compliance described in the accompanying Schedule of Findings and Questioned Costs as items 2020-011, 2020-012, 2020-013 2020-014, and 2020-015 to be significant deficiencies.

The City of Philadelphia, Pennsylvania’s response to the internal control over compliance findings identified in our audit is described in the accompanying Schedule of Findings and Questioned Costs. The City of Philadelphia, Pennsylvania’s response was not subjected to the 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 and the DHS Single Audit Supplement. 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 of Philadelphia, Pennsylvania as of and for the year ended June 30, 2020, and the related notes to the financial statements, which collectively comprise the City of Philadelphia, Pennsylvania’s basic financial statements. We issued our report thereon dated February 25, 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 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.



CHRISTY BRADY, CPA
Deputy City Controller
Philadelphia, Pennsylvania
April 22, 2022

Schedule of Findings and Questioned Costs

Section I – Summary of Auditor’s Results

CITY OF PHILADELPHIA

Schedule of Findings and Questioned Costs – June 30, 2020

Section I – Summary of Auditor’s Results:

Financial Statements:

Type of auditor’s report issued: Unmodified

Internal control over financial reporting:

Material weakness(es) identified? yes no
Significant deficiency(ies) identified? yes none reported

Noncompliance material to financial statements noted? yes no

Federal Awards:

Internal control over major programs:

Material weakness(es) identified? yes no
Significant deficiency(ies) identified? yes none reported

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

Qualified

Any audit findings disclosed that are required to be reported in accordance with 2 CFR Section 200.516(a)
 yes no

Identification of major federal programs:

<u>Name of Federal Program or Cluster</u>	<u>CFDA Number(s)</u>
Child Nutrition Program Cluster:	
National School Breakfast Program	10.553
National School Lunch Program	10.555
Summer Food Service Program	10.559
Community Development Block Grant	14.218
Emergency Solutions Grant	14.231
Home Investment Partnerships Program	14.239
Housing Opportunities for Persons with AIDS	14.241
Continuum of Care Program	14.267
Choice Neighborhoods Implementation Grant	14.889
Edward Byrne Memorial Assistance Grant	16.738
Airport Improvement Program	20.106
Coronavirus Relief Fund	21.019
Child Support Enforcement	93.563
Community Services Block Grant	93.569
Block Grants for Prevention and Treatment of Substance Abuse	93.959
Staffing for Adequate Fire & Emergency Response	97.083

Dollar threshold used to distinguish between Type A and Type B programs: \$3,000,000

Auditee qualified as low-risk auditee? yes no

CITY OF PHILADELPHIA

Schedule of Findings and Questioned Costs – June 30, 2020

<u>Finding No.</u>		<u>Page</u>	<u>Questioned Cost</u>
<u>Section II - Financial Audit Material Weaknesses:</u>			
2020-001	Inadequate Staffing Levels, Lack of Technological Investment and Insufficient Oversight Led to Undetected Material Misstatements	40	
2020-002	Untimely Preparation of Schedule of Expenditures of Federal Awards May Result in Late Submission of the Single Audit Reporting Package to the Federal Audit Clearinghouse	46	
2020-003	Breakdowns in the Functionality and Application IT Controls of the OnePhilly System Increase the Risk for Material Payroll Errors	49	
<u>Section III - Financial Audit Significant Deficiencies</u>			
2020-004	Deficiencies in OnePhilly System’s IT General Controls Require Improvement to Minimize Vulnerabilities	57	
2020-005	OIT’s IT General Controls Require Strengthening	60	
2020-006	Treasurer’s Bank Reconciliation Procedures Still Require Improvement.	62	
2020-007	Failure of Departments to Properly Approve Biweekly Payrolls Increases Risk for Improprieties and Undetected Errors	65	
2020-008	Capital Asset Control Deficiencies Increase Risk of Reporting Errors	66	
2020-009	SAPs Require Updating to Ensure Accurate and Consistent Application of Accounting Rules and Regulations	69	
<u>Section IV – Federal and PA. Department of Human Services Findings and Questioned Costs</u>			
2020-010	Reporting – Material Weakness and Compliance Finding Edward Byrne Memorial Justice Assistance Grant – CFDA #16.738	72	
2020-011	Reporting - Significant Deficiency and Compliance Finding Emergency Solutions Grant Program – CFDA #14.231 Choice Neighborhoods Implementation Grant– CFDA #14.889	75	
2020-012	Reporting – Significant Deficiency and Compliance Finding Staffing for Adequate Fire and Emergency Response – CFDA #97.083	77	

CITY OF PHILADELPHIA

Schedule of Findings and Questioned Costs – June 30, 2020

2020-013	Reporting – Significant Deficiency and Compliance Finding Emergency Solutions Grant Program – CFDA #14.231 Home Investment Partnerships Program – CFDA #14.239 Choice Neighborhoods Implementation Grant – CFDA #14.889 Community Services Block Grant – CFDA #93.569 Block Grants for Prevention and Treatment of Substance Abuse – CFDA #93.959	79
2020-014	Subrecipient Monitoring – Significant Deficiency and Compliance Finding Coronavirus Relief Fund CFDA #21.019	81
2020-015	Subrecipient Monitoring – Significant Deficiency and Compliance Finding Community Services Block Grant – CFDA #93.569	84

Schedule of Findings and Questioned Costs

Section II - Financial Audit Material Weaknesses

2020-001 INADEQUATE STAFFING LEVELS, LACK OF TECHNOLOGICAL INVESTMENT AND INSUFFICIENT OVERSIGHT LED TO UNDETECTED MATERIAL MISSTATEMENTS

Philadelphia’s Home Rule Charter places responsibility for the City of Philadelphia’s (city’s) accounting and financial reporting functions with the Office of the Director of Finance (Finance Office). In that capacity, the Finance Office prepares the city’s Comprehensive Annual Financial Report. To complete these tasks, Finance Office accountants collect, analyze, and summarize enormous amounts of financial and grant-related data, as well as other information obtained from the city’s accounting system (FAMIS¹), numerous city agencies, and assorted quasi-government units, such as the Philadelphia Gas Works and the Philadelphia Redevelopment Authority.² Our current audit again disclosed a number of conditions, which collectively we consider to be a material weakness, that impede the ability of Finance Office accountants to prepare a timely, accurate, and completed Comprehensive Annual Financial Report without significant adjustments recommended by the City Controller’s audit staff. More specifically, we observed that:

- Staff reductions in the Finance Office, as well as a lack of a comprehensive financial reporting system, have compromised the timely and accurate preparation of the Comprehensive Annual Financial Report;
- While improvement was noted, the Division of Aviation’s (DOA’s) late submission of its financial statements and compilation delayed preparation and audit of the Comprehensive Annual Financial Report; and
- Late receipt of component unit financial reports hampered the Comprehensive Annual Financial Report preparation.

Each of these conditions is discussed in more detail below.

Staff Shortages Along with the Lack of a Comprehensive Financial Reporting System Have Contributed to Significant Financial Statement Errors

Condition: Errors totaling \$167 million were not detected by Finance Office accountants during preparation of the city’s fiscal year 2020 Comprehensive Annual Financial Report.

Criteria: Financial statements should be prepared to communicate relevant and reliable information. Accordingly, the statements should be free of all errors that might affect a reader’s ability to make confident and informed decisions.

Effect: Because Finance Office accountants corrected the most significant errors we identified; the City’s publicly issued fiscal year 2020 Comprehensive Annual Financial Report can be relied upon for informative decision making.

¹Financial Accounting and Management Information System

²These quasi-government units are considered component units for purposes of the city’s Comprehensive Annual Financial Report.

Cause: Ongoing inadequate staffing, along with the lack of a comprehensive financial reporting system, have hindered the ability of the Finance Office to produce a timely and accurate Comprehensive Annual Financial Report for audit. More specifically:

- The Finance Office has continued to operate with reduced staff size. Since fiscal year 2000, the number of Finance Office accountants has declined by over 23 percent (from 64 full-time employees in fiscal year 2000 to 49 in fiscal year 2020). Inadequate staff size has resulted in significant and complex parts of the Comprehensive Annual Financial Report, such as the preparation of the full accrual government-wide financial statements, being performed by Finance Office accounting management. These factors have made the task of completing the Comprehensive Annual Financial Report more difficult and compromised the ability of Finance Office management to perform adequate reviews of the financial statements and related financial disclosures.
- Accountants in the Finance Office lacked a comprehensive financial reporting system to prepare the Comprehensive Annual Financial Report. Instead, accountants produce the Comprehensive Annual Financial Report using numerous Excel and Word files with various links between the files. Using multiple linked files creates a cumbersome process that can adversely affect the accuracy and completeness of the Comprehensive Annual Financial Report. During our current audit, we determined that the Finance Office has now converted to Excel all remaining files created with Lotus 1-2-3, a program that had been discontinued and unsupported since 2014.

During the current audit, we observed that the Finance Office continued to work with the accounting firm they have worked with in prior years to help with the preparation and review of the Comprehensive Annual Financial Report. Although the initial plan (as it had also been since fiscal year 2017) was for the accounting firm to assist with the preparation of a compilation package with detailed documentation supporting the financial statements, the Finance Office was again unable to implement that plan for the fiscal year 2020 Comprehensive Annual Financial Report. In the prior year, we noted the accounting firm assisted the Finance Office with the preparation of a Comprehensive Annual Financial Report review checklist which provided accountants with detailed instructions for verifying the accuracy and completeness of the fund financial statements. However, we continued to note the checklist has not yet been updated to include guidelines for review of the full accrual government-wide financial statements. Also, the accounting firm assisted with the calculation and recording of the compensated absences sick leave accrual, and the related footnote disclosures in the Comprehensive Annual Financial Report.

Despite the improvement noted, we still found that the Finance Office failed to detect significant errors in the Comprehensive Annual Financial Report submitted for audit and did not provide finalized footnotes until very late in the audit process. Examples of undetected errors included:

- The Finance Office did not include the longevity, stress pay, and tax liabilities for prior and current periods in the other long-term liabilities (termination compensation payable) for governmental activities. As a result, this liability was understated by \$48.1 million.

- A \$30.1 million overstatement of taxes receivable due to the Finance Office including receivables that were previously written off by the city's tax review panel.

An example of an untimely provided footnote was the disclosure for the governmental activities capital asset depreciation, for which we did not receive a substantially completed version for audit until February 16, 2021, just over a week before we issued the audit opinion.

Recommendations: Without sufficient accounting staff and a comprehensive financial reporting system to prepare and review information needed for the Comprehensive Annual Financial Report, the risk increases that significant errors can occur and not be timely discovered and corrected. We continue to recommend that Finance Office management either hire more accountants or invest in a new comprehensive financial reporting system that will reduce the current labor-intensive procedures needed to prepare the city's Comprehensive Annual Financial Report [50107.01]. The Finance Office, in conjunction with the Office of the Chief Administrative Officer and Office of Innovation and Technology (OIT), have continued a project which is expected to modernize core financial, grants, procurement, and supply chain business processes, known as the Optimize Procurement and Accounting Logistics Enterprise Resource Planning (OPAL ERP) project. The OPAL ERP project is expected to replace financial accounting systems such as FAMIS.

In the meantime, we recommend that, for the fiscal year 2021 Comprehensive Annual Financial Report, management follow through with its plan to use the accounting firm to assist with the preparation of a compilation package with detailed documentation supporting the Comprehensive Annual Financial Report [500118.01]. Additionally, Finance Office accountants should utilize the accounting firm to assist with developing a Comprehensive Annual Financial Report review checklist for the full accrual government-wide financial statements [500119.01]. While we support the Finance Office's hiring of the accounting firm as a short-term remedy to improve the Comprehensive Annual Financial Report preparation and review process, we believe the appropriate long-term solution is to either hire more accountants or invest in a comprehensive financial reporting system, as recommended above.

Views of the Responsible Officials: The Accounting Bureau (Accounting) is committed to continuing to produce an accurate and well-prepared ACFR and to continuously improving the City's financial reporting. We continue to actively work on implementing staff retention and training strategies, to focus on training, with an emphasis on the ACFR preparation process and to have senior management accountants attend the national Government Finance Officers Association (GFOA) conference so that management stays informed of current industry trends, regulatory updates, and best practices in government financial management. While budget constraints in FY20 due to COVID-19 hindered the expansion of our workforce, we continue to look for opportunities to increase human capital resources, including the use of consultants in the absence of available funds to hire new staff.

We continue to make improvements in our ACFR preparation and review, and we have maintained engagement with the external accounting firm. We continue to update a comprehensive checklist for accountants to include guidelines for review of the full accrual government-wide financial statements. We will maintain the services of the outside accounting firm to assist in the ACFR compilation efforts. Finance

continues to focus on enhancing our reporting processes and increase efficiencies.

The Accounting Bureau works with departments to eliminate errors and request corrections to the reporting submitted to the Accounting Bureau and will work with the Department of Revenue to avoid tax receivable overstatement or other inaccurate reporting.

We acknowledge that a new comprehensive financial reporting system will improve the ACFR preparation process, and have begun planning for the implementation of such system through our OPAL project. This project will redesign the City's financial, grants, procurement, supply chain and business intelligence business processes, by leveraging new ERP technology that will replace the City's legacy applications: FAMIS, ADPICS, ACIS, and other ancillary systems.

Accounting has received the GFOA Certificate of Achievement for Excellence in Financial Reporting for 40 consecutive years and has successfully addressed all GFOA recommendations presented in that process. As always, Accounting will continue to critique the errors in the drafts sent to the Controller's Office and the adjustments resulting from the most recent ACFR audit with the entire accounting staff as a learning tool to produce improved financial statements going forward.

Auditor's Comments on Agency's Response: In its response on page 34, management states, "As always, Accounting will continue to critique the errors in the drafts sent to the Controller's Office and the adjustments resulting from the most recent ACFR audit with the entire accounting staff as a learning tool to produce improved financial statements going forward." We disagree with management's use of the term "drafts" when describing the financial statements submitted to us for audit. Effective internal control requires that, before the Finance Office submits the Comprehensive Annual Financial Report to us for audit, accounting management should perform a review of those financial statements for accuracy and completeness. The \$167 million of Comprehensive Annual Financial Report errors cited on page 1 of the report occurred because the city's controls over the financial reporting process failed to prevent or detect and timely correct the misstatements. In fact, we found most of the \$167 million of Comprehensive Annual Financial Report errors very late in the audit process, proposing most of our audit adjustments within the one-month period prior to the issuance of the audit opinion. The errors were identified after the Finance Office should have already completed its financial statement review procedures and finalized the statements.

While Improvement Was Noted, Late Submission of Aviation Fund Financial Statements Delayed Preparation and Audit of Comprehensive Annual Financial Report

Condition: The Aviation Fund financial statements and supporting compilation were again completed late, with the DOA not submitting them to the Finance Office until December 28, 2020. While this was nine days earlier than the prior year, the late submission contributed to the city's financial statements not being entirely updated until January 6, 2021. While the DOA submitted a draft version of the financial statements to the Finance Office on October 22, 2020, those statements were very preliminary with various open items. The DOA made significant financial statement changes between the October 22, 2020, and December 28, 2020 versions.

Criteria: In preparing the city’s Comprehensive Annual Financial Report, Finance Office accountants must collect, analyze, and summarize financial information from numerous sources, including the DOA. It is essential that the DOA promptly complete and submit the Aviation Fund financial statements and compilation to the Finance Office, so they have adequate time to review and incorporate those statements into the Comprehensive Annual Financial Report.

Effect: The DOA’s failure to provide the Aviation Fund financial statements and compilation on time can result in delays in timely completing the financial reporting and auditing processes for the city’s Comprehensive Annual Financial Report. It also increases the risk for Comprehensive Annual Financial Report errors, as Finance Office accountants have less time to adequately review the statements.

Cause: The delay in the DOA’s submission of the Aviation Fund financial statements and compilation appeared to be the result of the DOA’s discovery of reconciling items needed from the Finance Office to complete the compilation. The resulting delay for reconciling items was due to accounting errors by new Finance Office staff.

Recommendation: To improve the timeliness of its financial reporting, we continue to recommend that the DOA management work with the Finance Office to establish an earlier deadline for the completion of the Aviation Fund financial statements and compilation, which includes the compilation review checklist [500118.04].

Views of the Responsible Officials: Thank you for acknowledging the strides made by DOA to provide key financial statement data on October 22, 2020 to enable audit testing to timely proceed. While the discovery of an error in the Sinking Fund and the lack of a schedule of deliverables, including a miscommunication around target deadlines, contributed to the delay in issuing the FY20 financial statements and compilation, we are pleased that our submissions in FY20 were earlier than in the prior year. The Division of Aviation has and will continue to work with the Office of the Director of Finance to submit financial statements and compilations that are timely, accurate, and include a compilation review checklist.

Auditor’s Comments on Agency’s Response: In its response on page 35, management states, “Thank you for acknowledging the strides made by DOA to provide key financial statement data on October 22, 2020, to enable audit testing to timely proceed.”

While we did acknowledge strides were made by the DOA, the financial statements the DOA provided to the Finance Office on October 22, 2020, did not enable us to timely proceed with audit testing. Those statements contained multiple open items and there were significant financial statement changes between the October 22, 2020, and December 28, 2020 versions. Additionally, the compilation, a key component which provides support for the amounts tested in the financial statements, was not submitted to Finance Office until December 28, 2020, resulting in the city’s financial statements to not be updated until January 6, 2021.

Late Receipt of Component Unit Financial Reports Still Delayed Preparation and Audit of Comprehensive Annual Financial Report

Condition: As we have reported for the last several years, late receipt of component unit financial reports continued to delay preparation and audit of the city’s Comprehensive Annual Financial Report. As shown in Table 1 below, five of the city’s 10 component units still did not submit their final reports by the due dates requested by Finance Office accountants.

Table 1: Late Submission of Component Unit Financial Reports			
<u>COMPONENT UNIT</u>	<u>DUE DATE</u>	<u>DATE RECEIVED</u>	<u>DAYS LATE</u>
Philadelphia Authority for Industrial Development	10/31/2020	1/7/2021	68
Philadelphia Housing Authority	10/31/2020	11/16/2020	16
Philadelphia Parking Authority	10/31/2020	1/21/2021	82
Philadelphia Redevelopment Authority	12/31/2020	2/12/2021	43
School District of Philadelphia	11/01/2020	2/17/2021	108

Note: Community Behavioral Health, Community College of Philadelphia, Pennsylvania Intergovernmental Cooperation Authority, Philadelphia Gas Works, and Philadelphia Municipal Authority submitted their financial reports timely.

Source: Prepared by the Office of the City Controller

The greatest challenge to the timely completion of the Comprehensive Annual Financial Report came from the Philadelphia Parking Authority, the Philadelphia Redevelopment Authority, and the School District of Philadelphia. These three agencies submitted their reports very late (January 21, 2021, February 12, 2021, and February 17, 2021, respectively), leaving the Finance Office accountants and the Controller’s Office auditors very little time to ensure that they were accurately included in the city’s Comprehensive Annual Financial Report before it was issued on February 25, 2021.

Criteria: An essential element of timely financial reporting is that it promotes management accountability and communicates information early enough to allow users of the financial statements to make informed decisions.

Effect: The failure of component units to submit their financial statements on time increases the risk for errors or omissions, as Finance Office accountants become limited in the amount of time available to adequately review the reports. The risk of error also increases as accountants must make significant changes to the financial statements and footnote disclosures each time a component unit’s financial information is added to the report. Additionally, each series of changes requires considerable audit time to ensure that accountants have correctly changed previous amounts and footnotes presented for audit.

Cause: There is no incentive for component units to submit their final financial statements timely to the city and no consequences for those who do not meet the required deadline.

Recommendation: We again recommend that, early in the Comprehensive Annual Financial Report preparation process, Finance Office accountants solicit the assistance of the director of finance to secure the cooperation of all component unit management in the timely submission of their respective final financial reports to the city’s Finance Office [50102.01].

Views of the Responsible Officials: We agree that the timely submission of all component unit reports is critical to the timely issuance and accuracy of the City’s ACFR. We will continue to meet with management and auditors of various component units concerning timely submission of financial reports, as well as have additional meetings to provide guidance and assist with problems in component units that experience issues that delay the preparation of their financial reports. Notably, after multiple meetings during the fiscal year, PMA provided timely submission. Finance continues to send initial requests for component unit financial statements and data in as early as May for all entities with March 31 FYE, with required responses no later than June 30. We also send requests for all other Component Units by end of June, with responses required by August 31. Follow-up requests are sent out to component units, with an emphasis on the importance of timely submission of financial data highlighted in all communications.

The five component units called out for very late submissions, PPA, PHA, PAID, PRA, and SDP, provided valid reasons for their delay or showed evidence of improvement. PPA (Philadelphia Parking Authority) was late due the national COVID 19 pandemic and their management team’s full review of OPEB, GASB45 and GASB75. PPA anticipates meeting the FY21 deadline. PHA (Philadelphia Housing Authority) indicated their audited financial statements were delayed pending the completion of their single audit report. PAID (Philadelphia Authority for Industrial Development) submitted their audited report to the Finance Office on December 8, 2020. This delay was due to the COVID-19 pandemic challenges. However, the submission to the Controller’s Office was further delayed because Finance Office accountants did not submit PAID’s financial statements until January 7, 2021. PAID will work diligently towards and make every effort to meet the FY21 financial statements submission deadline. PRA (Philadelphia Redevelopment Authority) audited financial statements were delayed due to key personnel turnover, including their VP of Finance. The SDP (School District of Philadelphia) was delayed due to their audit. The Finance Office will continue to work with the component units to ensure timely submission of audited financial statements; and will continue to engage the City’s Director of Finance, as needed.

2020-002 UNTIMELY PREPARATION OF SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS MAY RESULT IN LATE SUBMISSION OF THE SINGLE AUDIT REPORTING PACKAGE TO THE FEDERAL AUDIT CLEARINGHOUSE

Condition: Because the city expends more than \$750,000 of federal awards, Office of Management and Budget’s (OMB) Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards (Uniform Guidance) requires a single audit of grant activities to be performed each year. Finance Office’s Grants Accounting and Administrative Unit (GAAU) is responsible for preparing the Schedule of Expenditures of Federal Awards (SEFA), which serves as the primary basis that the auditors use to determine which programs will be tested. For fiscal year ending June 30, 2020, a preliminary SEFA was not prepared and provided for audit until March 13th of the following calendar year, which is three months prior to the deadline to submit the reporting package and insufficient time to complete the audit by the June 30th deadline³.

³ OMB’s December 2020 Compliance Supplement Addendum allows recipients that received COVID-19 funding an extension for up to three months beyond the normal due date of March 31st for the completion and submission of the Single Audit reporting package.

Criteria: OMB’s Uniform Guidance, Title 2, Part 200, Subpart F Audit Requirements, paragraph .512 requires the single audit to be completed and the data collection form and reporting package to be submitted within the earlier of 30 calendar days after receipt of the auditor's report(s), or nine months after the end of the audit period. **Effect:** Non-compliance with the reporting requirements is a violation of federal grants terms and conditions. The city’s continued failure to meet this filing requirement could affect future federal funding.

Cause: The untimely preparation and submission of the SEFA caused delays in planning the audit and subsequent testing of the SEFA and major programs for the fiscal year ending June 30, 2020. Specifically, GAAU personnel employ a manual process to enter grant expenditures from the city’s accounting system into the SEFA through a fund schedule, which is adjusted based on mandatory grant reconciliations provided by the city departments responsible for grants (departments). For fiscal year 2020, GAAU sent requests for these reconciliations in September 2020. Multiple follow-ups, untimely, and inaccurate responses from the departments further delayed the preparation and submission of an accurate SEFA for audit.

Recommendation: We recommend that GAAU allocate adequate resources to ensure timely preparation and submission of the SEFA for audit purposes [500118.05]. We also recommend the proactive enforcement of the existing policies and procedures requiring departments to complete the FAMIS expenditure reconciliations by the due date [500114.12].

Views of the Responsible Officials: Finance recognizes the importance of submitting a timely and accurate federal awards and major programs schedule (SEFA) to our auditors. More importantly, there is a crucial need for the timely completion of our audits, and the timely submission of an accurate Single Audit Reporting package to the Federal Audit Clearinghouse to prevent a violation of federal grant terms and conditions and to prevent the suspension of federal funding for the City’s grants and programs. While we acknowledge GAAU needs to continue all efforts to improve the SEFA submission timeline, we must also point out that the Controller’s Office needs to ensure its audits are completed on time, as late audits contribute to further delays in the submission to the Federal Audit Clearinghouse. We also acknowledge that delayed responses to audit requests have impacted the Controller’s Office audit timeline. Finance continues to work with departments and the Controller’s Office to eliminate audit inefficiencies.

GAAU staff undergo a meticulous process involving numerous departments and requiring multiple follow-ups to produce a complete and accurate SEFA. We communicate the importance of providing complete and accurate information to the departments and we emphasize the need to provide timely data. GAAU provides guidance to departments and conducts numerous collaborative meetings with departments whenever necessary throughout the audit period to discuss issues and assist with resolutions. Our department continues to explore additional ways to provide a completed SEFA to our auditors in a timelier fashion. We agree that additional resources would aid in expediting the SEFA preparation, but the pandemic hindered our plans to add staff.

Another step to accelerate the preparation of the SEFA would involve fast-tracking the FAMIS reconciliation process. GAAU will attempt to begin FAMIS reconciliations earlier this year. Our goal will be to accelerate departmental revenue validations and AP accrual validations so that these are also completed earlier this year. GAAU is committed to working very closely with departments that have late expense and revenue transfers due to grantor-related issues on final award amounts. Further, our goal is to expedite the completion of the

reconciliation of Grant Fund Schedules and to provide you with the fully reconciled fund schedules and the SFA version A in an accelerated timeframe. We are hopeful that maintaining this accelerated timeline would result in a timely preparation of the SEFA and we hope to continue working with departments to ensure the requirements of SAP G 3-1 and SAP G 6-1 are followed.

We maintain that certain best practices will also enable a timely submission of the Single Audit Reporting Package, including 1) The provision of a “provided by client list” with a detailed schedule of all required support for the audit with target due dates and dates of receipt from Finance for tracking purposes. This should include the due date for the SEFA Version 1.0; 2) The establishment of multiple planning meetings, including an entrance conference to iron out expectations for all parties and discuss considerations for the upcoming audit and any takeaways from the previous audit; 3) Regular audit status update meetings to identify any constraints and issues and to monitor audit progress; 4) The completion of audit testing for the ACFR and Single Audit at the same time; and 5) The acceleration of the audit testing timeline, including cross-cutting procedures, where applicable, to ensure that the audits are completed on an accelerated timeline and reporting packages are submitted ahead of time.

Auditor’s Comments on Agency’s Response: Regarding management’s statements concerning the untimely preparation of the SEFA which may result in the late submission of the Single Audit reporting package, we have the following comments:

In its response above, management states, “While we acknowledge GAAU needs to continue all efforts to improve the SEFA submission timeline, we must also point out that the Controller’s Office needs to ensure its audits are completed on time, as late audits contribute to further delays in the submission to the Federal Audit Clearinghouse.”

The fiscal year 2020 Single Audit is currently on-going, and the key obstacle to submitting the reporting package to the Federal Audit Clearinghouse on time is the Finance Office’s untimely preparation and submission of the SEFA for audit and the inaccurate and untimely responses from grantor departments to the auditors’ requests. As noted on page 5 of the report, for fiscal year 2020, GAAU did not provide the preliminary SEFA for audit until March 13, 2020, which was only 15 days earlier than it was provided for audit in the prior year. As of July 7, 2021, we have not received a final SEFA, which is after the extended Single Audit submission deadline of June 30, 2021.

Management also states, “We maintain that certain best practices will also enable a timely submission of the Single Audit reporting package, including 1) The provision of a “provided by client list” with a detailed schedule of all required support for the audit with target due dates and dates of receipt from Finance for tracking purposes. This should include the due date for the SEFA Version 1.0; 2) The establishment of multiple planning meetings, including an entrance conference to iron out expectations for all parties and discuss considerations for the upcoming audit and any takeaways from the previous audit; 3) Regular audit status update meetings to identify any constraints and issues and to monitor audit progress; 4) The completion of audit testing for the ACFR and Single Audit at the same time; and 5) The acceleration of the audit testing timeline, including cross-cutting procedures, where applicable, to ensure that the audits are completed on an accelerated timeline and reporting packages are submitted ahead of time.”

The best practices management listed above have been in place during our audits, including 1) notifying the Finance Office on August 14, 2020, to provide a preliminary SEFA by October 31, 2020, and submitting a provided by client list with target dates to the Finance Office on April 15, 2021; 2) holding entrance conferences between April 2021 and May 2021 with the Finance Office and the grantor departments that had major programs selected for audit; 3) conducting biweekly audit status update meetings that began on May 12, 2021, and are ongoing; 4) completing audit testing for the Comprehensive Annual Financial Report and the Single Audit at the same time would require the Finance Office to provide an accurate and timely SEFA; and 5) performing cross-cutting procedures take place however, as stated above, the audit timeline is dependent on the timely receipt of accurate financial schedules and supporting documentation for audit.

2020-003 BREAKDOWNS IN THE FUNCTIONALITY AND APPLICATION IT CONTROLS OF THE ONEPHILLY SYSTEM CONTINUE TO INCREASE THE RISK FOR MATERIAL PAYROLL ERRORS

Condition: As part of our audit of the city’s fiscal 2020 Comprehensive Annual Financial Report, we reviewed the OnePhilly team’s remediation efforts to address the control deficiencies identified during a prior year evaluation⁴ of the information technology (IT) application and general controls related to the city’s Oracle eBusiness Suite/PeopleSoft Workforce Management System (the OnePhilly system). The OnePhilly system replaced the legacy Human Resources (HR), Benefits, Payroll, and Time and Attendance systems. In December 2018, the HR and Benefits modules went live. The next rollout was in March 2019 with the Payroll and Time and Attendance modules. An additional module for pensions remains outstanding. The Finance Office oversees the OnePhilly team, whose role is to manage the OnePhilly system project.

While some conditions that existed during fiscal 2019 have been corrected, multiple breakdowns remain with the functionality and application controls of the OnePhilly system. Our current year review noted that nine out of thirteen previously reported conditions remained and only four conditions have been corrected. We continue to consider these breakdowns to be a material weakness. Specifically, the following was noted:

- Assumed time continued to be automatically recorded by the OnePhilly system if an employee’s timecard was short of the employee’s scheduled hours. This time is automatically added to the timecard under the assumption that the employee worked their minimum scheduled hours in the pay period if the time entered into OTL is insufficient. The departments are now provided an Assumed Time Reconciliation report to retroactively change assumed time to a proper time category. However, insufficient controls exist to ensure these retroactive changes occur at the department level.
- Changes continue to be made to employee timecards by the OnePhilly team or the Finance Office’s Central Payroll Unit without documented authorization or approval.

⁴ During the fiscal year 2019 audit, we engaged an independent accounting firm to perform an assessment of the information technology (IT) application and general controls of the OnePhilly system.

- Employee timecards continue to show hour types, such as regular time or on-call time, that are not appropriate for the employee's position, increasing the likelihood of erroneous or fraudulent time entry.
- The OnePhilly team continues to use an automated process to change unapproved timecards to approved status. Departments are responsible for retroactively examining timecards and making corrections. However, insufficient controls exist to ensure this post-pay review and correction occur at the departmental level.
- The OnePhilly team has reduced the overall number of issues causing inaccurate accrual of leave. However, an accrual defect from 2019 remains in need of correction.
- We previously reported that the Timecard Status Summary Dashboard (including the Missing Timecard Report) is not restricted by department. The Super Timekeepers are able to view all employees on the Dashboard. In addition, the Timecard Status table within the Dashboard does not reflect the total population of timecards as the missing timecards are not included. During our testing the OnePhilly team indicated that there were no changes to this condition.
- The Overpaid / Underpaid report continues to have known inaccuracies according to the OnePhilly team and requires a full review each week. The report was created for each payroll cycle to identify employees which may have been overpaid or underpaid based upon employee type, scheduled hours, and hours entered. The OnePhilly team has made significant improvements reducing the number of known inaccuracies. The largest per diem over/under report examined had 234 lines requiring review, as compared to over 3,000 lines in the prior year. However, instances continue to occur where over/underpayments were not adequately explained, or where documentation of correction was not available.
- Many outbound files sent to various third parties including city employee unions, benefits providers, and insurance providers, continue to lack formalized monitoring controls over their completeness and accuracy.
- Supervisory and executive approvals of payroll continue to be recorded and submitted on paper reports.⁵

Our current year review disclosed that the following previously reported conditions have been corrected. We found that employees who enter their own time through the manager self-service function are no longer able to authorize their own timecards. These timecards are now submitted to their direct supervisor for approval. Additionally, the OnePhilly team has corrected a defect with Timelink, which transfers recorded start and end

⁵ Supervisory and executive approvals of payroll were still physical signatures on a paper report during the audit period. This condition was subsequently corrected, and payroll approvals are now recorded and submitted electronically. As this change occurred in fiscal year 2021, we will test and report upon our findings during the fiscal year 2021 audit.

times from an electronic time clock to OnePhilly system timecards. Timelink had previously transferred incomplete entries resulting in inaccurate timecards. Also, we previously reported a difference of \$.06 in the hourly rate recalculation of one employee's pay. Our current year testing did not disclose such differences and therefore, this condition is deemed resolved. Initially, OnePhilly Oracle Time & Labor (OTL) self-service and timekeeper time entry was not available on Mondays or portions of Tuesday while payroll was being processed. The OnePhilly system no longer has blackout periods for self-service functionality, however, timecards are not available while they are being processed to ensure the accuracy of the payments.

Criteria: Application controls should be adequately designed to ensure the completeness, accuracy, and validity of processing data, as well as the confidentiality and availability of data. Also, controls should be sufficiently tested to ensure that they are operating effectively.

Effect: There is increased risk for the payroll expense and other related liability accounts as reported in the city's Comprehensive Annual Financial Report to be materially misstated due to the controls breakdown. In addition, individual employee pay may be inaccurate and/or unauthorized.

Cause: The scope of our review was to assess the progress of the remediation of deficiencies identified in the application controls in place when the OnePhilly system was in production, supporting the city's HR, Benefits, Payroll, and Time and Attendance processes. As many of these conditions continue to be in existence from the time of the OnePhilly system Go-Live, it appears that the city may still not have dedicated sufficient resources to identifying, prioritizing, testing, and implementing necessary modifications to the OnePhilly system.

Recommendation: Finance Office management and the OnePhilly team should continue to evaluate the sufficiency of resources dedicated to identifying, prioritizing, testing, and implementing necessary modifications to the OnePhilly system. A formalized framework should be established and leveraged for identifying, prioritizing, and resolving system issues. Where applicable, this should include resolving the issue prospectively, as well as any necessary retrospective corrections. Finally, the identification and tracking to the resolution of the issues should be communicated periodically to applicable stakeholders or departments [303519.01].

Views of the Responsible Officials: The OnePhilly team continues to dedicate resources to system enhancements and the resolution of system issues. In the past year, the team has made significant progress as is evident by the findings resolved in this report and from the conditions noted as corrected, including: 1) Employees with access to Oracle Time and Labor (OTL) manager self-service are no longer able to authorize their own timecards; 2) the Timelink defect noted in prior year has been resolved; 3) No hourly rate recalculation differences in employees' pay existed in the current period; and 4) The OnePhilly team successfully eliminated black-out periods for self-service functionality for timecards that are not being processed. These are just a few of the many enhancements implemented during FY20. Shortly after Go-Live, there were 1,680 defects and enhancements logged, however the team has worked to resolve issues and implement enhancements. That work has been effective. At the time of this writing, there are only approximately 220 tickets open, which are primarily enhancements and not defects.

- The City of Philadelphia maintains its commitment to ensure employees get paid on time. As previously communicated, management agreed (after thoughtful discussion) to running an Assumed Time program in the event that Departments are unable to update, review and approve time captured for the period. Thank you for acknowledging our implementation of our Assumed Time reconciliation process, which ensures that timekeepers review and accurately update time in the system within three retro-periods. Departments implement controls to ensure that all retroactive changes are entered accurately into the system and occur in a timely manner. Payroll timekeepers are tasked with reviewing the time entries for their departments for accuracy. Only authorized personnel make changes to employee timecards after following the required approval steps for that specific process.
- The OnePhilly and Central Payroll teams perform certain Citywide and cross-functional tasks. These teams follow the appropriate steps when performing their functions, including making changes to employee timecards. Employees within Central Payroll and OnePhilly who update timecards are certified and have the level of competency required to fulfill the functions of their positions. SAPs E-9101 and I-9101 provide these employees with the authority to make corrections to erroneous employee timecard entries that are submitted by employee supervisors and timekeepers at the department level. If these corrections were not made by Central Payroll and OnePhilly, employees would be paid incorrectly.
- Only relevant hours types are authorized for employees and timekeepers. The time types that timekeepers have access to are driven by both Department and Compulsory Union Code (CUC). Hours type should not be restricted at the department level. Hours types are driven by CUC and, therefore, not all hours types are available for each employee. For example, Hazmat or Acting Out of Rank is available only for CUC 'F' or firefighters, and Stress Pay is available only for Police. All hours types are reviewed and approved by managers and timekeepers.
- The OnePhilly team does not approve all timecards in unapproved status. Only timecards in the most current processing period that are in working status are approved in order to ensure all employees get paid. Timekeepers are then tasked with updating these timecards after the close of the processing period. In the absence of the automatic approval process and the Assumed Time program, if managers and timekeepers did not complete their review and approval of employee timecards by the payroll processing deadline, employees would not receive their paychecks. Management determined that the risks related to not paying employees were greater than the risk of paying employees and retroactively adjusting these payments if needed. Further, the number of instances in which employees' current timecards remain in unapproved status continues to decrease significantly. Departments are responsible for implementing controls to ensure that all retroactive changes are entered accurately into the system and occur in a timely manner. We continue to look for ways to enhance our processes and will explore additional controls that can be implemented at the department level.

- Thank you for acknowledging the strides the OnePhilly team has taken to correct all issues related to inaccurate accrual leave. The one outstanding accrual leave issue being referenced from 2019 was resolved in February FY20, however a manual coding error caused this issue to resurface in December FY21. This issue was prioritized and resolved effective February FY21 and is now accurately reflected in the system.
- We disagree with this finding. The Timecard Status Summary Dashboard is restricted by Department. Timekeepers use this dashboard to view meaningful data during the time capture phase of payroll processing, such as timecards in approved status and timecards in working or error status. All of this information is accessed and viewed at the department level. Only one report with limited data on the dashboard has a Citywide view only access, and that is the Missing Timecard Report. Super timekeepers can view the listing of all employees across the City that have missing timecards in this report, but they do not have access to sensitive payroll and personally identifiable information (PII) of employees in other departments. We continue to work with Oracle developers to prioritize the update of the missing timecard report so that Super Timekeepers will view it at the department level only.
- Thank you for acknowledging the progress made by the OnePhilly Team. According to the OnePhilly Team, there are no known inaccuracies existing in the Overpaid/Underpaid Report. The Overpaid/Underpaid Report has been significantly enhanced since FY19 and continues to be instrumental in the Central Payroll review process. A team of payroll examiners conducts the review of the Overpaid/Underpaid reports. The reduction in lines requiring review referenced above is indicative of the elimination of inaccuracies in the Overpaid/Underpaid Report during FY19 and FY20.
- The statement that outbound files “lack formalized monitoring controls over completeness and accuracy” is inaccurate. The OnePhilly Team has implemented controls for each type of outbound interface file. The information being sent to outside parties is different, and therefore different controls are required for monitoring accuracy and completeness for each file. There cannot be one individual standardized process for monitoring completeness and accuracy because of the customized nature of the produced files.
- Central Payroll had dedicated staff that thoroughly reviewed and compared the listing of approved authorized signers and followed up with departments to ensure appropriate levels of approvals were obtained from supervisory and executive-level approvers. During FY20, the Central Payroll and OnePhilly teams made significant strides to enhance the sign-off process, and specifically, as previously communicated, Central Payroll worked with the OnePhilly Team to develop a blueprint, and then implement the automated payroll sign-off process. This new automated sign-off process was implemented in September 2020.

Auditor’s Comments on Agency’s Response: Regarding management’s statements on the breakdowns in the functionality and application IT controls of the OnePhilly system, we have the following comments:

In its response above, management states the following with regard to the use of assumed time:

“Departments implement controls to ensure that all retroactive changes are entered accurately into the system and occur in a timely manner. Payroll timekeepers are tasked with reviewing the time entries for their departments for accuracy. Only authorized personnel make changes to employee timecards after following the required approval steps for that specific process.”

The continued reliance on individual departments to make retroactive changes to processed timecards, without ensuring these changes are made constitutes an internal control weakness. If timekeepers do not make manual corrections to these timecards, the employee may be paid erroneously. While the Assumed Time Reconciliation Report aids a departmental timekeeper in identifying changes that should be made, there is no control in place to ensure these changes are being made.

Management states the following with regard to the changes made to employee timecards without documentation or approval:

"Employees within Central Payroll and OnePhilly who update timecards are certified and have the level of competency required to fulfill the functions of their positions. SAPs E-9101 and I-9101 provide these employees with the authority to make corrections to erroneous employee timecard entries that are submitted by employee supervisors and timekeepers at the department level.”

Our finding or recommendation does not question the authority or the competency of the employees making changes to timecards. When changes must be made to a timecard by a OnePhilly or Central Payroll employee, the unit should retain documentation supporting the validity of the change and include a secondary review of the correction to reduce the likelihood of an error being made. Subsequent to making changes, OnePhilly or Central Payroll should communicate all changes made to the applicable department.

Management states the following with regard to employee timecards continue to show hours types that are not appropriate for the employee’s position:

“Hours type should not be restricted at the department level. Hours types are driven by CUC and, therefore, not all hours types are available for each employee.” “All hours types are reviewed and approved by managers and timekeepers.”

Based on our review, organizing hours type permissions by CUC continues to make inappropriate hours types available. For example, an employee, who is in a department that does not schedule shift work, may select shift differential time because shift work is available to employees in other departments with the same CUC. Restricting the availability of these hours types creates a stronger control than the continued reliance on managers and timekeepers to identify timecard errors.

Management reiterates the importance of using assumed time and automatic approval so that employees are paid in a timely manner, and states the following with regard to the continued use of an automated process to

change unapproved timecards to approved status for payroll processing:

“Departments are responsible for implementing controls to ensure that all retroactive changes are entered accurately into the system and occur in a timely manner.”

Our recommendation does not suggest that timecards in unapproved status should not be approved and processed for timely payment. While the departments may be responsible for making retroactive changes, Central Payroll should establish internal controls to ensure these changes occur in all departments.

Management states the following with regard to Super Timekeeper’s ability to view information on the Timecard Status Summary Dashboard from other departments, including the Missing Timecard Report:

“We disagree with this finding. The Timecard Status Summary Dashboard is restricted by Department.” “Only one report with limited data on the dashboard has a Citywide view only access, and that is the Missing Timecard Report.”

Management’s response confirms that the Timecard Status Summary Dashboard is not restricted by Department. The continued ability for a Super Timekeeper to view the Missing Timecard Report from other departments remains an internal control weakness. The OnePhilly team also acknowledges their need to work with Oracle developers to prioritize the update of the Missing Timecard Report so that Super Timekeepers are able to view it at the department level only.

Management states the following with regard to many outbound files sent to various third parties that continue to lack formalized monitoring controls over their completeness and accuracy:

“The statement that outbound files “lack formalized monitoring controls over completeness and accuracy” is inaccurate. The OnePhilly Team has implemented controls for each type of outbound interface file.”

During our testing, the OnePhilly team provided documentation illustrating the progress in developing and implementing monitoring controls for outbound files. This documentation indicated that many of the outbound file controls were still in development, thus lacking formalized monitoring controls.

Schedule of Findings and Questioned Costs

Section III - Financial Audit Significant Deficiencies

2020-004 DEFICIENCY IN ONEPHILLY SYSTEM'S IT GENERAL CONTROLS REQUIRE CONTINUED IMPROVEMENT TO MINIMIZE VULNERABILITIES

In addition to the material weakness⁶ we again noted in application controls, we previously reported several deficiencies⁷ in the OnePhilly system's IT general controls which were identified during a prior year review⁸. As part of the current audit, we reviewed the status of the following previously reported deficiencies:

- There was no formal, documented monitoring of the third parties which significantly support the OnePhilly system.
- Authorization of OnePhilly elevated access for new users and transferred users was not performed using a formal, documented format. In addition, periodic user reviews had not been performed, and there was no formally documented Segregation of Duties policy.
- Passwords were not configured to meet city requirements, including complexity, minimum length, and expiration after 90 days.
- Go-Live approvals were not formally documented and maintained. In addition, meeting minutes or reports, used to support the steering committee's decision to go live, were also not maintained.

Our current testing revealed that the OnePhilly team has made corrections and improvements to three of the four conditions noted above.

In response to our prior year recommendation, the OnePhilly team has appropriately implemented formal review and evaluation of the Ciber Oracle Managed Services (COMS) Service Organization Control (SOC) 2 report, and the CenturyLink Managed Network and Hosting Services SOC 2 report⁹. This review and evaluation included an additional risk survey to address control gaps. Physical access and environmental controls for CenturyLink's data center located in Sterling, Virginia were evaluated in the 2019 COMS SOC2 report, and considered in the risk survey conducted by the OnePhilly team. Since the OnePhilly team is sufficiently monitoring the third-party performance of both Ciber and CenturyLink, we consider this condition to be resolved [303519.02].

Additionally, the OnePhilly team has made improvements in the configuration of password requirements. Regarding the Go-Live approvals not being formally documented and maintained, while no Go-Live event

⁶ See pages 6 to 8 of this report for more detail on the material weakness in OnePhilly IT application controls.

⁷ Our prior review also disclosed other deficiencies in OnePhilly IT general controls with lesser impact. The remediation status of those other deficiencies is discussed on page 23 and Appendix I of the report.

⁸ During the fiscal year 2019 audit, we engaged an independent accounting firm to perform an assessment of the information technology (IT) application and general controls of the OnePhilly system.

⁹ The city engaged Ciber, an HTC Global Company, (Ciber) to customize and implement the OnePhilly system. In addition, COMS has been contracted to perform the managed services of the day-to-day operations of the system. Ciber hosts the OnePhilly system with CenturyLink, a network services and managed services company.

took place during fiscal year 2020, we found that the OnePhilly team had maintained steering committee reports for their meetings, as we recommended. Accordingly, these conditions are no longer considered significant deficiencies. The remedial status of these conditions is discussed on page 23 and Appendix I of the report.

With regard to the OnePhilly system's authorization of elevated access for new and transferred users, periodic user reviews, and a formal documented Segregation of Duties (SoD) policy, current testing found that conditions still exist that create vulnerabilities within the OnePhilly system. These conditions are discussed in more detail below.

Condition: Authorization of OnePhilly elevated access, which allows for the ability to perform transactions beyond employee self-service, for new users and transferred users continued to not be performed using a formal, documented format. Based on our testing, user provisioning/de-provisioning access requests continued to be made via email or HelpDesk. The OnePhilly team has drafted, but not finalized or approved, a design document to automate the provisioning of access for employees when newly hired, transferred, or terminated. Additionally, a formally documented SoD policy, including identification of incompatible roles, responsibilities, and permissions, had not yet been established. In response to our prior year recommendation, periodic user reviews are now being completed. However, these reviews did not include the identification and removal of SoD breakdowns, or identification of monitoring controls in place where SoD breakdowns cannot be removed.

Criteria: When elevated access is requested, the request should be performed in a formal manner, indicating the specific access (roles and/or permissions) required, capturing the appropriate approval, and maintaining such in an easily accessible format. Incompatible roles, responsibilities, and permissions should be established to enforce SoD in both the provisioning and the periodic reviewing of user access.

Effect: There may be users with access not commensurate with their job responsibilities. In addition, users may have access across incompatible roles, responsibilities, and permissions within the system, thereby potentially allowing a user to bypass system controls.

Cause: Initial elevated access was required only within the OnePhilly team, which used informal requests to obtain and grant access to new team members. They have yet to finalize a formal process to provision and review users.

Recommendation: We continue to recommend that the OnePhilly team develop a comprehensive document that clearly identifies incompatible roles, responsibilities, and permissions. A formal process should be established to request and approve user access, which specifies the access required, considering the documented SoD requirements. Additionally, the quarterly review of user access should include the identification and removal of SoD breakdowns, or identification of monitoring controls in place where SoD breakdowns cannot be removed [303519.04].

Views of the Responsible Officials:

- Thank you for highlighting the elimination of the four findings related to monitoring controls noted in the prior year. OnePhilly continues to maintain the numerous mechanisms in place to monitor Service Level Agreements (SLA), including Daily performance dashboard reports, weekly PMO meetings, and monthly SLA meetings. SOC report reviews, along with an accompanying risk survey, will continue to be conducted by representatives from OIT's Information Security Group (ISG), Law and Finance. Where control gaps exist, vendor due diligence checks will be conducted.
- Thank you for noting the elimination of verbal provisioning requests and the introduction of access requests through the help desk, which allows for tracking. Thank you also for highlighting the implementation of periodic user reviews. OnePhilly has previously provided documentation concerning separation of duties and systematic permissioning based on responsibilities across departments. Access provisioning and de-provisioning is carried out by the OnePhilly security provisioning team, which thoroughly considers systematic permissioning and segregation of duties when assigning access. The team continues to develop enhancements to the user access process and will finalize the automation of the access provisioning and de-provisioning for newly hired, transferred, or terminated employees during FY22.
- Thank you for highlighting the significant improvements made to the password requirements configured in the OnePhilly system. Please see additional response to this condition in Appendix I.
- The team continues to maintain that the plethora of support provided including steering committee meeting agendas and presentations, go-live timelines, and emails to the steering committee confirming Go-Live was successful, among other communications, collectively support the steering committee's decision to go live. Further, thank you for acknowledging the enhancements we made to our steering committee meeting reports. Please see additional response to this condition in Appendix I.

Auditor's Comments on Agency's Response: In response to our recommendation that the OnePhilly team develop a comprehensive document that clearly identifies incompatible roles, responsibilities, and permissions, and that a formal process be established to request and approve user access which considers the documented SoD requirements, on page 40 management states:

“OnePhilly has previously provided documentation concerning separation of duties and systematic permissioning based on responsibilities across departments. Access provisioning and de-provisioning is carried out by the OnePhilly security provisioning team, which thoroughly considers systematic permissioning and segregation of duties when assigning access.”

During the audit, the OnePhilly team provided a draft design document for systematic permissioning of user access during hiring, transfers, and termination of employees. This document does not contain sufficient internal controls that consider SoD including identification of incompatible roles, responsibilities, and permissions.

2020-005 OIT'S IT GENERAL CONTROLS CONTINUE TO REQUIRE STRENGTHENING

Condition: We previously reported several deficiencies in the Office of Innovation and Technology's (OITs) IT general controls over key financial-related applications¹⁰, which were identified during a prior year review¹¹. In the current audit we again noted the following conditions:

- OIT management provided a Change Management Standard Operating Procedures (SOP) created on January 29, 2019, which still did not specifically address (1) details on the Change Advisory Board (CAB) approval process and (2) how end-user testing should be documented. As noted in prior reviews, the procedure was still inconsistently applied when performing change requests for in-scope applications. Change requests sampled by us were still not consistently supported by documented end-user testing, including detailed testing procedures, and identification that testing was completed. Also, for sampled change requests, the service tickets did not consistently document required approvals, including evidence of review and approval by the CAB, even though the SOP clearly identifies the level of approvals required for the different types of changes that are migrated to production.
- OIT still did not properly segregate duties in the following cases:
 1. Three OIT programmers continued to have development rights to Basis2 as well as database administrator access rights.
 2. Four OIT employees continued to have database administrator access as well as systems administrator access within FAMIS and ADPICS.
 3. Two OIT employees continued to have database administrator access as well as systems administrator access within Basis2.

Criteria: Change management procedures should establish clear performance and documentation standards for end-user testing and required approvals to ensure that requested application changes are adequately tested and properly approved before migration to production. Also, OIT's Information Security Administrator Acceptable Use Policy Section 5.1.1 states that IT administrators shall ensure that information systems are configured to provide the ability for segregation of duties to reduce potential damage from the actions of one person. For example, responsibility for initiating transactions, recording transactions, and custody of information systems on which the transactions have been performed are assigned to separate individuals.

Effect: Inadequate compliance with established procedures to perform end-user testing and management approval increases the possibility that unauthorized or inadequately reviewed changes will be implemented in the production environment. Also, with the combination of (a) developer access rights, which allows for the creation or modification of code, configuration, and data, along with (b) the database administrator's

¹⁰ The key financial-related applications included in the review were FAMIS, Advanced Purchasing Inventory Control System (ADPICS), Legacy Payroll (through March 18, 2019, when replaced by OnePhilly), Pension Payroll, Health and Welfare (through December 17, 2018, when replaced by OnePhilly), Taxpayer Inquiry and Payment System (TIPS), and Basis2.

¹¹ The prior review also disclosed other findings with lesser impact. The remediation status of those other findings is discussed on page 23 and Appendix II of this report.

ability to make direct data changes to the database tables, there is an increased risk for unauthorized and improper code migrations, configuration changes, and data changes occurring without detection. Lastly, with the combination of (a) systems administrator access rights, which allows for the creation or modification of user rights to perform transactions or change system configurations, along with (b) the database administrator's ability to make direct data changes to the database tables, there is an increased risk for unauthorized and improper data changes occurring without detection.

Cause: OIT management has not performed adequate monitoring of the change management function to ensure that established procedures are routinely followed, and that the policy clearly identifies standards for documenting end-user testing and the required approvals (including CAB) for the different change types. For the three cases discussed above, OIT management did not exercise sufficient oversight of assigned system access rights to ensure that duties were adequately segregated or, if segregation of duties was not feasible, that there was monitoring of the employees' activities.

Recommendations: To improve IT general controls over financially significant systems, we continue to recommend that OIT management:

- Review its change control procedures and implement measures to ensure that required steps for application changes are performed and documented in accordance with the policy. Also, OIT should update its change management policy to include (1) documentation standards for end-user testing and (2) information relating to how approvals for all change types should be documented in the service ticket [300413.05].
- Separate the developer/programmer function from the database administrator function for the three programmers with development rights to Basis2 as well as database administrator access rights. If segregation of duties is not feasible, OIT should monitor the activities of the three programmers to ensure they are authorized and appropriate [300419.02].
- Separate the systems administrator function from the database administrator function for the four OIT employees who have database administrator and systems administrator access within FAMIS and ADPICS. If segregation of duties is not feasible, OIT should monitor the activities of these employees to ensure they are authorized and proper [300419.03].
- Separate the systems administrator function from the database administrator function for the two OIT employees who have database administrator and systems administrator access within Basis2. If segregation of duties is not feasible, OIT should monitor the activities of these employees to ensure they are authorized and appropriate [300419.04].

Views of the Responsible Officials: OIT will assess separating the functions mentioned above and will segregate the duties associated with each among available employees where possible. Where, due to limited resources, OIT must rely on one employee to perform multiple functions, OIT will make every effort to monitor employee activity. Additionally, OIT will continue to review its change management control procedures and implement measures to ensure that the process is adhered to for application changes. OIT will also work to

revise its change management policy to include the two additional recommended requirements.

2020-006 TREASURER’S BANK RECONCILIATION PROCEDURES STILL REQUIRE IMPROVEMENT

Condition: In the prior audit, we reported that the consolidated cash bank reconciliation contained numerous long outstanding reconciling items, which had been accumulating since the Treasurer resumed reconciling the consolidated cash account in June 2017. A resulting condition from the Treasurer’s failure to reconcile accounts for several years was noncompliance with Pennsylvania’s Disposition of Abandoned and Unclaimed Property Act (escheat act). While the Treasurer made certain remediation efforts, deficiencies still existed in the Treasurer’s bank reconciliation procedures. Specifically, the following was noted:

- Although Treasurer personnel timely prepared the fiscal year-end bank reconciliations, they were not timely in their investigation and resolution of reconciling items. Our prior year report noted numerous long outstanding reconciling items for the consolidated cash account. Current year testing of all 62 bank reconciliations prepared by Treasurer personnel disclosed 40 reconciliations with long outstanding reconciling items. As shown in Table 2 below, as of June 30, 2020, there were 1,310 bank reconciling items over 90 days old with a net total dollar amount of \$118.0 million and 2,315 book reconciling items over 90 days old with a net total dollar amount of \$37.0 million.

Table 2: Reconciling Items Over 90 Days as of June 30, 2020						
Bank Balance Reconciling Items						
	Additions to Bank Balance		Reductions to Bank Balance		Net Activity	
Date of Reconciling Item (Fiscal Year =FY)	# of Items	Dollar Amount	# of Items	Dollar Amount	# of Items	Dollar Amount
Prior to FY 2018	81	\$2,507,527	11	(\$2,141,108)	92	\$366,419
FY 2018	79	1,169,093	10	(421,146)	89	747,947
FY 2019	114	3,490,748	69	(12,943,991)	183	(9,453,243)
FY 2020 ¹²	834	139,857,435	112	(13,498,418)	946	126,359,017
All Fiscal Years	<u>1,108</u>	<u>\$147,024,803</u>	<u>202</u>	<u>(\$29,004,663)</u>	<u>1,310</u>	<u>\$118,020,140</u>
Book Balance Reconciling Items						
	Additions to Book Balance		Reductions to Book Balance		Net Activity	
Date of Reconciling Item (Fiscal Year =FY)	# of Items	Dollar Amount	# of Items	Dollar Amount	# of Items	Dollar Amount
Prior to FY 2018	117	\$11,446,988	83	(\$9,189,147)	200	\$2,257,841
FY 2018	417	108,206,547	109	(115,521,656)	526	(7,315,109)
FY 2019	402	80,923,724	408	(61,612,417)	810	19,311,307

¹² Amounts for fiscal year 2020 include reconciling items through March 31, 2020.

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FY 202012	390	312,717,555	389	(289,923,147)	779	22,794,408
All Fiscal Years	<u>1,326</u>	<u>\$513,294,814</u>	<u>989</u>	<u>(\$476,246,367)</u>	<u>2,315</u>	<u>\$37,048,447</u>

Source: Prepared by the Office of the Controller based upon the June 30, 2020 bank reconciliations provided by the Treasurer's Office

- Ongoing problems with reconciling revenue activity for the Department of Public Health (DPH) had not been corrected. Previous audits have noted variances between DPH's recorded collections and the amounts transferred daily to the consolidated cash account. As of June 30, 2020, there was a \$7.9 million variance between DPH's recorded collections and actual transfers. In the prior audit, the Treasurer informed us that they began a revised process for handling DPH revenue receipts. However, the current year audit disclosed that the process had not yet been fully implemented.
- Our testing still noted noncompliance with the Pennsylvania escheat act. There remains \$6.7 million in outstanding checks for calendar years 2013 to 2017 that have not been escheated to the state. Treasurer management plans to engage an accounting firm to provide escheatment services to address the current escheatable amounts and provide future support as checks become eligible for escheatment.
- In the prior audit, we reported that written procedures for the preparation of bank reconciliations and filing of reconciliation documentation have not been finalized by the Treasurer management. During the current audit, the Treasurer management provided finalized procedures named *Bank Reconciliation Policy*, effective October 1, 2019. We deem this matter to be resolved [500117.03].
- With regard to the seven deposits amounting to \$2.2 million that we previously reported could not be matched to FAMIS, Treasurer management asserted that these receipt transactions had been matched. We requested the documentation for the matching of receipts to FAMIS, but Treasurer management was unable to provide us with this evidence. Given that these unmatched receipts were likely already recorded in the city's books and did not contribute to the previously reported \$33.3 million unknown variance, which has now been resolved, we believe the risk of significant financial statement error to be low and will no longer report on this condition [500117.04].

Criteria: Standard Accounting Procedure (SAP) No. 7.1.3.b, *Reconciliation of All Bank Accounts in All City Agencies*, requires that monthly reconciliations of city bank accounts readily identify all of the specific transactions comprising the differences between book and bank balances to allow city agencies to investigate these reconciling items and determine whether they represent errors or irregularities. Effective internal controls require reconciling items to be researched promptly so that corrective action, where necessary, may be taken. Per the Treasurer's *Bank Reconciliation Policy*, effective October 1, 2019, any reconciling items must be resolved within 90 business days of the reconciled month.

SAP No. 4.1.2, *Unclaimed Monies*, instructs city departments to remit all checks outstanding for over one year to the city's Unclaimed Monies Fund, which is administered by the Finance Office who is then responsible for remitting amounts to the state in accordance with the escheat act. The Pennsylvania escheat act requires that property that remains unclaimed by the owner for a specified dormancy period (depending on property type)

be remitted to the Pennsylvania Treasury. The dormancy period is two years for unclaimed wages/payroll and three years for all other unclaimed property types.

Effect: Numerous and old reconciling items complicate and prolong the bank reconciliation process. The untimely investigation and disposition of reconciling items increase the risk that errors or irregularities could occur and go undetected. The likelihood of resolving reconciling items decreases the longer they remain outstanding. Also, failure to enforce formal written policies and procedures increases the risk that critical control activities may be inconsistently applied or not applied at all and thus creates the potential for errors. Lastly, noncompliance with the Pennsylvania escheat act may subject the city to penalties.

Cause: Treasurer management failed to take adequate steps to ensure that all reconciling items were promptly investigated and resolved within 90 days in accordance with the *Bank Reconciliation Policy*. Concerning the variances related to DPH revenue receipts, Treasurer management has not finalized a revised process for reconciliation of DPH revenue receipts. Regarding the long outstanding checks, due to staff turnover, Treasurer management had to reassign staff and prioritize other duties above the escheatment review.

Recommendations: To improve its bank reconciliation procedures, we recommend that Treasurer management take the following steps:

- Investigate and resolve all reconciling differences between the Treasurer account book and bank balances within the 90-day requirement of the Treasurer's *Bank Reconciliation Policy* [500119.02].
- Implement the revised process for DPH revenue receipts to eliminate the problems with reconciling the DPH's recorded collections to bank transfers [500115.06].

Lastly, the Treasurer and Finance Office management should work together to ensure that all escheatable amounts are sent to the Pennsylvania Treasury. In the future, the Treasurer should comply with SAP No. 4.1.2 in remitting all checks outstanding over one year to the city's Unclaimed Monies Fund, and the Finance Office should send all unclaimed monies due to the Pennsylvania Treasury in accordance with the state escheat act [500117.05].

Views of the Responsible Officials: Thank you for acknowledging the improvements made to the City Treasurer's Office's (CTO) reconciliation procedures, including the timely preparation of fiscal year-end bank reconciliations and the finalization of the Bank Reconciliation Policy. We agree that additional actions are needed to improve the timeliness of resolution to reconciling differences between the Treasurer account book and bank balances. To address this, CTO has re-engaged fiscal staff from various departments when reviewing unidentified reconciling items on a monthly basis to more timely address such items. CTO is also working with Finance to create a process to book unidentified receipts while awaiting confirmation for validation.

To address the DPH finding, CTO is revisiting the process with DPH, Revenue, and Finance to make necessary adjustments to enable DPH to recognize their revenue prior to the funds transferring to the consolidated cash account.

To address the escheatment recommendation, CTO has engaged an Accounting Firm to work with CTO and Finance to provide escheatment services to address the current escheatable amounts and provide future support as checks become eligible for escheatment.

2020-007 FAILURE OF DEPARTMENTS TO PROPERLY AND TIMELY APPROVE BIWEEKLY PAYROLLS INCREASES RISK FOR IMPROPRIETIES AND UNDETECTED ERRORS

Condition: OnePhilly, the city’s payroll system, was implemented during the 4th quarter of fiscal year 2019, moving the departmental payroll approval process from electronic to manual. The manual process requires departments to evidence their review and approval of payroll by having supervisory and executive level approvers physically sign the Time Entry Detail Report and provide a scanned copy to the Central Payroll Unit by the closing date of the biweekly payroll. The executive level approver must be an authorized signer listed on the department’s signature authorization card. This process was in effect for the entirety of fiscal year 2020; however, due to the COVID-19 pandemic, departments were instructed that in lieu of physically signing the Time Entry Detail Report, the supervisory and executive level approvals could be provided to the Central Payroll Unit via e-mail.

Although improved as compared to the prior year’s results¹³, our testing of all fiscal year 2020 pay periods for 50 city departments disclosed 741 instances (55%) where departments did not submit the Time Entry Detail Report with the required two signatures by the payroll close deadline. Out of these 741 instances, we observed 299 reports which contained the required two approvals but were submitted after the payroll close deadline. Out of the 50 city departments, only three were in full compliance with the OnePhilly approval process for all fiscal year 2020 pay periods.

In the prior audits, we reported on a deficiency in the legacy payroll system related to the departmental approval process for payroll where the duties concerning the data entry, review, and approval of bi-weekly payroll transactions were not adequately segregated. This process was not brought forward into the OnePhilly payroll system, and therefore, we will no longer report on this condition.

Criteria: Effective internal control procedures require that all payroll transactions are properly and timely approved by authorized employees.

Effect: Failure to ensure that payroll is reviewed and timely approved by properly authorized individuals increases the risk of undetected errors. Also, this condition provides opportunities for a person to perpetrate and conceal irregularities during the bi-weekly payroll preparation process, which may result in fraudulent payroll payments.

Cause: OnePhilly lacked controls that require department level approvals, and it did not have an electronic payroll sign-off process. Also, the Central Payroll Unit did not adequately enforce compliance with requirements for the manual payroll approval procedures for OnePhilly that were in effect during fiscal year

¹³ The prior year’s testing of the 4th quarter of fiscal year 2019 disclosed 278 instances (78%) where departments did not submit the Time Entry Detail Report with the required two signatures by the payroll close deadline.

2020. The deputy finance director of payroll indicated that as of September 2020, the approval process in OnePhilly has since been automated.

Recommendation: To improve the departmental approval process for OnePhilly, we recommend that the OnePhilly team and Central Payroll Unit continue to work together to ensure that the now automated controls over the payroll sign-off process adequately segregate incompatible duties, particularly the functions of entering, reviewing, and approving payroll transactions. The Central Payroll Unit must remind departments of the current procedures for payroll approvals and enforce compliance with those departments that do not follow those procedures. [500119.03]

Views of the Responsible Officials: Thank you for highlighting that the OnePhilly system configuration included the implementation of segregation of duties concerning data entry, review and approval of bi-weekly payroll transactions. Thank you for acknowledging that improvements were made in the departmental approval process for payroll compared to prior year results. Thank you also for acknowledging our recent automation of the payroll sign-off process. We continue to send out reminder emails to departments during each pay period to ensure that payroll sign-offs are conducted timely. You state in your finding that there were 741 instances where departments did not timely submit the time entry detail reports with the two required signatures. We will work to explore multiple options for enforcement.

Auditor's Comments on Agency's Response: In its response on page 41, management states, "Thank you for highlighting that the OnePhilly system configuration included the implementation of segregation of duties concerning data entry, review and approval of bi-weekly payroll transactions."

The OnePhilly system continued to use a manual payroll approval process and did not require the different levels of approvals prior to processing payroll. Therefore, we were not able to test and verify whether the city has implemented segregation of duties regarding this process during the current audit. Since the approval process has now been automated during fiscal year 2021, we will test and report on this process during the fiscal year 2021 audit.

2020-008 CAPITAL ASSET CONTROL DEFICIENCIES INCREASE RISK OF REPORTING ERRORS

As previously reported during the last several audits, controls over capital assets are deficient because (1) the city does not have a comprehensive capital asset system to facilitate accounting and reporting of these assets, and (2) periodic physical inventories of real property assets are not performed. Each of these conditions is discussed in more detail below.

Lack of a Comprehensive Capital Asset System Hampered Reporting Process

Condition: The city still lacks a comprehensive capital asset management system to better manage and account for real property assets. Instead, Finance Office accountants continue to maintain a cumbersome series of Excel files, that together with FAMIS, constitute the current fixed asset ledger. Various spreadsheet files accumulate the cost of capital assets and work in progress, while other spreadsheet files

are used to calculate depreciation expense and accumulated depreciation reported in the city's Comprehensive Annual Financial Report. Real property addresses are only available in FAMIS by user code, which is identified in an Excel file called the "Proof."

Criteria: Philadelphia's Home Rule Charter¹⁴ requires management to maintain current and comprehensive records of all real property belonging to the city.

Effect: The use of multiple files creates a burdensome and onerous process that can affect the accuracy and completeness of capital asset amounts reported in the Comprehensive Annual Financial Report and causes extensive audit effort. For example, we continued to find discrepancies between the "Proof" file and FAMIS – a \$4.5 million discrepancy in the accumulated depreciation balance for buildings and a \$1.0 million variance between vehicle categories. Further, we discovered that Finance's conversion of the previously used Lotus 1-2-3 files to Excel caused a \$4.8 million misclassification error between asset categories in the initial version of a file that supports the "Proof." Additionally, and unrelated to the conversion, we found that \$17.1 million of assets reported in the Philadelphia Municipal Authority's fiscal year 2019 audited financial statements as transferred to the city were missing from this file. After bringing these errors to Finance's attention, they were corrected in a revised file which reconciled to the "Proof."

Cause: Finance management indicated that they agree it would be beneficial to have a comprehensive capital asset system and have previously stated that resources had not been identified to initially fund and maintain it. They further indicated that they hope to adequately address this issue with new technology in the near future.

Recommendation: To improve the accounting and reporting of the city's capital assets, we continue to recommend that Finance Office management secure the necessary resources to design or purchase a computerized capital asset management system that will provide accurate and useful information such as the book value and related depreciation for each city-owned asset [50104.01].

Views of the Responsible Officials: Thank you for noting the conversion of Lotus 1-2-3 files previously used in our reconciliation process to Excel. We acknowledge that our existing process created some reconciling differences in our proof files, but we are happy that PMA assets were accurately reported, and all corrections were made to the final proof. We agree that the Office of the Director of Finance needs to implement a comprehensive capital asset management system and to eliminate the existing cumbersome process. This condition is expected to be resolved with the OPAL project implementation.

Failure to Inventory Real Property Assets Increases Risk of Inaccurate Accounting Records

Condition: Except for the Philadelphia Water Department (PWD) and the Division of Aviation (DOA), which both periodically check the physical existence and condition of their real property assets, this year's audit again disclosed no evidence that the city's other real property assets had been recently inventoried. We previously reported that, during fiscal year 2018, the Department of Public Property (Public Property) implemented the Integrated Workplace Asset Management System (IWAMS), which contains various data

¹⁴ The Philadelphia Home Rule Charter, Section 6-501

on the city's real estate assets, including maintenance and improvement costs. In its response to last year's report, Finance Office management indicated that after multiple meetings with the Office of Innovation and Technology (OIT), a framework to reconcile the city's fixed asset ledger with IWAMS had been developed, thus enabling management to periodically validate the completeness and accuracy of the city's fixed asset inventory. However, Finance Office management confirmed they have not yet worked with OIT in utilizing this framework to review and reconcile the IWAMS database to the city's fixed asset ledger.

Criteria: SAP No. E-7201, *Real Property Perpetual Inventory*, specifies that the Procurement Department shall physically inspect all city-owned real property on a cyclical basis and check against the inventory listing to determine actual existence, condition, and propriety of use. Additionally, the Government Finance Officers Association (GFOA) recommends that governments periodically inventory tangible capital assets, so that all assets are accounted for, at least on a test basis, no less often than once every five years. It also recommends governments periodically inventory the physical condition of all existing capital assets so that the listing of all assets and their condition is kept current. Furthermore, the GFOA recommends that a "plain language" report on the condition of the government's capital assets be prepared and made available to elected officials and the general public at least every one to three years.

Effect: Continued failure to perform a physical inventory increases the risk that the city's recorded real property assets could be inaccurate and/or incomplete.

Cause: This issue has not been a priority for city management. The Finance Office, Procurement Department, and Public Property – the agency responsible for acquiring and maintaining the city's real property assets – have not developed a coordinated process for physically inventorying all city-owned real property.

Recommendations: We continue to recommend that Finance Office management:

- Work with the Procurement Department and Public Property to periodically take physical inventories of all real property assets, ascertain their condition and use, and ensure that related records are timely and appropriately updated to reflect the results of this effort [50106.04].
- Develop and provide a plain language report on the condition of capital assets at least every one to three years. This report should be made available to elected officials and the general public [500109.02].
- Work with OIT to perform a reconciliation of the IWAMS database to the city's fixed asset records to identify any discrepancies and ensure the completion and accuracy of the city's records [500113.14].

Views of the Responsible Officials: Finance Office management have had multiple meetings with the GIS unit concerning our objective of reconciling the fixed asset ledger to IWAMS. The framework for the reconciliation process has been discussed and the hope is to perform the first reconciliation to IWAMS during FY22.

2020-009 SAPs REQUIRE UPDATING TO ENSURE ACCURATE AND CONSISTENT APPLICATION OF ACCOUNTING RULES AND REGULATIONS

Condition: The city’s Standard Accounting Procedures (SAPs), which serve as the basis for the city’s system of internal control, continue to be long outdated and fail to reflect the automated processes and practices currently in use. The Finance Office has established over two hundred SAPs to provide city departments and agencies with guidance on how to handle various accounting related activities, including proper procedures for ensuring the accuracy of transactions and the safeguarding of assets. Over the years, as new technologies were adopted and daily practices were enhanced, the existing SAPs have not been updated accordingly, with over 50 percent of them still being more than half a century old.

Since September 2015, the Finance Office has updated 18 SAPs, with the most recent being an update of eight grant SAPs issued on February 19, 2020¹⁵ and an addendum to SAP No. 4.1.1.e, Imprest Funds, issued on March 11, 2020, which created a debit card/imprest account for DPH in response to the COVID-19 health emergency. Also, the Finance Office estimated that the update to the ninth and final grant SAP – No. G-6-1, *Budgeting Revenue from Other Governments* – would be completed by Jun 30, 2021. Lastly, in response to the new OnePhilly payroll system implemented in March 2019, the Finance Office has a target timeline of September 30, 2021, for the completion of updates to payroll related SAPs.

During fiscal year 2020, no additional SAPs have been updated since the grant SAP updates. We were provided with an updated project tracking schedule, which listed all existing SAPs, identified those SAPs deemed obsolete, and provided new target deadlines for completing updates. The goal is to have all SAPs updated by fiscal year 2025. We were informed that the director of compliance will be working collaboratively with the Finance Project Management Team and control and process owners, and holding regular recurring meetings to ensure that SAPs across the city are updated.

Criteria: In accordance with Philadelphia’s Home Rule Charter, the city’s Finance Office is required to establish, maintain, and supervise an adequate and modern accounting system to safeguard city finances.¹⁶ Also, in its best practices publication, the GFOA recommends that governments perform an on-going review, evaluation, and update of accounting procedures to ensure they remain technically accurate, understandable, and compliant with current rules and regulations.

Effect: With the majority of SAPs not reflecting the automated processes and practices currently in use, there is an increased risk that critical control activities may be inconsistently applied or not performed at all, which could result in accounting errors and/or misappropriation of assets.

Cause: Over the years, the Finance Office experienced staff reductions that have compromised its ability to conduct periodic reviews and updates to the SAPs.

¹⁵ The eight grant SAPs were Nos. G 1-1, *Grant Closeouts*; G 2-1, *Collection and Deposit of Grant Receipts*; G 2-2, *Program Income*; G 3-1, *Expenditure Reconciliation*; G 5-1, *Subrecipient Monitoring Policy*; G 5-2, *Subrecipient Audit Requirements*; G 5-3, *Resolution of Subrecipient Audit Findings and Questioned Costs*; and G 5-4, *Subrecipient Unspent Funds*.

¹⁶ The Philadelphia Home Rule Charter, Section 6-101.

Recommendation: We recommend that the Finance Office continue to complete the review and update of the SAPs. Procedures no longer pertinent should be rescinded, and those that are out-of-date should be revised to reflect the automated processes and practices in use today. Once this initial update is completed, the Finance Office should develop a schedule for periodically updating SAPs on a regular basis in the future [50102.16].

Views of the Responsible Official: We agree with your recommendation to continue the update of the city's SAPs. We have increased Citywide engagement with control and process owners and continue to have working meetings with stakeholders to facilitate the update of SAPs. We have also made great strides to identify obsolete

SAPs. Management will continue to prioritize this initiative, within budget and resource constraints.

Schedule of Findings and Questioned Costs

Section IV – Federal and PA. Department of Human Services Findings and Questioned Costs

2020-010 REPORTING – MATERIAL WEAKNESS AND COMPLIANCE FINDING

Edward Byrne Memorial Justice Assistance Grant Program – CFDA 16.738

Condition: The Philadelphia Police Department (PPD) was unable to provide for audit, copies of the quarterly Federal Financial Reports (SF-425s), the Quarterly Performance Metrics, and Semi-annual Progress Reports for the Edward Byrne Memorial Justice Assistance Grant Program. Direct funding for this program is received from the U.S. Department of Justice and additional funding is passed-through the PA Commission on Crime and Delinquency.

Criteria: OMB’s Uniform Guidance, Title 2, Part 200, Subpart D, paragraph 200.302(b)(2) specifies that the recipient must disclose accurate, current, and complete financial results. OMB’s Uniform Guidance, Title 2, Part 200, Subpart D, paragraph 200.301 specifies that performance measurement progress must be both measured and reported. OMB’s Uniform Guidance, Title 2, Part 200, Subpart D, paragraph 200.333 specifies that financial records, supporting documents, statistical records, and all other non-federal entity records pertinent to a federal award must be retained for a period of three years from the date of submission of the final expenditure report, as reported to the federal awarding agency or pass-through entity in the case of a subrecipient.

Effect: Auditor was unable to audit compliance with reporting requirements. Also, federal grantors may not have complete and accurate information to make fiscal decisions on future federal awards.

Cause: According to management, in November 2020 the PPD had a change in the personnel responsible for the maintenance of the above reports. That employee would have had knowledge of the location of the hard copies of those reports. However, that information was not shared with other office employees, and no one was able to locate the hard copies. Additionally, management stated that the electronic report files were archived in the Federal Grants Management System that has been sunsetted, and the reports were not migrated into the new Just Grants System. Consequently, the PPD also could not obtain access to electronic copies of the reports.

Recommendation: When personnel changes occur, the PPD should have a plan in place to ensure the proper transfer of responsibility and access to the reports and information required to be retained and available for audit. Additionally, we recommend that the PPD maintain proper records of SF-425s and performance reports.

1. Views of the Responsible Officials and Corrective Action Plan: This response is to findings of the Philadelphia Controller's Office FY 20 Single Audit of the Philadelphia Police Department's (PPD), Edward Byrne Memorial Justice Assistance Grant Program (JAG program), CFDA 16.738.

This response is provided to add context and clarity, from the managing agency's (PPD) perspective, of the findings of Material Weakness and Compliance.

Condition: report stating in summary, that the managing agency, PPD, was unable to provide for

audit, copies of quarterly Federal Financial Reports (SF-425's), Quarterly Performance Metrics, and Semi Annual Performance Reports. The PPD responds and comments as follows.

2. FFR's: Reporting is completed to and stored in the Federal Records systems, (RMS) for these reports. The PPD uses that system for retention and recall of official copies of these reports as its method of storing and producing the reports as needed for any subsequent review or audit.

While the Controller's report did mention that the federal Grant Management System was sunsetted, it needs to be emphasized that this is true and verifiable; and that there are several annual awards of JAG that are referenced collectively under a single CFDA; and that these awards and reports were not migrated to the new JustGrants reporting RMS that became the reporting portal and RMS in October of 2020. The oldest of these grant awards and reports under review for this FY 20 Single Audit have a project award start date in October of 2012, and each subsequent year awarded in the subsequent CY years, and have been closed with the federal awarding agency since September 2019. This is relevant because of the question of whether quarterly reports were filed and accepted by the Grantor.

Performance Metrics: The Performance Metrics, both quarterly and cumulative are completed through a separate federal portal and RMS called the Performance Measurement Tool (PMT). It needs to be made clear that the PPD was able and did provide final PMT reports to the extent they were requested for review. In fact, in discussing and corresponding with the Controller's office, these were referred to as an element of supporting documentation for the FFR's. Although having a different primary purpose, the PMT report does reference dollar amounts expended and those amounts need to reconcile to the FFR's.

- 3. Effect:** This response and comment wish to reflect that any question of whether the required reports were submitted and accepted by the grantor agency is collectively demonstrated by the facts that these grants have been closed out, statements by the PPD Grants Management Unit Commanding Officer who has first-hand knowledge and supervisory responsibility for completing of the reports, subsequent annual JAG awards following 2019 without any holding of funds or special conditions referencing delinquent or deficient prior grant award reporting, no DOJ notifications of City of Philadelphia POC's Mayor, Managing Director, City Treasurer, and written notice from the federal Office of Audit Assessment and Management in December of 2020, of removal of the City of Philadelphia from "High Risk" status from the OIG audit of the 2016 DNC.
- 4. Recommendations and Corrective Actions:** The Controller's report noted that there were statements that changes in personnel occurred and affected the ability of the PPD to produce certain reports. While the PPD acknowledges and stated that there were changes in personnel at both the PPD unit level and city administration within the Managing Director's Office, the statements referred to the fact that email correspondence pertaining to specific administrative decisions were no longer available. However, the Commanding Officer of the GMU was aware contemporaneously of the correspondence, and actually supervised that the specific actions directed by the executive level of

the MDO were effectuated in the management of the award.

Regarding corrective action for proper transfer of responsibility whenever personnel changes may occur, this has been and is addressed going forward at the unit level. The Grants Management Unit offices were moved to a new Public Safety facility in July of 2021.

Since that time, records of grant files are being stored in a separate electronic cloud file created for each award, that is accessible by several people within the unit.

Contact Person: Captain Stephen Murianka, Captain, Philadelphia Police Department (215) 683-2846

2020-011 REPORTING – SIGNIFICANT DEFICIENCY AND COMPLIANCE FINDING

Emergency Solutions Grants Program – CFDA 14.231

Choice Neighborhoods Implementation Grants – CFDA 14.889

Condition: In our review of the fiscal year (FY) 2020 SEFA, we found GAAU improperly reported prior period expenditures for two grant programs in the current year SEFA. Specifically, we noted expenditures for the Emergency Solutions Grants Program (CFDA #14.231) and the Choice Neighborhoods Implementation Grants (CFDA#14.889) totaling \$462,391 and \$1,372,835 respectively, occurred in FY 2019, but were not included in the year-end accounts payable or reported in the FY 2019 SEFA. Instead, Finance reported those expenditures in the FY 2020 SEFA. The funding for those programs is received from the U.S. Department of Housing & Urban Development.

Criteria: OMB’s Uniform Guidance, Title 2, Part 200, Subpart F, paragraph 200.510(b) specifies that the grantee must prepare a SEFA for the period covered by the financial statements which must include the total federal awards expended as determined in accordance with §200.502 Basis for determining federal awards expended. OMB’s Uniform Guidance, Title 2, Part 200, Subpart F, paragraph 200.502(a) specifies that the determination of when a federal award is expended must be based on when the activity related to the federal award occurs. Additionally, the city’s financial statements are prepared on the modified accrual basis and follow Generally Accepted Accounting Principles (GAAP). GAAP requires that governments report a liability in the period in which it is incurred. Accordingly, governmental entities should record expenditures when a liability is incurred, or when the activity related to a federal award occurs, and not based on when the invoice is received.

Effect: Failure to report grant expenditures on the SEFA during the correct fiscal year is a departure from GAAP and caused inaccurate reporting of Federal expenditures.

Cause: In our FY 2020 audit of the city’s ACFR, we noted that the city’s Finance Office procedures for computing year-end accounts payable balances disclosed weaknesses that increased the risk for unrecorded payables. Specifically, our review disclosed that the Finance Office requested departments to provide them with a list of fiscal year 2020 invoices not yet vouchered or submitted for processing as of August 16, 2020. Based on our testing results, it was clear that the Finance Office’s mid-August cut-off date for the review and identification of payables was too early to detect all significant accounts payable. This also caused the GAAU unit to improperly include expenditures for services provided in FY 2019 in the FY 2020 SEFA.

Recommendation: Finance should improve its accounts payable process by following GAAP and the accrual basis of accounting by recording expenditures in the FY they occur.

Views of the Responsible Officials and Corrective Action Plan: We rely on the Departments to submit accurate accounts payable to the Finance Office within the cut-off period in order to meet the Charter-mandated Annual Financial Report (AFR) submission which is 120 days after the end of the fiscal period.

As explained in finding 2020-0012, Departments have noted that there are instances where vendors may experience an administrative burden and are unable to provide them with invoices in a timely fashion. If invoices are not timely submitted, payments are delayed, and the accounts payable accrual for the reporting year may be understated. In instances of delayed invoicing, we reported expenditures in the subsequent reporting period that they were paid with a footnote to clearly identify the related accounting period when those expenditures should have been identified or accrued.

In FY 2021, the Finance Office management timeline extended the accounts payable review from September to the middle of October 2021. We will continue to work with the Departments with unique challenges to ensure that accurate accounts payable are submitted within the cut-off period for the AFR reporting.

Contact Person: Leon Minka, Accounting Manager, Finance (215)-686-6172

2020-012 REPORTING – SIGNIFICANT DEFICIENCY AND COMPLIANCE FINDING

Staffing for Adequate Fire and Emergency Response – CFDA 97.083

Condition: The Philadelphia Fire Department (PFD) submitted semi-annual Federal Financial Reports (FFR, or SF-425s) that were inaccurate for Federal awards received under the Staffing for Adequate Fire and Emergency Response (SAFER) program. Our review of two SF-425s submitted in fiscal year 2020 disclosed that amounts reported for “Federal share of expenditures” and “Recipient share of expenditures” were incorrect. The “Federal share of expenditures” was overstated by \$456,573 and \$1,549,285 for reporting periods ended December 31, 2019, and June 30, 2020, respectively. Additionally, the “Recipient share of expenditures” was overstated by \$152,191 and \$516,428 for reporting periods ended December 31, 2019, and June 30, 2020, respectively. As a result, all line items on the SF-425s that were calculated using those amounts were incorrect. The PFD provided documentation that the grantor informed them that they do not need to submit revised SF-425s but should correct the errors in their subsequent report. Funding for this program is received from the U.S. Department of Homeland Security and administered by the Federal Emergency Management Agency (FEMA).

Criteria: OMB’s Uniform Guidance, Title 2, Part 200, Subpart D, paragraph 200.302 (b)(2) specifies that the recipient must disclose accurate, current, and complete financial results.

Effect: The SF-425 report tracks the status of financial data for this Federal award. Failure to properly report accurate information on the SF-425 report leads to noncompliance with reporting requirements. Also, federal grantors will not have complete and accurate information to make fiscal decisions on future Federal awards.

Cause: Difficulties obtaining, analyzing, and reviewing payroll and benefits data from the newly implemented OnePhilly payroll system caused PFD to not have completed information available at the time of submission of the FFR.

Recommendation: PFD should ensure their staff has proper training to prepare the SF-425 report and should correct the above noted errors in their subsequent report as advised by the grantor agency.

Views of the Responsible Officials and Corrective Action Plan: PFD agrees that there were errors in the SF-425 for reporting period ending December 31, 2019, and June 30, 2020. These errors – particularly the error related to the June 30, 2020 SF-425 – were initially identified by the PFD in August 2020 and immediately reported to PFD’s funding liaison at FEMA as well as to internal partners within City of Philadelphia government. At that time, FEMA advised not to correct the June 30, 2020 SF-425 but to focus on ensuring future SF-425 reports were correct. In reviewing the error identified, the PFD found a few contributing factors. The primary error was in calculating the grant appropriation split across FY2020 and FY2021 allowing more expenditures to book against the grant index code in FY2020 than should have. This simple administrative error would have been identified earlier than August 2020 if other conditions had not further complicated PFD’s work environment, namely the emergence of COVID-19 in March 2020 and the introduction of a new payroll system implemented in March 2019. COVID-19 deeply affected the

work environment, productivity, and priority focus of PFD employees, often prolonging the time required for seemingly routine tasks. Further, detailed payroll analysis from the new payroll system proved more time-intensive than originally planned. These twin obstacles together prevented a more timely and thoughtful review of the SF-425 reports prior to submission. PFD recognizes the seriousness of these errors and has been and will continue to be committed to communicating with its partners as well as continuing to work on and improve its grants management process/procedures.

Contact Person: Tara Mohr, Chief of Staff, Philadelphia Fire Department (215) 683-1570.

2020-013 REPORTING – SIGNIFICANT DEFICIENCY AND COMPLIANCE FINDING

Emergency Solutions Grant Program – CFDA #14.231

Home Investment Partnerships Program – CFDA #14.239

Choice Neighborhoods Implementation Grants – CFDA #14.889

Community Services Block Grant – CFDA #93.569

Blocks Grants for Prevention and Treatment of Substance Abuse – CFDA #93.959

Condition: GAAU did not accurately disclose the total payments to subrecipients in the preliminary SEFA provided for audit. Our review of records indicated that subrecipient expenditures for the major programs listed below in Table 1 were understated by \$18.3 million. GAAU concurred with our findings and corrected the amounts reported for subrecipient expenditures. This condition was reported as finding number 2019-011 in the prior year report.

Table 1: Summary of the Subrecipient Expenditure Variances by Major Program				
	CFDA #	Amount Per Auditee (\$)	Amount Per Auditor (\$)	Difference Overstated/ (Understated) (\$)
Emergency Solutions Grant Program	14.231	4,547,636	4,246,669	300,967
Home Investment Partnerships Program	14.239	9,005,189	8,716,939	288,250
Choice Neighborhoods Implementation Grants	14.889	0	10,632,907	(10,632,907)
Community Services Block Grant	93.569	2,338,989	2,592,803	(253,814)
Block Grants for Prevention and Treatment of Substance Abuse	93.959	3,308,915	11,337,526	(8,028,611)
Total		19,200,729	37,526,844	(18,326,115)

Source: Office of the Controller

Criteria: OMB’s Uniform Guidance, Title 2, Part 200, Subpart F, paragraph .510(b)(4) requires the total amount provided to subrecipients from each federal program to be included in the SEFA.

Effect: Failure to completely and accurately report subrecipient expenditures could result in noncompliance with terms and conditions of Federal awards. It could, for example, lead to the city not correctly identifying subrecipients for audits and monitoring. In addition, grantors will not have accurate information relating to the total amount of federal awards that were expended by subrecipients.

Cause: Departments responsible for the grants do not always provide timely and accurate subrecipient expenditure information to GAAU or informed them when expenditures are denoted with the incorrect document prefix. Additionally, GAAU’s review of the subrecipient expenditures reported in the draft of the SEFA did not identify discrepancies between amounts reported and the city’s accounting records.

Recommendations: We recommend that GAAU reinforce with departments the need to provide complete and accurate information to assist in reporting the correct amounts for total payments to subrecipients, and to inform them when expenditures are denoted by the incorrect document prefix. Additionally, GAAU should strengthen

its SEFA preparation procedures to ensure that all payments to subrecipients are reported as subrecipient expenditures on the SEFA.

Views of the Responsible Officials and Corrective Action Plan: GAAU will reinforce with affected departments the need to review the new accounting expenditure report that includes both types of encumbrance document prefixes for professional service contracts. GAAU will also reinforce compliance with the prescribed municipal policy Standard Accounting Procedure G 5-1 Subrecipient Monitoring that is intended to assist city departments with compliance with 2 CFR 200.510(b)(4).

In FY 2022, GAAU will implement the digitized Grants Profile form. The requirements for subrecipient and contractor determinations are incorporated on this form. Identifying the subrecipients at the outset of the grant will enable the departments to ensure proper accountability and compliance with program requirements and achievement of performance goals. However, Departments have noted that there are instances where subrecipients may experience an administrative burden and are unable to provide Departments with invoices in a timely fashion. If invoices are not timely submitted, payments are delayed, and the accounts payable accrual for the reporting year may be understated. Depending on the reporting requirements of the grantor, prime recipients may be allowed to report these subrecipient expenditures in subsequent reporting periods in a manner that clearly identifies the related accounting period. In instances of delayed invoicing, reporting the expenditure in the current period with a footnote, if allowed by the grantor requirements, may provide the most relevant and reliable SEFA reporting information.

GAAU will continue to pursue innovative methods and work and consult with the Office of Recovery and Grants (ORG), Health and Human Services cluster and other departments to improve reporting of subrecipients expenditures.

Contact Person: Leon Minka, Accounting Manager, Finance (215) 686-6172

2020-014 SUBRECIPIENT MONITORING – SIGNIFICANT DEFICIENCY AND COMPLIANCE FINDING

Coronavirus Relief Fund – CFDA #21.019

Condition: For the three subawards selected for testing, we noted that the information required in accordance with 2 CFR section 200.331(a) was not provided at the time of the subaward. Additionally, an evaluation of each subrecipient’s risk of noncompliance with Federal statutes, regulations, and the terms and conditions of the subaward for purposes of determining the appropriate subrecipient monitoring was not performed. Furthermore, the agreements for two of the subrecipients did not describe applicable compliance requirements, or the for-profit subrecipients’ compliance responsibilities. The funding source for this program is received from the U.S. Department of Treasury.

Criteria: 2 CFR section 200.331(a) states that a pass-through entity (the city) must ensure that every subaward is clearly identified to the subrecipient as a subaward and includes the required award information so that it is used in accordance with Federal statutes, regulations and the terms and conditions of the Federal award. In addition, 2 CFR section 200.331(b) states that pass-through entities must evaluate each subrecipient’s risk of noncompliance with Federal statutes, regulations, and the terms and conditions of the subaward for purposes of determining the appropriate subrecipient monitoring. Furthermore, 2 CFR section 200.501(f&h) states that for-profit subrecipient agreements describe applicable compliance requirements and the for-profit subrecipient’s compliance responsibility.

Effect: Failure to identify subrecipient awards, as Federal, and the applicable compliance requirements, could lead to noncompliance at the subrecipient level. Failure to perform risk assessments increases the risk of noncompliance with subrecipient monitoring requirements as set forth in the U.S. Office of Management and Budget Compliance Supplement, which could lead to the city’s loss of Federal awards.

Cause: The city appropriated CARES Act monies in response to the public health emergency due to COVID-19. Due to the emergent nature of the spending, the city’s existing internal control system did not operate effectively.

Recommendations: We recommend management modify and/or strengthen its current policies and procedures to ensure that all required award information and applicable requirements are communicated to subrecipients at the time of the subaward. Also, we recommend that management ensure that evaluations of each subrecipient’s risk of noncompliance is performed prior to a subaward.

Views of the Responsible Officials and Corrective Action Plan: The Office of Recovery and Grants (ORG) acknowledges the finding and appreciates that the Office of the Controller’s consideration of the complicating factors that distinguish the CARES Act Coronavirus Relief Fund (CRF) grant from typical federal grants, including:

1. Timeline for grant award: a COVID-19 emergency declaration was issued by the President of the United States, and was followed by a Mayoral declaration, during the week of March 13, 2020. The

City initiated a range of emergency operations at that time. However, the City did not know, and could not anticipate, the form in which federal grant funding would become available at the time of the initial declaration. It was not until mid-April 2020 that the City was made aware that CARES Act CRF grant funds would be available. By that time, the City's COVID-19 response was well underway.

2. Lack of timely and clear guidance: the U.S. Treasury issued guidance on grant eligibility requirements, financial and performance reporting, and subrecipient definitions in an evolving and retrospective manner. Specifically, the U.S. Treasury issued its first guidance relating to subrecipients in July through August 2020, which was after the actual FY2020 performance period ended.
 - a. When ORG evaluated individual expenditures, we required that, in keeping with the City's procedures and policies, all expenditures had the required documentation detail and fit with any guidance as we knew it for the grant. We also provided direct guidance to departments on documentation necessary under 2 CFR 200 guidelines, as those guidelines became available.
3. Emergency circumstances: the City initiated emergency COVID-19 response activities in March of 2020, and, due to the exigent nature of public health and safety response, amended existing contracts with vendors to perform services that may have been substantially different than the initial, underlying contract entailed.

For these reasons, ORG and the City's operating departments were forced to identify and attempt to define CRF grant-related subrecipients retrospectively. As we have described in prior memos responsive to the audit, ORG performed a review of the specific, COVID-19 related emergency purchase or scope of work related to each vendor in order to determine whether the vendor would be classified as a subrecipient or contractor per 2 CFR 200.331. In each case, the City held an existing contract with the vendor, which was subsequently amended to include the COVID-19 related emergency goods or services, in accordance with federal grant guidance issued by the U.S. Treasury for Coronavirus Relief Funds (CRF) and Federal Emergency Management Administration guidance on emergent contracting during the COVID-19 pandemic. In ORG's view, the specific, COVID-19 related activities or purchases qualified each of the three vendors named above to be classified as a subrecipient.

While ORG did not communicate directly with the vendors subsequent to identifying their funding as a federal source, the office communicated to the City departments and indicated the specific vendors for which they held contracts where COVID-19 related purchases/scope of work was funded by the federal CRF grant. ORG also provided summary guidance on subrecipient monitoring to the respective departments.

Corrective actions: To improve subrecipient monitoring practices related to the CRF grant, ORG is planning for the Single Audit in consultation with central Finance offices, including the Grants Accounting Unit, Budget Office, and the Director of Controls and Compliance; and with operating departments, particularly the Managing Director's Office/Health and Human Services cluster. Corrective actions include:

- ORG has developed and is offering recurring training sessions for operational departments and fiscal officers on subrecipient monitoring.

- In cooperation with central Finance and MDO, creating a schedule for identification of subrecipients and their respective expenditures related to CRF projects.
- ORG is affirmatively communicating audit requirements to CRF subrecipients via memo to operating departments, so that those departments may send letters to subrecipients regarding monitoring and audit reporting requirements.

In conclusion, ORG is taking proactive steps based on the recommendations of the Office of the Controller to address the deficiency that was identified in the FY20 audit process. Our office welcomes continued communication with the Office of the Controller on process improvement and in preparation for ongoing audits of federal COVID-19 Recovery grants.

Contact Person: Ashley Del Bianco, Chief Grant Officer, Office of the Director of Finance,
(215) 686-6131

2020-015 SUBRECIPIENT MONITORING – SIGNIFICANT DEFICIENCY AND COMPLIANCE FINDING

Community Services Block Grant – CFDA 93.569

Condition: The Mayor’s Office of Community Empowerment and Opportunity (CEO) did not perform a risk assessment to plan the during-the-award monitoring of their subrecipients. Funding for this program is received from the U.S. Department of Health & Human Services and administered by the PA Department of Community and Economic Development (DCED).

Criteria: OMB’s Uniform Guidance, Title 2, Part 200, Subpart D, paragraph 200.331(b) specifies that all pass-through entity must evaluate each subrecipient’s risk of noncompliance with Federal statutes, regulations and the terms and conditions of the subaward for the purpose of determining the appropriate subrecipient monitoring to ensure proper accountability and compliance with program requirements.

Effect: Without a risk assessment, CEO may not know how to properly plan subrecipient monitoring. They may over-monitor a subrecipient that should be considered low risk or under-monitor a subrecipient that should be considered high risk.

Cause: CEO did not have a subrecipient risk assessment tool in place to pre-identify areas in which problems might arise with providers.

Recommendation: CEO should perform a risk assessment to evaluate each subrecipient’s risk of noncompliance with Federal statutes, regulations and the terms and conditions of the subaward.

Views of the Responsible Officials and Corrective Action Plan: MOCEO acknowledges that we did not have a subrecipient risk assessment tool in place to pre-identify areas in which problems might arise with providers we contracted with during FY 2020.

To address this need, MOCEO developed a Risk Assessment Standard Operating Procedure in October 2020 with the actual Risk Assessment tool being finalized by MOCEO in 2021 (see attached). The intent was that both would be implemented for the CY 2020 contract period (monitoring and assessment take place in CY 2021) and moving forward. Implementation of this tool was negatively impacted by the COVID-19 pandemic as was the general timeliness of subrecipient monitoring. We have now resumed programmatic and fiscal monitoring for ALL subrecipients (low, moderate, or high risk).

Contact Person: Al Chapman, Director of Finance, CEO (215) 908-4654

Summary Schedule of Prior Years Audit Findings

**CITY OF PHILADELPHIA
SUMMARY SCHEDULE OF PRIOR YEAR AUDIT FINDINGS
FOR THE FISCAL YEAR ENDED JUNE 30, 2020**

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**City of Philadelphia
Summary Schedule of Prior Audit Findings
Fiscal Year Ended June 30, 2020**

Reference Number	Status	Questioned Costs
PA Department of Human Services		
Children and Youth Programs		
2019-014	Unresolved	\$1,201,065

Condition: The Department of Human Services (DHS) improperly reported \$1,768,574 in unsupported expenditures in its fiscal year 2019 Act 148 County Children and Youth Fiscal Summary (Fiscal Summary) submitted to the Pennsylvania Department of Human Services (PaDHS). DHS also improperly reported \$178,308 of encumbered funds as expenditures on the Fiscal Summary. Funding for these programs is from PADHS.

2020 Update: DHS ensures that all expenses reported are actual and properly supported. The department requests record of actual expenses with supporting documentation prior to invoicing the state.

Contact: Nadine Perese, CFO, Department of Human Services (215) 683-6060

2019-013	Unresolved	\$2,602,006
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Condition: The Department of Human Services (DHS) improperly reported \$3,566,773 of Central Service Costs (indirect costs) on their Act 148 Invoice based on an indirect cost rate of 13.61 percent. DHS should have based its claim on a rate of 9.32 percent calculated by using actual expenditures for central services costs determined by the city.

2020 Update: DHS has revised its review and reporting of indirect costs to the State to ensure those costs accurately match the City of Philadelphia's Cost Allocation Plan.

Contact: Nadine Perese, CFO, Department of Human Services (215) 683-6060

**City of Philadelphia
Summary Schedule of Prior Audit Findings
Fiscal Year Ended June 30, 2020**

Reference Number	Status	Questioned Costs
Children and Youth Programs		
2019-012	Unresolved	\$366,449

Condition: The Department of Human Services (DHS) reported salaries and benefits costs that exceeded maximum allowable amounts by \$457,716 on its fiscal 2019 County Children and Youth Social Service Programs' Fiscal Summary. The programs are funded through the Pennsylvania Department of Human Services (PaDHS).

2020 Update: DHS requests an Act 148 waiver when salaries of the county exceed the maximum allowable amount per the Commonwealth Compensation Plan.

Contact: Nadine Perese, CFO, Department of Human Services (215) 683-6060

2016-013	Resolved	\$43,401
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Condition: The Department of Human Services (DHS) invoiced for Central Service Costs (indirect costs) using a Cost Allocation Plan (CAP). When using a cost driver to distribute the indirect costs set by the CAP, DHS used total payroll expenditures, which included both reimbursable payroll and non-reimbursable payroll. By using total payroll rather than reimbursable payroll expenditures, indirect costs associated with non-reimbursable payroll expenditures of \$66,229, considered to be unallowable costs, were included on its fiscal year 2016 County Children and Youth Act 148 Fiscal Summary (Fiscal Summary) submitted to the Pennsylvania Department of Human Services (PaDHS). Funding for this program is provided through the PaDHS.

2020 Update: The Department of Human Services reviews all indirect costs charged to the grantor at fiscal year-end to ensure that indirect costs are only taken against allowable, allocable payroll expenditures.

Contact: Cynthia Ngaba, Director of Revenue Enhancement, Department of Human Services (215) 683-6466

**City of Philadelphia
Summary Schedule of Prior Audit Findings
Fiscal Year Ended June 30, 2020**

Reference Number	Status	Questioned Costs
Children and Youth Programs		
2016-012	Resolved	\$305,142
<u>Condition:</u>	The Department of Human Services (DHS) improperly reported \$323,054 of unsupported salaries as expenditures in its fiscal year 2016 Act 148 County Children and Youth Programs Fiscal Summary (Fiscal Summary) submitted to the Pennsylvania Department of Human Services (Pa DHS). DHS also reported \$46,699 of encumbered funds as expenditures on the Fiscal Summary for the Social Services Block Grant (Title XX). Funding for these programs is passed through the Pa DHS.	
2020 Update:	The Department of Human Services reviews all expenditures, including expenditures reported by other departments to ensure all funds were spent prior to invoicing.	
Contact:	Cynthia Ngaba, Director of Revenue Enhancement, Department of Human Services (215) 683-6466	

**City of Philadelphia
Summary Schedule of Prior Audit Findings
Fiscal Year Ended June 30, 2020**

Reference Number	Status	Questioned Costs
Children and Youth Programs		
2016-011	Unresolved	\$0
<u>Condition:</u>	<p>During various times of the award year, the Department of Human Services (DHS) failed to adequately perform monitoring procedures over their subrecipients for a number of its Children and Youth Programs. In certain instances, for example, DHS did not properly inform subrecipients of their award allocation between federal, state, and city funds by funding source at the time of the subaward. This condition was reported as part of the finding number 2015-017 in the prior year report. Additionally, DHS could not provide evidence that it performed a risk assessment to plan the <i>during-the-award monitoring</i> for the non-CUA (Community Umbrella Agencies) subrecipients sampled. The non-CUA subrecipients represented 13 of the 20 sample subrecipients tested. We also observed that DHS did not perform follow-up procedures on deficiencies noted during its subrecipient performance evaluation for all six CUA subrecipients tested. DHS staff performs a monthly Quality Visitation Review (QVR), which assess the CUAs through reviews with the family members to ensure that what is documented in case records is consistent with the family’s experience. They also perform a quarterly Case File Review (CFR) of the CUAs to ensure appropriate child visitation, quality of safety assessment, and safety and service planning. During our review of two monthly QVRs, which assessed five of six sampled CUAs, and CFRs for six sampled CUAs, we noted that DHS did not follow up and require the CUAs to respond with a plan of correction for scorings of less than 75%, or below acceptable.</p>	
2020 Update:	<p>The Department of Human Services ensures that all federal awards are noted on sub-recipient award letters, including dollar amount and CFDA number. The department ensures compliance through monitoring and evaluation performed by its Performance Management & Technology division.</p>	
Contact:	<p>Nadine Perese, CFO, Department of Human Services (215) 683-6060</p>	

**City of Philadelphia
Summary Schedule of Prior Audit Findings
Fiscal Year Ended June 30, 2020**

Reference Number	Status	Questioned Costs
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Children and Youth Programs

2015-020	Resolved	\$261,629
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Condition: The Department of Human Services (DHS) overstated expenditures by \$356,613 in its fiscal year 2015 Act 148 County Children and Youth Social Service Programs Fiscal Summary submitted to the Pennsylvania Department of Human Services (PaDHS). DHS failed to offset \$136,613 in client-generated revenues and included expenditures totaling \$220,000, which were funded with a Human Services Development Fund (HSDF) grant. At the time of audit, DHS had not adjusted its Fiscal Summary to the state. Funding for this program is received through the Pennsylvania Department of Human Services.

2020 Update: The Department of Human Services ensures that all revenue sources are properly claimed on the quarterly Act 148 invoice.

Contact: Cynthia Ngaba, Director of Revenue Enhancement, Department of Human Services (215) 683-6466

2015-021	Resolved	\$19,114
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Condition: The Department of Human Services (DHS) failed to recover funds advanced to a subrecipient. The advance amount over and above what was expended was reflected on the 4th quarter Act 148 invoice, but never recovered. Funding for this program is passed through the Pennsylvania Department of Human Services.

2020 Update: The Department of Human Services no longer permits advances to providers. This finding does not warrant further action in accordance with 2 CFR Section 200.511 (b)(3).

Contact: Carolyn Pownell, Accounts Payable Administrator, Department of Human Services (215) 683-6056

**City of Philadelphia
Summary Schedule of Prior Audit Findings
Fiscal Year Ended June 30, 2020**

Reference Number	Status	Questioned Costs
Children and Youth Programs		
2015-017	Unresolved	\$0
<u>Condition:</u>	<p>During various times of the award year, the Department of Human Services (DHS) failed to adequately perform monitoring procedures over their subrecipients for a number of its Children and Youth Programs. In certain instances, for example, DHS did not properly inform subrecipients of their award allocations between federal, state, and city funds at the time of the sub-award. Additionally, DHS could not provide evidence that it performed during-the-award monitoring for three of twenty-three subrecipients sampled. We also observed that DHS did not ensure that federal awards were used for authorized purposes. The Contracts and Audit Unit of the Office of the Deputy Managing Director for Health and Human Services, which assists DHS in monitoring subrecipients, often identified differences between expenditure amounts shown in subrecipient audit reports and the related grant amounts disbursed and recorded on the city’s books and records. However, it frequently left these differences unresolved. We observed instances of when subrecipient audit reports indicated that grant expenditures were less than amounts disbursed by the city, but could find no evidence that the Contracts and Audit Unit followed up to determine whether these differences were due to timing or whether they were excess grant proceeds that subrecipients should return to the city.</p>	
2020 Update:	<p>The Department of Human Services ensures that all federal awards are noted on sub-recipient award letters, including dollar amount and CFDA number. The department ensures compliance through monitoring and evaluation performed by its Performance Management & Technology division.</p>	
Contact:	<p>Nadine Perese, CFO, Department of Human Services (215) 683-6060</p>	

**City of Philadelphia
Summary Schedule of Prior Audit Findings
Fiscal Year Ended June 30, 2020**

Reference Number	Status	Questioned Costs
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Children and Youth Programs

2015-018	Unresolved	\$0
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Condition: The city’s Department of Human Services (DHS) and the Contracts and Audit Unit of the Deputy Managing Director for Health and Human Services failed to follow internal controls designed to present accurate disclosures of federal program amounts provided to subrecipients in the Schedule of Federal Expenditures (SEFA). Footnote disclosures of governmental funding awarded to subrecipients presented in the preliminary SEFA prepared by the city’s Finance Office (Finance) indicated that only \$138.6 million of federal funds had been paid to subrecipients instead of more appropriately \$206.4 million, as substantiated in the city’s accounting records. Our review of the records indicated payments had been unallocated by funding source. After a series of meetings between Finance, DHS, the Contracts and Audit Unit, and the Controller’s Office, Finance agreed to correct the footnote disclosures. Funding provided to the subrecipients for operations of the city’s DHS programs is received through the Pennsylvania Department of Human Services (PaDHS).

2020 Update: The Department of Human Services works closely with the city’s central finance office to ensure that appropriate amounts of federal funds awarded to sub-recipients are accurately reported on the Schedule of Expenditures of Federal Awards

Contact: Landuleni Shipanga, Audit Manager, Department of Human Services (215) 683-6366

2015-019	Unresolved	\$0
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Condition: In spite of the Department of Human Services (DHS) only billing the state \$796,410 for one of its Foster Care awards, the city’s Finance Office (Finance) reported \$1,800,042 of federal expenditures applicable to the award in the Schedule of Expenditures of Federal Awards (SEFA). Funding for these programs is received through the Pennsylvania Department of Human Services (PaDHS).

2020 Update: The Department of Human Services works closely with the city’s central finance office to ensure that appropriate expenditures are reported on the Schedule of Expenditures of Federal Awards.

Contact: Nadine Perese, CFO, Department of Human Services (215) 683-6060

**City of Philadelphia
Summary Schedule of Prior Audit Findings
Fiscal Year Ended June 30, 2020**

Reference Number	Status	Questioned Costs
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Combined Homeless Assistance Programs

2015-023	Resolved	\$56,771
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Condition:

The Office of Homeless Services (OHS) inappropriately reported to the Pennsylvania Department of Human Services (PaDHS) a net overage of \$45,945 in grant expenditures for the Combined Homeless Assistance Programs (HAP). A significant portion of the overage - \$56,771 - was attributable to unallowable Case Management expenditures of the Social Services Block Grant (SSBG) reported in the Schedule of Expenditures of Federal Awards (SEFA). This amount was offset by a net total of \$10,826 in reported and unreported expenditures for the following HAP programs: Administration, Bridge Housing, PENNFREE Bridge Housing, program income, and the state portion of Case Management and Bridge Housing. Funding for the HAP is received through the PaDHS.

2020 Update:

OHS has documentation to support total expenditures reported on the County Report of Income and Expenditures. The differences were a result of certain expenditures that were not properly reflected in FAMIS, the City's accounting system.

OHS contends that this finding does not warrant further action in accordance with 2CFR Section 200.511 (b) (3). This finding meets all three components of no longer being valid that are laid out in the regulation; it has been more than two years, the Grantee is not currently following up regarding this finding, and there has not been a management decision issued.

Contact:

Jerome Hill, Director of Compliance, Office of Homeless Services, (215) 686-0371

Total PA Department of Human Services Questioned Costs:

\$4,855,577

**City of Philadelphia
Summary Schedule of Prior Audit Findings
Fiscal Year Ended June 30, 2020**

Reference Number	Status	Questioned Costs
U.S. Department of Health and Human Services		
HIV Prevention, Immunization Cooperative		
2015-022	Unresolved	\$0
<u>Condition:</u>	<p>As in the prior year, monitoring procedures of the Department of Public Health (DPH) over subrecipients did not ensure that federal awards were used for authorized purposes. Differences between expenditure amounts shown in subrecipient audit reports and grant expenditures recorded in the city's books and records that were identified by the Contracts and Audit Unit of the Deputy Managing Director for Health and Human Services (HHS), which assists DPH in monitoring subrecipients, were often left unresolved.</p>	
2020 Update:	<p>The grants unit continues to collaborate with the division staff to monitor activity on each grant and to ensure that funds from federal programs are expended on programs as stated in awarded application. The use of expenditure transfers is closely monitored and reviewed before approval to ensure that the services are applicable to the federal award.</p> <p>DPH has implemented the following tracking mechanisms in previous years and continues to use them as a management tool to assist divisions in keeping track of spending.</p> <ol style="list-style-type: none"> (1) Tracks expenditures via assigned index codes and prepares necessary adjustments (2) Prepares monthly grant worksheets to track spending by encumbrance documents (3) Schedules quarterly meetings with divisions to review and spending and compliance <p>DPH continues to review audit letters to determine whether there are any unresolved issues. The AIDS Activity and Coordinating Office (AACO) diligently monitors subrecipients via their Mainstay system to determine that awards are used appropriately and that expenditures are within awards granted.</p> <p>The Division of Disease Control (DDC) monitors via review of the invoices submitted based on contractual terms. A thorough review of accompanying salary spread sheets and budgetary information is completed to ensure accuracy and compliance.</p> <p>We have noted that differences in subrecipient reports and the city's books are either due to timing differences in the vendors recognition of revenue when invoices are sent to the City versus the City's recognition when invoices are actually paid. The department will continue to work with HHS audit unit to resolve any differences.</p>	
Contact:	<p>Andrea Jordan, Administration Service Director III, Department of Health (215) 685-5338</p>	

**City of Philadelphia
Summary Schedule of Prior Audit Findings
Fiscal Year Ended June 30, 2020**

Reference Number	Status	Questioned Costs
Immunization Cooperative Agreements		
2018-015	Unresolved	\$0
<u>Condition:</u>	<p>The city’s Department of Public Health (DPH) failed to file the annual SF-425 Federal Financial Report (SF-425) for the Immunization and Vaccines for Children Program during fiscal year 2018. The annual SF-425 report of expenditures serves as documentation of the financial status of grants according to the official accounting records of the recipient. This program is funded through the U.S Department of Health and Human Services – Center for Disease Control (CDC). The Federal Award Identification Number for the Immunization and Vaccines for Children Program is 6NH23IP000735-05-02.</p>	
2020 Update:	<p>This issue was resolved with the submission of the Interim FFR on 9/27/2019. CDC has acknowledged the systemic issues that occurred with their FFR policy and the Grant Solutions System Module. The submission of the Final FFR closed the project period in 2019. CDC has since transitioned to the Payment Management System (PMS) module which allows for the submission of Interim FFR’s.</p>	
Contact:	<p>Andrea Jordan, Administration Service Director III, Department of Health (215) 685-5338</p>	

**City of Philadelphia
Summary Schedule of Prior Audit Findings
Fiscal Year Ended June 30, 2020**

Reference Number	Status	Questioned Costs
Social Services Block Grant		
2018-016	Unresolved	\$0
<u>Condition:</u>	<p>The city’s Department of Behavioral Health and Intellectual Disability Services (DBHIDS) failed to provide documentation evidencing program monitoring of its subrecipient agencies during fiscal year 2018. We selected 21 subrecipient agencies for testing the program monitoring compliance, of which 11 were from DBHIDS and 10 were from the Office of Homeless Services (OHS). During the audit, we obtained evidence for all 10 subrecipient samples tested for OHS. However, after numerous requests to management, DBHIDS failed to provide evidence of subrecipient monitoring for the remaining 11 sampled subrecipient agencies paid out of the Social Services Block Grant. Despite this, we relied on evidence of program monitoring for four of the 11 subrecipient agencies obtained during our fiscal year 2018 City of Philadelphia CAFR audit. We still have not received evidence of program monitoring for the remaining seven sampled agencies. Funding for this program is received from the U.S. Department of Health and Human Services (HHS) and passed through the Pennsylvania Department of Human Services (PaDHS).</p>	
2020 Update:	<p>The manner in which DBHIDS maintains records of subrecipient monitoring was not a part of this auditing process nor was it a hindrance to the audit. In this situation, correlation should not imply causation, as it is an unfair and incorrect deduction. As we are in the midst of a Pandemic, providing direct physical documentation was not possible. The auditors had some level of difficulty accessing the electronic submissions of documentation, as the amount of documentation provided was so large that it could not be handled in a typical email format requiring OneDrive. This slowed the process, as there was the need to aid individuals in accessing information in BOX, and we had to move the same files to OneDrive when BOX could not be accessed.</p> <p>We believe that maintenance of documentation supporting subrecipient monitoring is not the issue but, instead, was access to the information. If there are specific documents needed for inspection, please provide a listing and we will attempt to comply. However, please remember that monitoring is not auditing, and records of such monitoring may include only notes or phone records instead of reports or other documents. We can also provide you with our policies and procedures related to our monitoring efforts, which comply with regulations and standards by the State or other grantors.</p>	
Contact:	<p>Joe Lowry, Chief Financial Officer, Department of Behavioral Health and Intellectual Disability Services (215) 685-2497</p>	

Total U.S. Department of Health and Human Services Questioned Costs: \$0

\$0

**City of Philadelphia
Summary Schedule of Prior Audit Findings
Fiscal Year Ended June 30, 2020**

Reference Number	Status	Questioned Costs
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U.S. Department of Justice

Edward Byrne Memorial Competitive Grant Program

2017-013	Resolved	\$8,610,562
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Condition:

The Managing Director’s Office (MDO) failed to adequately perform after-the-award monitoring procedures by not ensuring its subrecipient, the Philadelphia 2016 Host Committee (Host Committee), had a single audit conducted. The City of Philadelphia (city) hosted the Democratic National Convention (DNC) in July 2016, and the Host Committee was established and subawarded \$8,610,562 of program funds to aid the city with various obligations in support of the DNC. The Host Committee ceased operations shortly after the DNC. Funding for this program was received from the U.S. Department of Justice, Office of Justice Programs, Bureau of Justice Assistance.

2020 Update:

In a letter dated December 18, 2020 from the US DOJ Office of Audit, Assessment and Management, the City of Philadelphia was notified that the audit report associated with Grant Number 2016-ZC-BX-0002 (2016 DNC Grant) was closed and no further action is needed. All audit findings have been resolved.

Contact:

Marcia R. Dixon, Director of Finance & Administration, Criminal Justice & Public Safety, MDO (215) 686-2131

**City of Philadelphia
Summary Schedule of Prior Audit Findings
Fiscal Year Ended June 30, 2020**

Reference Number	Status	Questioned Costs
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Edward Byrne Memorial Competitive Grant Program

2017-014	Resolved	\$0
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Condition:

The Managing Director’s Office (MDO), in conjunction with the Grants Accounting and Administrative Unit (GAAU) of the Finance Office, processed and approved all program transactions in the city’s Financial Accounting and Management Information System (FAMIS) under an incorrect Catalog of Federal Domestic Assistance (CFDA) number for the Edward Byrne Memorial Competitive Grant. This program supported the City of Philadelphia’s hosting of the Democratic National Convention (DNC) in July 2016, and the funding is received from the U.S. Department of Justice, Office of Justice Programs, Bureau of Justice Assistance.

2020 Update:

In a letter dated December 18, 2020 from the US DOJ Office of Audit, Assessment and Management, the City of Philadelphia was notified that the audit report associated with Grant Number 2016-ZC-BX-0002 (2016 DNC Grant) was closed and no further action is needed. All audit findings have been resolved.

Contact:

Marcia R. Dixon, Director of Finance & Administration, Criminal Justice and Public Safety, MDO (215) 686-2131

Total U.S. Department of Justice Questioned Costs:	\$8,610,562
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**City of Philadelphia
Summary Schedule of Prior Audit Findings
Fiscal Year Ended June 30, 2020**

Reference Number	Status	Questioned Costs
U.S. Department of Homeland Security		
National Urban Search and Rescue (US&R) Response System		
2018-010	Unresolved	\$0
<u>Condition:</u>	<p>The Pennsylvania Task Force 1 (PA-TF1), on behalf of the city’s Philadelphia Fire Department (PFD), submitted quarterly <i>Federal Financial Reports</i> (SF-425s) and Semi-Annual Performance Reports that were inaccurate for federal awards received under the National Urban Search and Rescue Response System - Readiness Cooperative Agreement. Our review of SF-425s submitted in fiscal year 2018 disclosed that amounts reported for “<i>Cash Disbursements</i>”, “<i>Federal share of expenditures</i>” and “<i>Federal share of unliquidated obligations</i>” were understated. Auditee’s SF-425s were prepared on a cash basis. Under the cash basis, cash disbursement amounts should be equal to the federal share of expenditure amounts. The understated amounts for “<i>Federal share of expenditures</i>” and “<i>Federal share of unliquidated obligations</i>” reported on the SF-425s.</p> <p>As a result, any lines on the SF-425s that were calculated using the auditee amounts were incorrect. Additionally, the “<i>Federal share of expenditures</i>” totals that were reported on the two fiscal year 2018 Semi-Annual Performance Reports were identical to the sums reported on the SF-425 Reports. Therefore, the Semi-Annual Performance Reports submitted for fiscal year 2018 were also erroneous. Funding for this program is received from the U.S. Department of Homeland Security and administered by the Federal Emergency Management Agency under Federal Award Identification Numbers: EMW-2015-CA-00018, EMW-2016-CA-00010, and EMW-2017-CA-00076.</p>	
2020 Update:	<p>PA Task Force 1 is following the municipal policy and procedures for expenditure reconciliation and FFR preparation. The Fire Department has trained our personnel on how to prepare the reconciliations. We are now compliant with SAP G 3-1.</p>	
Contact:	<p>Cpt. Brian Booth, Grant Program Manager, Philadelphia Fire Department PA-Task Force 1, (215) 683-9245</p>	

**City of Philadelphia
Summary Schedule of Prior Audit Findings
Fiscal Year Ended June 30, 2020**

Reference Number	Status	Questioned Costs
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Disaster Grants – Public Assistance

2018-011	Resolved	\$90,020
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Condition:

The Office of Emergency Management (OEM) and Division of Aviation (DOA) could not provide adequate documentation to support \$121,361 in materials costs they charged for the snow removal project under the Disaster Grants – Public Assistance program. The DOA’s support for materials listed a total amount used for each type of material by location but did not provide usage records. As a result, the auditors could not verify the accuracy of the use of materials and related costs. Funding for this program is received from the U.S. Department of Homeland Security and pass-through the Pennsylvania Emergency Management Agency. The Federal Award Identification Number for the Public Assistance program is FEMA-4267-DR-PA-101-60000-00.

2020 Update:

The Management Letter from the Pass-Thru Agency considers this matter resolved. The findings do not warrant further action in accordance with 2 CFR 200.511 (b) (3).

Contact:

Brandon Lapsley, Homeland Security Grant Program Manager, OEM (215) 686-1450

**City of Philadelphia
Summary Schedule of Prior Audit Findings
Fiscal Year Ended June 30, 2020**

Reference Number	Status	Questioned Costs
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Disaster Grants – Public Assistance

2018-012	Resolved	\$39,593
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Condition: The Office of Emergency Management (OEM), on behalf of the Division of Aviation (DOA) incorrectly claimed \$67,477 for overtime fringe benefits based on a fringe rate of 54.92 percent. However, the rate included the cost of worker’s compensation, legal fees, employee disability, life insurance, and medical insurance, which are not applicable to overtime. OEM should have based its claim on a rate of 11.953 percent determined by the city for the overtime fringe benefits, which would have resulted in charges of \$14,686. Funding for this program is received from the U.S. Department of Homeland Security and pass-through the Pennsylvania Emergency Management Agency (PEMA). The Federal Award Identification Number for this grant is FEMA-4267-DR-PA-101-60000-00.

2020 Update: The Management Letter from the Pass-Thru Agency considered this matter resolved. The findings do not warrant further action in accordance with 2 CFR 200.511 (b) (3).

Contact: Brandon Lapsley, Homeland Security Grant Program Manager, OEM (215) 686-1450

Total U.S. Department of Homeland Security Questioned Costs:	\$129,613
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**City of Philadelphia
Summary Schedule of Prior Audit Findings
Fiscal Year Ended June 30, 2020**

Reference Number	Status	Questioned Costs
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**Community Development Block Grants/Entitlement Grants
National Urban Search and Rescue (US&R) Response System**

2018-013	Unresolved	\$0
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Condition: GAAU did not accurately disclose the total payments to subrecipients in the preliminary SEFA provided for audit. Our review of records indicated that subrecipient expenditures for the major programs were overstated by \$10.2 million. GAAU concurred with our findings and corrected the amounts reported for subrecipient expenditures. This condition was reported as finding number 2017-016 for the Community Development Block Grants/Entitlement Grants (CDBG) in the prior year report.

2020 Update: We continue to reinforce with all departments the need to accurately determine which vendors are subrecipients. In addition to the accounting expenditure reports provided by GAAU for their review, the City has modified its municipal policies that now require the subrecipient determination to be made when the grant award is accepted and being set up in the accounting system. This will enable departments to prepare accurate contracts with the subrecipients which will enable better monitoring and reporting compliance.

Contact: Leon Minka, Accounting Manager, Finance (215) 686-6172

**City of Philadelphia
Summary Schedule of Prior Audit Findings
Fiscal Year Ended June 30, 2020**

Reference Number	Status	Questioned Costs
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**Edward Byrne Memorial Competitive Grant
Community Development Block Grants/Entitlement Grants
Block Grant for Prevention and Treatment of Substance Abuse
Community Service Block Grant
Emergency Solutions Grant Program**

2017-016	Unresolved	\$0
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Condition: GAAU did not accurately disclose the total payments to subrecipients in the preliminary SEFA provided for audit. Our review of records indicated that subrecipient expenditures for the major programs listed were either understated, overstated, or not reported at all, which nets to \$14.7 million. GAAU concurred with our findings and corrected the amounts reported for subrecipient expenditures.

2020 Update: We continue to reinforce with all departments the need to accurately determine which vendors are subrecipients. In addition to the accounting expenditure reports provided by GAAU for their review, the City has modified its municipal policies that now require the subrecipient determination to be made when the grant award is accepted and being set up in the accounting system.

Contact:	Leon Minka, Accounting Manager, Finance	(215) 686-6172
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**City of Philadelphia
Summary Schedule of Prior Audit Findings
Fiscal Year Ended June 30, 2020**

Reference Number	Status	Questioned Costs
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**Special Education – Grants for Infants and Families (EI) – CFDA #84.181
Temporary Assistance for Needy Families (TANF) – CFDA #93.558
Medical Assistance Program (MH/ID/EI) – CFDA #93.778 Block Grants
for Community Mental Health Services (MH) – CFDA #93.958**

2019-011	Unresolved	\$0
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Condition:

GAAU did not accurately disclose the total payments to subrecipients in the preliminary SEFA provided for audit. Our testing indicated that subrecipient expenditures for the major programs were understated by \$5.3 million. GAAU concurred with our findings and corrected the amounts reported for subrecipient expenditures. This condition was reported as finding number 2018-013 in the prior year report.

2020 Update:

Finance continued to assist departments with identifying payments to subrecipients. The FAMIS expenditure reconciliations of federal funding between the amount recorded in the FAMIS accounting system with the amount reported to the Grantor was reinforced with departments during FY 2020. In addition, municipal policies were amended to ensure subrecipient expenditures are accurately determined for reporting in the SEFA to comply with the uniform guidance monitoring requirements.

Over the past several years GAAU has reinforced with Departments the need to comply with prescribed municipal policies to complete an expenditure reconciliation each time expenditures are reported to the Grantor during the award period.

It has been determined that this audit finding and the adjustment to total subrecipient spending under CFDA 93.778; 93.667 and 84.181 was inaccurate. The Department transferred inaccurate contractual services spending into the three federal programs. GAAU no longer concurs with this finding.

Contact:

Leon Minka, Accounting Manager, Finance

(215) 686-6172

City of Philadelphia
Summary Schedule of Prior Year Audit Findings
Fiscal Year Ended June 30, 2020

Status of Prior Year Audit Findings – Financial Audit

2019-001 INADEQUATE STAFFING LEVELS, LACK OF TECHNOLOGICAL INVESTMENT AND INSUFFICIENT OVERSIGHT LED TO UNDETECTED MATERIAL MISSTATEMENTS

Staff Shortages Along with the Lack of a Comprehensive Financial Reporting System Have Contributed to Significant Financial Statement Errors

Condition: Errors totaling \$213 million were not detected by Finance Office accountants during preparation of the city’s fiscal year 2019 CAFR.

While Improvement Was Noted, Late Submission of Aviation Fund Financial Statements Delayed Preparation and Audit of Comprehensive Annual Financial Report

Condition: In the prior audit, we reported that the DOA’s management did not perform an adequate review of the Aviation Fund financial statements before submitting them to the Finance Office for inclusion in the city’s CAFR. Consequently, management failed to detect material errors totaling \$122.4 million in the Aviation Fund financial statements, \$66.1 million of which involved calculation errors on the Statement of Cash Flows. During the current audit, we found significant improvement in this condition as a result of the DOA’s corrective actions. DOA management hired a new consultant to assist with preparation of the financial statements and supporting compilation package. The new consultant was an accounting firm with experience in preparing the Water Fund financial statements. We observed that the compilation package provided detailed support for the statements and included a financial statement review checklist that documented the procedures performed and contained evidence of review by the DOA’s deputy chief financial officer (CFO). While the review checklist did not include procedures for the Statement of Cash Flows, we noted that the compilation contained a more detailed supporting calculation for this statement. The compilation also included a certification signed by the deputy CFO, who affirmed that she had reviewed the financial statements and was satisfied that they met acceptable standards of presentation and disclosure. Our testing of the fiscal year 2019 Aviation Fund financial statements found no material misstatements. Therefore, we believe that sufficient improvement has been made to consider this condition resolved [500118.02, 500118.03].

Despite this improvement, the Aviation Fund financial statements and supporting compilation were again completed very late. Although the DOA provided us with various revenue, accounts payable, and capital asset data during November and December 2019 so audit testing could proceed, the DOA did not submit its completed financial statements and compilation to the Finance Office until January 6, 2020, which was 11 days later than the previous year. While the DOA submitted a draft version of the financial statements to the Finance Office on October 17, 2019, those statements were very preliminary with various open items. The DOA made significant financial statement changes between the October 17, 2019 and January 6, 2020 versions.

City of Philadelphia
Summary Schedule of Prior Year Audit Findings
Fiscal Year Ended June 30, 2020

Status of Prior Year Audit Findings – Financial Audit

Late Receipt of Component Unit Financial Reports Still Delayed Preparation and Audit of Comprehensive Annual Financial Report

Condition: As we have reported for the last several years, late receipt of component unit financial reports continued to delay preparation and audit of the city’s CAFR. Six of the city’s ten component units still did not submit their final reports by the due dates requested by Finance Office accountants.

The greatest challenge to the timely completion of the CAFR came from the Philadelphia Municipal Authority, the Philadelphia Redevelopment Authority, and the School District of Philadelphia. These three agencies submitted their reports very late (January 27, 2020, January 29, 2020, and February 7, 2020, respectively), leaving the Finance Office accountants and the Controller’s Office auditors very little time to ensure that they were accurately included in the city’s CAFR before it was issued on February 25, 2020.

Status: In the FY 2020 Schedule of Findings and Questioned Costs, this finding is updated as 2020-001 and is deemed unresolved.

2019-002 UNTIMELY PREPARATION OF SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS RESULTED IN LATE SUBMISSION OF THE SINGLE AUDIT REPORTING PACKAGE TO THE FEDERAL AUDIT CLEARINGHOUSE

Condition: Because the city expends more than \$750,000 of federal awards, Office of Management and Budget’s (OMB) Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards (Uniform Guidance) requires a single audit of grant activities to be performed each year. The Finance Office’s Grants Accounting and Administrative Unit (GAAU) is responsible for preparing the Schedule of Expenditures of Federal Awards (SEFA). GAAU personnel employ a manual process to enter grant expenditures from the city’s accounting system into the SEFA through a fund schedule, which is adjusted based on mandatory grant reconciliations provided by the city departments responsible for grants (departments). For fiscal year ending June 30, 2019, a preliminary SEFA was not prepared and provided for audit until March 28th of the following calendar year, which was 3 days prior to the required deadline of March 31st, to submit the reporting package¹.

Also, for the past several years, we have reported that GAAU has provided an inaccurate SEFA for audit. Due to the late receipt of the SEFA, we were unable to determine its accuracy for the reporting purpose.

¹ On March 19, 2020 the OMB issued memorandum M-20-17, “*Administrative Relief for Recipients and Applicants of Federal Financial Assistance Directly Impacted by the Novel Coronavirus (COVID-19) due to Loss of Operations,*” allowing recipients and subrecipients that have not filed their single audits with the Federal Audit Clearinghouse as of the date of the issuance of this memorandum that have fiscal year ends through June 30, 2020, to delay the completion and submission of the Single Audit reporting package, as required under Subpart F of 2 CFR § 200.501 – *Audit Requirements*, to six months beyond the normal due date.

City of Philadelphia
Summary Schedule of Prior Year Audit Findings
Fiscal Year Ended June 30, 2020

Status of Prior Year Audit Findings – Financial Audit

Status: In the FY 2020 Schedule of Findings and Questioned Costs, this finding is updated as 2020-002 and is deemed unresolved.

2019-003 BREAKDOWNS IN THE FUNCTIONALITY AND APPLICATION IT CONTROLS OF THE ONEPHILLY SYSTEM INCREASE THE RISK FOR MATERIAL PAYROLL ERRORS

Condition: As part of our audit of the city’s fiscal 2019 CAFR, we engaged an independent accounting firm to perform an assessment of the information technology (IT) application and general controls related to the city’s new Oracle eBusiness Suite/PeopleSoft Workforce Management System (the OnePhilly system). The OnePhilly system replaced the legacy Human Resources (HR), Benefits, Payroll, and Time and Attendance systems.² In December 2018, the HR and Benefits modules went live. The next rollout was in March 2019 with the Payroll and Time and Attendance modules. The Finance Office oversees the OnePhilly Team, whose role is to manage the OnePhilly system project.

This assessment found multiple breakdowns in the functionality and application controls of the OnePhilly system, which we consider to be a material weakness. Specifically, the following was noted:³

- Assumed time was automatically recorded by the OnePhilly system if an employee’s timecard was short of time in comparison to the employee’s scheduled time. Assumed time is a concept where the OnePhilly system assumes that the employee works his/her minimum scheduled hours in a given week or pay period, regardless of what has been entered into Oracle Time & Labor (OTL). The addition of this time was not reviewed for accuracy or authorization.
- Changes were made to employee timecards by the OnePhilly Team or the Finance Office’s Central Payroll Unit without documented authorization or approval.
- Employees or timekeepers were able to enter time to hour types that may not be authorized for the department. When time was entered, an hour type was to be selected from a drop-down menu. Examples included regular time, leave time, on call time, etc. Hour types were not restricted by department.
- The OnePhilly Team ran a process which automatically changed employee timecards that were unapproved to approved status.

² The city’s plan is also for the OnePhilly system to replace the legacy Pension system, but the OnePhilly Pension module has not yet been implemented.

³ This assessment also noted significant deficiencies in the IT general controls for the OnePhilly system. We also issued a separate report to the Finance Office on the OnePhilly IT controls assessment, which communicated the material weakness in application IT controls, the significant deficiencies in IT general controls, and other observations with lesser impact.

City of Philadelphia
Summary Schedule of Prior Year Audit Findings
Fiscal Year Ended June 30, 2020

Status of Prior Year Audit Findings – Financial Audit

- Employees who entered their time via Manager Self-Service were able to authorize their own timecards instead of being submitted to his/her direct supervisor for approval.
- The OnePhilly system was not accurately calculating all employee leave accruals as multiple defects were self-identified during and after the testing period. According to the OnePhilly team, as of November 4, 2019, approximately 3,000 employees' vacation and sick balances were not accurately reflected in the OnePhilly system. The city departments were instructed to verify their employees' balances outside of the system.
- A defect was self-identified by the OnePhilly Team with the code that was written to transfer the time from Timelink to the OnePhilly system, which resulted in an incomplete time entry transfer. Timelink is the software for departments and employees which use a timeclock to record start and end times.
- During the recalculation of one employee's pay, a difference of \$.06 in the hourly rate was identified; however, the OnePhilly Team did not provide an explanation for this difference.
- The Timecard Status Summary Dashboard (including the Missing Timecard Report) was not restricted by department. The super timekeepers were able to view all employees on the Dashboard. In addition, the Timecard Status table within the Dashboard did not reflect the total population of timecards as the missing timecards were not included. During a walkthrough, the missing timecards listing did not accurately update when different departments were selected.
- The Overpaid / Underpaid report had known inaccuracies according to the OnePhilly Team and required a full review each week. The report was created for each payroll cycle to identify employees which may have been overpaid or underpaid based upon employee type, scheduled hours, and hours entered. The report had over 3,000 lines requiring individual review.
- The controls for monitoring the completeness and accuracy of outbound interface files were inconsistent between the various outbound interfaces. There were customized outputs which were sent to various third parties, including unions for city employees. Certain third parties have requested specific formats which include checks on the completeness and accuracy of the produced files. However, for those groups which have not requested a similar level of detail, there were no formalized monitoring controls in place over the completeness and accuracy of the output files.
- OnePhilly OTL was not available on Mondays and portions of Tuesdays for self-service and timekeeper time entry.

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- While the city departments’ supervisory and executive-level approvals of the bi-weekly payroll transactions were electronic signoffs in the city’s previous payroll system, since the OnePhilly Go-Live, departmental approvals of payroll were no longer electronic. Instead, departments were now required to have the supervisory and executive-level approvers physically sign a paper report, which was then scanned and sent to the OnePhilly Team and Central Payroll Unit.

Status: In the FY 2020 Schedule of Findings and Questioned Costs, this finding is updated as 2020-003 and is deemed unresolved.

2019-004 DEFICIENCIES IN ONEPHILLY SYSTEM’S IT GENERAL CONTROLS REQUIRE IMPROVEMENT TO MINIMIZE VULNERABILITIES

Monitoring of Third Parties Was Not Formally Documented

Condition: There was no formal, documented monitoring of the third parties which significantly support the OnePhilly system. Specifically, the following was noted:

- There was no evidence of a formal review and evaluation by the OnePhilly Team of the Ciber Oracle Managed Services (COMS) Service Organization Control (SOC) 2 report, and the CenturyLink Managed Network and Hosting Services SOC 2 report.⁴
- The 2018 COMS SOC 2 report (the most recently available report) was performed by an accounting firm that did not have offices in the United States (U.S.), and was not noted to be part of a network of firms with a U.S. presence.
- Within the CenturyLink SOC 2 report, physical access and environmental controls at the Sterling, Virginia data center where the city’s data is housed were not part of the scope of that control evaluation. Also, the OnePhilly Team has not evaluated the sufficiency or effectiveness of these controls.
- There was no evidence of formal monitoring of the Service Level Agreement (SLA) between OnePhilly and Ciber.

⁴ The city engaged Ciber, an HTC Global Company, (Ciber) to customize and implement the OnePhilly system. In addition, COMS has been contracted to perform the managed services of the day-to-day operations of the system. Ciber hosts the OnePhilly system with CenturyLink, a network services and managed services company.

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Password Configurations Were Not in Compliance With City Requirements

Condition: The OnePhilly system was configured at Go-Live with a password requirement of case sensitivity and, for user accounts created after Go-Live, a password expiration of 90 days. Additionally, passwords for user accounts converted from the legacy system did not expire and thus did not meet the city’s minimum expiration requirements.

Go-Live Approval Documentation Was Not Maintained

Condition: Documented formal approvals or signoffs by the OnePhilly Steering Committee, authorizing the Go-Live of the system in December 2018 (HR and Benefits) and March 2019 (Payroll and Time & Attendance), were not documented or maintained. In addition, meeting minutes, including reports/presentations used to support the Steering Committee’s decision to Go-Live, including the decision to defer the Payroll and Time & Attendance Go-Live from December to March, were not maintained.

Status: In the FY 2020 Schedule of Findings and Questioned Costs, this finding is updated as 2020-004 and is deemed partially unresolved.

2019-005 OIT’S IT GENERAL CONTROLS REQUIRE STRENGTHENING

Condition: We conducted, with the assistance of a consultant, a review of OIT’s IT general controls over key financial-related applications.⁵ This review noted the following deficiencies in OIT’s IT general controls:⁶

- The current change management policy provided by OIT management did not specifically address (1) details on the Change Advisory Board (CAB) approval process that our prior review noted as having been added to the policy and (2) how end-user testing should be documented. OIT management indicated that they are working on an updated change management policy, which will address the CAB approval process and documentation of end-user testing. Additionally, the policy did not clearly identify the level of approvals required for the different types of changes that are migrated to production. As noted in prior reviews, the procedure was still inconsistently applied when performing change requests for in-scope applications. Change requests sampled by us were not consistently supported by documented end-user testing, including detailed testing procedures, and identification that testing was completed. Also, for sampled change requests, the service tickets did not consistently document required approvals, including evidence of review and approval by the CAB.

⁵ The key financial-related applications included in the review were FAMIS, Advanced Purchasing Inventory Control System (ADPICS), Legacy Payroll (through March 18, 2019 when replaced by OnePhilly), Pension Payroll, Health and Welfare (through December 17, 2018 when replaced by OnePhilly), Taxpayer Inquiry and Payment System (TIPS), and Basis2.

⁶ We also issued a separate report to OIT communicating these significant findings as well as other observations with lesser impact.

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- OIT did not properly segregate duties in the following cases:
 1. Three OIT programmers had development rights to Basis2 as well as database administrator access rights.
 2. Four OIT employees had database administrator access as well as systems administrator access within FAMIS and ADPICS.
 3. Two OIT employees had database administrator access as well as systems administrator access within Basis2.

Status: In the FY 2020 Schedule of Findings and Questioned Costs, this finding is updated as 2020-005 and is deemed unresolved.

2019-006 TREASURER’S BANK RECONCILIATION PROCEDURES STILL REQUIRE IMPROVEMENT

Condition: In the prior audit, we reported that, while the Office of the City Treasurer’s (Treasurer’s) reconciliation of the consolidated cash account had improved, there remained an unreconciled variance as well as the need for formal reconciliation procedures. Also, while Treasurer management asserted that four long unreconciled accounts had been fully reconciled, the Treasurer was unable to provide bank reconciliations that covered a large portion of the unreconciled period. A resulting condition from the Treasurer’s failure to reconcile accounts for several years was noncompliance with Pennsylvania’s Disposition of Abandoned and Unclaimed Property Act (escheat act).

While the Treasurer made certain remediation efforts, deficiencies still existed in the Treasurer’s bank reconciliation procedures. Specifically, the following was noted:

- The prior report disclosed that, with the assistance of a consultant, the Treasurer investigated and identified most of the \$33.3 million unknown variance, which resulted from the Treasurer’s failure to reconcile the consolidated cash account during fiscal years 2015 through 2017. As of January 2019, the remaining difference was down to \$528,607, where book activity exceeded bank activity. The current audit disclosed that, since the Treasurer and Finance Office determined that additional investigation was unlikely to yield further adjustments to the variance, the remaining difference of \$528,607 was written off and charged to the General Fund in December 2019.
- Also, we previously reported that, during the investigation of the \$33.3 million unknown variance, the consultant noted 22 receipt transactions totaling \$13.5 million – seven deposits amounting to \$2.2 million and 15 wire transfers totaling \$11.3 million – that could not be matched to FAMIS. At the May 15, 2019 exit conference, Treasurer management asserted that they had matched and closed out the \$13.5 million of receipt transactions with no resulting effect on the \$528,607 variance. During the current audit, we requested the documentation for the matching of the \$13.5 million of receipts to FAMIS, but Treasurer management was unable to provide us with this evidence. However, according

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to the Treasurer, the 15 wire transfers were internal transfers into the consolidated cash account from other city bank accounts, and no adjustments to the city’s books were necessary because the revenue had already been recorded. To verify the Treasurer’s assertion, we selected the four largest internal transfers which totaled \$8.5 million (75 percent of the \$11.3 million of transfers) and, using information we extracted from the Revenue Department’s files of recorded revenue receipts, confirmed that these transfers had already been recorded as revenue. Based upon this work, we deem the matter of the \$11.3 million in transfers to be resolved. However, since the Treasurer has not provided evidence for the matching of the seven deposits totaling \$2.2 million to FAMIS, that issue is still considered unresolved.

- Although Treasurer personnel timely prepared the fiscal year-end consolidated cash bank reconciliation, they were not timely in their investigation and resolution of reconciling items. Our testing noted numerous long outstanding reconciling items, which had been accumulating since the Treasurer started reconciling the consolidated cash account again in June 2017. As of June 30, 2019, there were 1,058 book balance reconciling items over 90 days old with a net total dollar amount of \$1.3 million and 43 bank balance reconciling items over 90 days old totaling \$1.6 million.
- In a related matter, we followed up on the status of the ongoing problems with reconciling revenue activity for the Department of Public Health (DPH), as previous audits have noted variances between DPH’s recorded collections and the amounts transferred daily to the consolidated cash account from the DPH’s separate bank account. The June 30, 2019 consolidated cash bank account reconciliation showed a \$6.9 million variance between DPH’s recorded collections and actual transfers from DPH’s bank account. In the prior audit, the Treasurer stated they began working with the DPH to develop a revised process for handling the DPH’s revenue receipts. During the current year, the Treasurer informed us that the DPH now provides the necessary information for reconciliation, but the revised process has not yet been fully implemented.
- In fiscal year 2020, Treasurer management developed written procedures for the preparation of bank reconciliations and filing of reconciliation documentation. However, we observed that the procedures were marked as draft, and management indicated that, while these procedures were followed “by and large” by Treasurer staff, they would be updated and finalized when the Treasurer implements its new Treasury Management System.
- Our testing still noted noncompliance with the Pennsylvania escheat act. While \$865,667 related to unclaimed payroll checks from fiscal year 2017 and prior were escheated to the state in September 2019, there remained \$8 million in outstanding vendor checks for calendar years 1999 to 2016 that had not been escheated to the state. In May 2019, the Treasurer transferred \$3 million of unclaimed vendor checks for calendar years 1999 through 2012 to the city’s Unclaimed Monies Fund. For the remaining \$5 million in outstanding vendor checks pertaining to calendar years 2013 through 2016,

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Treasurer personnel were contacting the payees to give them an opportunity to claim the monies before the funds are transferred to the Unclaimed Monies Fund.

- Lastly, regarding the four long unreconciled accounts for which the Treasurer was unable to provide bank reconciliations for a large portion of the unreconciled period,⁷ Treasurer management informed us they are unable to prepare those monthly bank reconciliations because either the bank and/or the supporting city records for those months are not available. In light of this situation and given that (1) testing of fiscal year 2019 bank reconciliations did not identify any unreconciled accounts and (2) the Treasurer has taken action to escheat the old outstanding payroll checks and is working towards the escheatment of the old outstanding vendor checks from the general disbursement account (as discussed above), we will no longer report on this condition [500114.06].

Status: In the FY 2020 Schedule of Findings and Questioned Costs, this finding is updated as 2020-006 and is deemed unresolved.

2019-007 FAILURE OF DEPARTMENTS TO PROPERLY APPROVE BIWEEKLY PAYROLLS INCREASES RISK FOR IMPROPRIETIES

Condition: In the prior audit, we reported on a deficiency in the departmental approval process for payroll where the duties concerning the data entry, review, and approval of bi-weekly payroll transactions were not adequately segregated. Although improved as compared to the prior year’s results,⁸ our testing of 50 city departments for the first 20 pay periods during fiscal 2019 indicated that this condition continued. Specifically, we noted 100 occasions (10 percent), in which the same individual posted and approved the on-line payroll time records, applied both the supervisory and executive-level approvals, or performed all three duties. Employees in seven departments performed duplicate functions for more than two pay periods, with the Mayor’s Office and the Department of Planning and Development being the most recurrent among the larger departments.

On March 18, 2019, the city implemented its new OnePhilly payroll system. While the departments approved payroll electronically in the legacy payroll system, since the OnePhilly Go-Live, departmental approvals of payroll were no longer electronic. Instead, department personnel were now instructed to review and approve the Time Entry Detail Report from the OnePhilly system. To evidence the review and approval of departments’

⁷ The four accounts and their unreconciled periods were as follows:

Wells Fargo Bank Payroll Account (closed in May 2018) – Not reconciled from October 2010 through June 2016

Wells Fargo Bank Supplemental Payroll Account (closed in March 2018) – Not reconciled from October 2010 through June 2014

General Disbursement Account – Not reconciled from February 2012 through December 2012

Levy Account – Not reconciled from July 2014 through June 2016

⁸ The prior year’s testing disclosed 257 occasions during fiscal year 2018 (18 percent) in which these payroll functions were not separated. Also, we noted that, for 23 of 55 departments, employees performed duplicate functions for more than two pay periods.

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payroll entries, the supervisory and executive-level approvers were required to physically sign a printout of the last page of the OnePhilly Time Entry Detail Report, which was then to be scanned and sent to the OnePhilly Team and the Finance Office’s Central Payroll Unit by the payroll closing date. The Central Payroll Unit required that the executive-level approver must be an authorized signer listed on the department’s payroll signature authorization card.

We tested departments’ compliance with the OnePhilly approval process and found most departments did not comply with these new requirements. Our testing of 50 city departments for the 4th quarter of fiscal year 2019 disclosed 278 instances (78 percent) where departments did not submit the Time Entry Detail Report with the required two signatures or did not submit the reports by the payroll closing deadline. Out of these 278 instances, we observed 14 reports which contained the required two approvals but were submitted after the payroll closing deadline. Out of the 50 city departments, only four were in full compliance with the OnePhilly approval process for all pay periods during the 4th quarter of fiscal year 2019.

Status: In the FY 2020 Schedule of Findings and Questioned Costs, this finding is updated as 2020-007 and is deemed unresolved.

2019-008 ACCOUNTS PAYABLE REPORTING NEEDS IMPROVEMENT

Condition: In computing the accounts payable amounts for inclusion in the city’s fiscal year 2019 CAFR, Finance Office accountants failed to record \$30.2 million of accounts payable.

Status: In the FY 2020 City of Philadelphia Report on Internal Control and on Compliance and other Matters, this finding is updated as 2020-010 and is deemed unresolved.

2019-009 CAPITAL ASSET CONTROL DEFICIENCIES INCREASE RISK OF REPORTING ERRORS

Lack of a Comprehensive Capital Asset System Hampered Reporting Process

Condition: The city still lacks a comprehensive capital asset management system to better manage and account for real property assets. Instead, Finance Office accountants continue to maintain a cumbersome series of Lotus 1-2-3⁹ and Excel files, that together with FAMIS, constitute the current fixed asset ledger. Various spreadsheet files accumulate the cost of capital assets and work in progress, while other spreadsheet files are used to calculate depreciation expense and accumulated depreciation reported in the city’s CAFR.

⁹ While Finance Office management informed us that they were in the process of converting the Lotus 1-2-3 files to Excel, some of the files provided to us for our audit testing of fiscal 2019 capital asset amounts were still Lotus 1-2-3 files.

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Real property addresses are only available in FAMIS by user code, which is identified in an Excel file called the “Proof”.

Failure to Inventory Real Property Assets Increases Risk of Inaccurate Accounting Records

Condition: Except for the PWD and the DOA, which both periodically check the physical existence and condition of their real property assets, this year’s audit again disclosed no evidence that the city’s other real property assets had been recently inventoried. In the prior year, we reported that, during fiscal year 2018, the Department of Public Property (Public Property) implemented the Integrated Workplace Asset Management System (IWAMS), which contains various data on the city’s real estate assets, including maintenance and improvement costs. In its response to last year’s report, Finance Office management indicated that it was working with OIT to develop a process to reconcile the city’s fixed asset ledger with IWAMS, thus enabling management to periodically validate the completeness and accuracy of the city’s fixed asset inventory. During the current audit, on November 6, 2019, Finance Office management informed us that it was going to meet soon with OIT to review the IWAMS database and attempt to reconcile IWAMS to the city’s fixed asset ledger; however, as of March 24, 2020, this reconciliation had not yet been performed.

Status: In the FY 2020 Schedule of Findings and Questioned Costs, this finding is updated as 2020-008 and is deemed unresolved.

2019-010 SAPs REQUIRE UPDATING TO ENSURE ACCURATE AND CONSISTENT APPLICATION OF ACCOUNTING RULES AND REGULATIONS

Condition: The city’s SAPs, which serve as the basis for the city’s system of internal control, continue to be long outdated and fail to reflect the automated processes and practices currently in use. The Finance Office has established over two hundred SAPs to provide city departments and agencies with guidance on how to handle various accounting related activities, including proper procedures for ensuring the accuracy of transactions and the safeguarding of assets. Over the years, as new technologies were adopted and daily practices were enhanced, the existing SAPs have not been updated accordingly, with over 50 percent of them still being more than half a century old.

In April 2019, Finance Office management filled the new position of director of compliance and internal controls, who, in June 2019, was tasked with overseeing the SAP update project. Per discussion with the director of compliance and internal controls, the SAP update project will involve two phases. Phase one consisted of the following steps: the identification of SAP owners across city departments; the development of a SharePoint site where all existing SAP documentation was uploaded and access to those files was granted to SAP owners; and the review of existing SAP documentation by SAP owners, who identified which SAPs were outdated. We were provided with the project’s tracking schedule, which listed all existing SAPs, identified those SAPs deemed obsolete, and provided target deadlines for completing updates. Phase two is the

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actual update of SAPs, and the goal is to have all SAPs updated by fiscal year 2025, with an initial, prioritized focus on SAPs pertaining to central departments. The director of compliance and internal controls indicated that, after all SAPs are updated, Finance Office management will explore the compilation of a singular SAP manual and examine how to best embed regular SAP review and updates into its process.

Since September 2015, the Finance Office has updated 18 SAPs, with the most recent being an update of eight grant SAPs issued on February 19, 2020¹⁰ and an addendum to SAP No. 4.1.1.e, *Imprest Funds*, issued on March 11, 2020, which created a debit card/imprest account for DPH in response to the COVID-19 health emergency. Also, the Finance Office estimated that the update to the ninth and final grant SAP – No. G-6-1, *Budgeting Revenue from Other Governments* – would be completed by March 31, 2020. Lastly, in response to the new OnePhilly payroll system implemented in March 2019, the Finance Office has a target timeline of May 31, 2020 for the completion of payroll related SAPs. It is understood that the target timelines may be delayed due to the COVID-19 health emergency.

Status: In the FY 2020 Schedule of Findings and Questioned Costs, this finding is updated as 2020-009 and is deemed unresolved.

¹⁰ The eight grant SAPs were Nos. G 1-1, *Grant Closeouts*; G 2-1, *Collection and Deposit of Grant Receipts*; G 2-2, *Program Income*; G 3-1, *Expenditure Reconciliation*; G 5-1, *Subrecipient Monitoring Policy*; G 5-2, *Subrecipient Audit Requirements*; G 5-3, *Resolution of Subrecipient Audit Findings and Questioned Costs*; and G 5-4, *Subrecipient Unspent Funds*.



SUPPLEMENTARY FINANCIAL INFORMATION SECTION

Pennsylvania Department of Human Services

**Pennsylvania Department of Community and
Economic Development**

City of Philadelphia
Schedule of Expenditures of Pennsylvania Department of Human Services Awards
July 1, 2019 to June 30, 2020

<u>Pa. DHS Program</u>	City ID			Grant Awards	Grant Expenditures	Federal Cash Received
Project Title	Number	CFDA	Contract Number			
<u>Mental Health/Intellectual Disabilities</u>						
ID - Community Services (10255) FY20	150906	0	Allocation Letter	17,140,457	17,140,457	0
ID - Early Intervention (70170) FY19	150877	84.181	Allocation Letter	6,979,922	0	215,000
ID - Early Intervention (70170) FY20	150871	84.181	Allocation Letter	6,026,536	6,026,536	6,136,536
ID - Early Intervention Service (10235) FY20	150908	0	Allocation Letter	20,468,251	19,856,403	0
ID - SSBG (70177) FY20	150872	93.667	Allocation Letter	1,422,352	1,422,352	1,422,352
ID - Temporary Money Follows the Person MFP	150876	93.791	Allocation Letter	180,000	53,334	180,000
ID - TSM Admin (70175) FY20	150875	93.778	Allocation Letter	612,998	612,998	332,772
ID - TSM Admin Federal (70175) FY19	150881	93.778	Grant Agreement	612,998	0	60,394
ID - Waiver - Admin (10255) FY20	150889	0	Allocation Letter	7,035,767	7,035,767	0
ID - Waiver - Admin (70175) FY20	150873	93.778	Allocation Letter	7,035,767	7,035,767	7,035,767
ID - Waiver - EI (70184) FY20	150874	93.778	Allocation Letter	469,624	205,872	469,624
MH - Behavioral MH Services (10262) FY20	150900	0	Allocation Letter	4,016,773	4,016,773	0
MH - CMHSBG (70167) FY20	150898	93.958	Allocation Letter	2,731,551	2,731,551	2,731,551
MH - Homeless Grant (70154) FY20	150897	93.667	Allocation Letter	438,674	438,674	438,674
MH - Program Income	150998	0	Allocation Letter	14,924,222	14,924,222	0
MH - Program Maintenance (10248) FY20	150899	0	Allocation Letter	138,237,411	137,421,153	0
MH - Specialized Residences (10258) FY20	150901	0	Allocation Letter	930,058	930,058	0
MH - SSBG (70135) FY20	150896	93.667	Allocation Letter	5,532,135	5,532,135	5,532,135
Total Mental Health/Intellectual Disabilities:				<u>234,795,496</u>	<u>225,384,052</u>	<u>24,554,805</u>

The accompanying notes are an integral part of this schedule.

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<u>Pa. DHS Program</u>	City ID			Grant Awards	Grant Expenditures	Federal Cash Received
Project Title	Number	CFDA	Contract Number			
<u>Children and Youth Program</u>						
Caseworker Visitation Grant	221486	93.556	Award Letter	217,734	0	217,734
Child & Youth Act 148- YDC Costs	229999	0	YDC Costs	6,887,774	6,887,774	0
Child Protective Services FY20	221780	93.667	Award Letter	2,888,308	2,888,308	2,888,308
Child Welfare Services - Act 148 FY15	221402	0	Award Letter	378,476,087	32,160	0
Child Welfare Services - Act 148 FY16	221832	0	Award Letter	343,459,981	94	0
Child Welfare Services - Act 148 FY17	221836	0	Award Letter	349,659,236	612,921	0
Child Welfare Services - Act 148 FY18	221840	0	Award Letter	353,047,609	588,192	0
Child Welfare Services - Act 148 FY19	221845	0	Award Letter	340,384,122	9,069,751	0
Child Welfare Services - Act 148 FY20	221848	0	Award Letter	358,551,614	306,442,234	0
Family Group Decision Making (FGDM) FY19	221635	0	State Award Letter	1,258,323	5,700	0
Family Group Decision Making (FGDM) FY20	221637	0	Award Letter	1,450,000	656,213	0
Family Preservation Funds- Title XX FY18	150498	93.667	Award Letter	605,304	82,425	0
Family Preservation Funds -Title XX FY20	150500	93.667	Award Letter	605,304	605,304	605,304
Functional Family Therapy (FFT) FY20	221586	0	Award Letter	358,673	212,909	0
Temporary Assistance for Needy Families FY17	221656	93.558	Children & Youth Program	26,033,804	548	0
Temporary Assistance for Needy Families FY18	221659	93.558	Children & Youth Program	26,033,804	1,871	0
Temporary Assistance for Needy Families FY19	221662	93.558	Children & Youth Program	26,033,804	420,684	8,787,519
Temporary Assistance for Needy Families FY20	221665	93.558	Award Letter	26,033,804	20,281,073	5,761,974
Title IV- E Medical Assistance (DIV44) FY20	222157	93.778	Award Letter	413,555	0	136,555
Title IV-E Adoption Assistance FY18	222058	93.659	Award Letter	16,984,368	4,794	0
Title IV-E Adoption Assistance FY19	222066	93.659	Award Letter	24,725,111	0	6,034,805

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<u>Pa. DHS Program</u>	City ID			Grant Awards	Grant Expenditures	Federal Cash Received
Project Title	Number	CFDA	Contract Number			
Title IV-E Adoption Assistance FY20	222068	93.659	Award Letter	54,914,042	30,107,146	22,706,111
Title IV-E Demonstration Project FY17	221447	93.648	Award Letter	60,298,449	805,275	0
Title IV-E Demonstration Project FY18	221493	93.648	Award Letter	59,836,117	129,697	17,178,762
Title IV-E Foster Care FY16	222007	93.658	Award Letter	3,264,912	126	0
Title IV-E Foster Care FY17	222014	93.658	Award Letter	3,946,026	24,864	24,377
Title IV-E Foster Care FY18	222025	93.658	Award Letter	2,861,878	99,074	515,248
Title IV-E Foster Care FY19	222030	93.658	Award Letter	88,495,964	2,115,245	58,318,524
Title IV-E Foster Care FY20	222037	93.658	Award Letter	57,942,059	100,746,696	17,942,781
Title IV-E Legal Custodian FY19	222224	93.090	Award Letter	5,423,723	0	1,103,400
Title IV-E Legal Custodian SPLC FY20	222229	93.090	Award Letter	12,066,402	3,853,357	1,919,649
Title IV-E Medical Assistance FY18	222148	93.778	Award Letter	264,476	1,579	0
Title IV-E Medical Assistance FY19	222153	93.778	Award Letter	382,466	0	3,882,265
Title IV-E Program Income	229995	93.658	Child Support SSI	1,815,864	1,815,864	1,815,864
Title IV-E SPLC FY18	222219	93.090	Award Letter	4,653,732	1,520	0
Youth Violence (YV) Lifeset	221588	0	Award Letter	572,901	399,049	0
Total Children and Youth Program:				2,640,847,330	488,892,446	149,839,181
<u>Combined Homeless Assistance</u>						
HAP - Administration FY20	241360	93.667	Allocation Letter	136,328	0	136,328
HAP - Briddge Housing (F)FY19	241268	93.667	Allocation Letter	2,717,027	201,102	0
HAP - Bridge Housing (Pennfree) FY20	241362	93.959	Allocation Letter	1,247,589	1,247,589	1,251,803
HAP - Bridge Housing (PENNFREE)FY19	241269	93.959	Allocation Letter	1,251,804	13,787	0
HAP - Bridge Housing FY20	241361	93.667	Allocation Letter	3,030,161	3,030,161	2,583,144

The accompanying notes are an integral part of this schedule.

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<u>Pa. DHS Program</u>	City ID			Grant Awards	Grant Expenditures	Federal Cash Received
Project Title	Number	CFDA	Contract Number			
HAP - Bridge Housing FY20	241363	0	Allocation Letter	357,213	357,213	0
HAP - Bridge Housing Pennfree	241173	93.959	Allocation Letter	1,251,804	0	1,785
HAP - Case Management (F) FY19	241266	93.667	Allocation Letter	983,699	38,795	0
HAP - Case Management (F) FY19	241271	93.667	Allocation Letter	300,704	16,664	0
HAP - Case Management (S) FY19	241267	0	Allocation Letter	2,535,576	158,829	0
HAP - Case Management FY20	241364	93.667	Allocation Letter	1,175,529	840,482	1,463,520
HAP - Case Management FY20	241365	93.667	Allocation Letter	607,900	157,234	0
HAP - Case Management FY20	241366	0	Allocation Letter	2,178,358	2,178,358	0
HAP - Program Income FY19	241274	93.667	Allocation Letter	19,865	8,858	11,621
HAP - Program Income - Pennfree FY19	241273	93.959	Allocation Letter	5,975	0	2,501
HAP - Program Income (F) FY20	241276	93.667	Allocation Letter	14,338	0	14,338
HAP - Program Income FY18	241188	93.667	Allocation Letter	11,859	0	705
HAP- Program Income - PennFree FY18	241187	93.959	Allocation Letter	3,839	0	149
HAP Program Income FY17	241178	93.667	Program Income	6,514	0	376
Total Combined Homeless Assistance:				17,836,080	8,249,072	5,466,270
<u>Human Services Development Fund</u>						
HSDf - AACO FY20	144388	0	Allocation Letter	700,000	700,000	0
HSDf - AHS Translation Service FY20	144385	0	Allocation Letter	308,000	288,587	0
HSDf - Case Management FY20	241346	0	Allocation Letter	411,580	411,573	0
HSDf - Children & Youth FY20	225084	0	Award Letter	220,000	219,999	0
HSDf - Financial Administration FY19	144382	0	Allocation Letter	574,800	64,125	0
HSDf - Financial Administration FY20	144387	0	Allocation Letter	180,000	180,000	0

The accompanying notes are an integral part of this schedule.

City of Philadelphia
Schedule of Expenditures of Pennsylvania Department of Human Services Awards
July 1, 2019 to June 30, 2020

<u>Pa. DHS Program</u>	City ID Number	CFDA	Contract Number	Grant Awards	Grant Expenditures	Federal Cash Received
HSDF - Lead Abatement FY19	144381	0	Allocation Letter	130,000	10,937	0
HSDF - Lead Abatement FY20	144386	0	Allocation Letter	310,320	294,844	0
HSDF - Violence Reduction FY20	160675	0	Award letter	413,000	335,000	0
Human Services Development Fund FY19	080342	0	Award Letter	100,000	100,000	0
Human Services Development Fund FY20	080343	0	Allocation Letter	100,000	100,000	0
Human Services Development Fund FY20	100717	0	Award Letter	553,285	97,960	0
Total Human Services Development Fund:				4,000,985	2,803,026	0
<u>Child Support Enforcement</u>						
Child Support - Program Income FY16	841023	93.563	Program Income	100,612	0	30,515
Child Support - Program Income FY17	841025	93.563	Program Income	92,287	0	70,195
Child Support - Program Income FY18	841027	93.563	Revenue Based	95,992	0	15,088
Child Support - Program Income FY19	841029	93.563	Revenue Based	73,040	0	201,508
Child Support Enforcement FY19	690484	93.563	Title IV-D Program	991,208	0	467,350
Child Support Enforcement FY20	690485	93.563	Title IV-D Program	1,032,128	1,032,128	2,133
Child Support Program FY19	841028	93.563	Revenue Based	23,892,492	0	7,731,926
Child Support Program FY20	841030	93.563	Title IV-D Program	17,728,121	17,728,121	1,026,043
Domestic Relations Division (DRD) FY17	842644	0	Title IV-D Program	7,900,000	2,754,044	0
Total Child Support Enforcement:				51,905,878	21,514,293	9,544,758
<u>Other PaDHS Assistance</u>						
Act 152 (APP 120) FY20	150982	0	Allocation Letter	1,935,318	1,935,318	0
Act 1992 -24 Reimbursement Lawyer Fees	840764	0	Receipts	86,832	86,832	0

The accompanying notes are an integral part of this schedule.

City of Philadelphia
Schedule of Expenditures of Pennsylvania Department of Human Services Awards
July 1, 2019 to June 30, 2020

<u>Pa. DHS Program</u>	City ID			Grant Awards	Grant Expenditures	Federal Cash Received
Project Title	Number	CFDA	Contract Number			
Additional SIL Services FY20	222130	0	Award Letter	2,380,214	1,668,004	0
Assessment & Residential Treatment Services FY	150971	0	Annual Sch of funding	495,047	495,047	0
Behavioral Health Services/ IGT (173) Fy18	150525	0	Allocation Letter	9,169,723	201,674	0
Behavioral Health Services/IGT (173) FY20	150690	0	Allocation Letter	9,169,723	9,169,723	0
BHS/MRS Administration FY20	150586	0	Allocation Letter	8,010,669	8,010,669	0
Gambling Addiction Assessment & Treatment Fu	150970	0	Annual Sch of funding	648,126	648,126	0
Health Enterprise Zone (HEZ)	144160	0	4100078789	1,500,000	589,041	0
Housing Initiative FY19	221574	0	Award Letter	2,677,500	135,830	0
Housing Initiative FY20	221575	0	Award Letter	3,400,000	1,773,622	0
Information Technology (ITG) FY20	222256	0	Award Letter	10,338,275	7,918,244	0
Information Technology (ITG) FY20	222257	93.658	Award Letter	3,281,992	2,997,921	0
Information Technology Grant (ITG) FY18	222253	0	Award Letter	11,287,437	67,117	0
Navigation & Housing Services - Individual w/Op	150621	93.788	4100083253	1,015,805	353,101	406,817
Navigation & Housing Services - Individual w/Op	150622	93.788	Allocation Letter	1,749,677	955,355	198,903
Opioid Use Disorder (OUD) 10262 FY20	150951	0	Allocation Letter	2,329,000	2,329,000	0
PA Promising Practice - Delinquent FY19	221625	0	Award Letter	422,135	24,373	0
PA Promising Practice - Dependent FY19	221624	0	Award Letter	686,069	193,656	0
PA Promising Practice - Delinquent FY20	221629	0	Award Letter	675,000	371,700	0
Supported Work Program (Workwise) - SNAP F	080323	10.561	4100065378	93,750	0	1,131
Supported Work Program (Workwise) FY19	080322	93.558	4100065378	1,886,509	105	9,170
Supported Work Program (Workwise) FY19	080324	93.558	4100083793	5,659,525	3,395,273	5,608,404
Supported Work Program (Workwise) FY20	080326	93.558	4100083793	7,546,034	5,479,139	1,728,107

The accompanying notes are an integral part of this schedule.

City of Philadelphia
Schedule of Expenditures of Pennsylvania Department of Human Services Awards
July 1, 2019 to June 30, 2020

<u>Pa. DHS Program</u>	City ID			Grant Awards	Grant Expenditures	Federal Cash Received
Project Title	Number	CFDA	Contract Number			
Supported Work Program (Workwise) SNAP FY	080325	10.561	4100083793	281,250	215,253	274,626
Supported Work Program (Workwise) SNAP FY	080327	10.561	4100083793	375,000	182,863	59,744
Time Limited Family Reunification	221497	0	Award Letter	205,000	178,510	0
Title IV-B State Match FY19	221682	0	Award Letter	686,872	43,192	0
Title IV-B Cares Act	221687	93.645	Award Letter	531,203	0	531,203
Title IV-B FY19	221683	93.645	Award Letter	2,575,773	162,361	0
Title IV-B FY20	221684	93.645	Award Letter	2,575,773	2,174,675	2,575,773
Title IV-B State Mach FY20	222685	0	Award Letter	686,872	579,913	0
Title IV-E Independent Living FY19	222023	93.674	Award Letter	1,044,895	0	199,959
Title IV-E Independent Living FY20	222040	93.674	Award Letter	1,044,895	1,044,751	1,663,400
Title IV-E Independent Living-Interest	222024	93.674	Award Letter	15,614	0	15,614
Title IV-E Independent Living-Interest	222047	93.674	Award Letter	7,958	0	7,958
Title IV-E Independent Living-Interest	222022	93.674	Interest	7,108	0	4,195
Youth Policy Institute (YPI) DHS State FY20	080831	0	MOU Agreement	170,400	133,099	0
Total Other PaDHS Assistance:				96,652,973	53,513,485	13,285,003
Total Schedule of Expenditures of PaDHS Awards:				3,046,038,743	800,356,373	202,690,018

The accompanying notes are an integral part of this schedule.

**CITY OF PHILADELPHIA
NOTES TO THE SCHEDULE OF EXPENDITURES OF PENNSYLVANIA
DEPARTMENT OF HUMAN SERVICES AWARDS
FOR THE FISCAL YEAR ENDED JUNE 30, 2020**

1. BASIS OF ACCOUNTING

The modified accrual basis of accounting was used to prepare this schedule. All federal and state financial assistance received from the Pennsylvania Department of Human Services is included.

2. DEPARTMENT OF HUMAN SERVICES MAJOR PROGRAMS

The following represent major programs from the Pennsylvania Department of Human Services as defined in the **Single Audit Supplement**:

Child Support Enforcement Program

3. GOVERNMENTAL FUNDING AWARDED BY THE CITY

The following table identifies funding received from the Pennsylvania Department of Human Services that the city awarded to its subrecipient organizations:

<u>Source</u>	<u>Program</u>	<u>Funding</u>
State - DHS	Mental Health/Intellectual Disabilities	\$ 204,697,681
State – DHS	Behavioral Health Services Initiative	9,371,397
State – DHS	Children and Youth Program	112,309,644
State - DHS	Combined Homeless Assistance Programs	4,401,754
Total Pa. DHS Awards to Subrecipients:		\$330,780,476



CITY OF PHILADELPHIA

OFFICE OF THE CONTROLLER
1230 Municipal Services Building
1401 John F. Kennedy Boulevard
Philadelphia, PA 19102-1679
(215) 686-6680 FAX (215) 686-3832

REBECCA RHYNHART
City Controller

CHRISTY BRADY
Deputy City Controller

INDEPENDENT ACCOUNTANT'S REPORT ON APPLYING AGREED-UPON PROCEDURES

To the Honorable Mayor and Honorable Members
of the Council of the City of Philadelphia

To the Commonwealth of Pennsylvania,
Department of Human Services

We have performed the procedures enumerated below on the financial schedules and exhibits of the City of Philadelphia, Pennsylvania as of June 30, 2020. City of Philadelphia, Pennsylvania's management is responsible for the financial schedules and exhibits.

City of Philadelphia, Pennsylvania management and the Commonwealth of Pennsylvania, Department of Human Services have agreed to and acknowledged that the procedures performed are appropriate to meet intended purpose of determining that financial schedules are presented in accordance with format prescribed by the grantor as of June 30, 2020. This report may not be suitable for any other purpose. The procedures performed may not address all the items of interest to a user of this report and may not meet the needs of all users of this report and, as such, users are responsible for determining whether the procedures performed are appropriate for their purposes.

- I. The procedures and associated findings applicable to Exhibits A-1 (a) through XIX (a) NBG are as follows:

Procedures

- (a) We have verified by comparison of the amounts and classifications that the financial schedules and exhibits listed below, which summarize amounts reported to DHS for fiscal year ended June 30, 2020, have been accurately compiled and reflect the audited books and records of the City of Philadelphia, Pennsylvania. We also compared the example schedules in the DHS Single Audit Supplement to these schedules to determine that they are presented, at a minimum, at the level of detail and in the format required by the DHS Single Audit Supplement pertaining to this period.

CITY OF PHILADELPHIA
OFFICE OF THE CONTROLLER

<u>Program Name</u>	<u>Number</u>	<u>Referenced Schedule/Exhibit</u>
Child Support Enforcement	A-1 (a)	Summary of Expenditures
	A-1 (b)	PACSES Data Reliability Verification
	A-1 (c)	Summary of Incentives
	A-1 (d)	Summary of Title IV-D Account
Mental Health/Intellectual Disabilities	IV (a) MH NBG	Report of Income and Expenditures
	IV (b) MH NBG	Report of Income and Expenditures
	IV (c) ID NBG	Schedule of Revenues, Expenditures and Carryover Funds
	IV (d) ID NBG	Report of Income and Expenditures
Early Intervention Services	V (a) EI	Early Intervention Services
	V (b) EI	Early Intervention Services
Combined Homeless Assistance Program	XIX (a) NBG	Report of Income and Expenditures

(b) We have inquired of management as to whether there were any adjustments to reported revenues or expenditures which were not reflected on reports submitted to DHS for the period in question.

Findings

(c) The procedures detailed in the two preceding paragraphs, (a) and (b) above, disclosed the following adjustments or findings which have not been reflected on reports submitted to DHS for the period in question:

1. The county report submitted to DHS for the Combined Homeless Assistance Program did not agree with the City of Philadelphia, Pennsylvania books and records. The amounts reported in Exhibit XIX (a) NBG Report of Income and Expenditures were overstated or understated as listed in Table 1 below.

Lines from Exhibit XIX (a) NBG	Administration Overstated/ (Understated)	Bridge Housing Overstated/ (Understated)	Case Management Overstated/ (Understated)	Total Overstated/ (Understated)
Purchased Services	\$ -	\$ 24,904	\$ 29,470	\$ 54,374
Total Expenditure	\$ -	\$ 24,904	\$ 29,470	\$ 54,374
Earned Interest	\$(26,179)	\$ -	\$ -	\$(26,179)
Total Revenue	\$(26,179)	\$ -	\$ -	\$(26,179)

C I T Y O F P H I L A D E L P H I A
O F F I C E O F T H E C O N T R O L L E R

- II. The procedures and associated findings applicable to Exhibit XX - Federal Awards Reconciliation Schedule are as follows:

Procedures

- (a) We have agreed the expenditure amounts listed on the reconciliation schedule under the “Federal Expenditures per the SEFA” column C to the audited Schedule of Expenditures of Federal Awards (SEFA).
- (b) We have agreed the receipt amounts listed on the reconciliation schedule under the “Federal Awards Received per the audit confirmation reply from Pennsylvania” column D to the subrecipient Federal amounts that were reflected in the audit confirmation reply from the Office of Budget, Comptroller Operations.
- (c) We have recalculated the amounts listed under the “Difference” column E and the “% Difference” column F.
- (d) We have agreed the amounts listed under the “Difference” column E to the audited books and records of the City of Philadelphia, Pennsylvania.
- (e) We have agreed the “Detailed Explanation of the Differences” to the audited books and records of the City of Philadelphia, Pennsylvania.

Findings

- (f) The procedures detailed in paragraphs (a) through (e) above, did not disclose adjustments or findings which have not been reflected on the corresponding schedule.

- III. The procedures and associated findings applicable to Exhibit XXI – County Children and Youth Agency Monitoring Schedule are as follows:

Procedures

- a) We have reconciled the list of providers under “Provider Name” column A to the providers who were paid for In-Home Purchased Services during the year according to the County Children and Youth Agency’s (CCYA) general ledger, cash disbursements journal, or similar record. Note any providers who were paid during the year, but were not included on this schedule.
- b) We have agreed the response in column B to the appropriate Provider contract.
- c) We have agreed information in columns C through I to the CCYA’s monitoring records for In-Home Purchased Service Providers.

C I T Y O F P H I L A D E L P H I A
OFFICE OF THE CONTROLLER

Findings

- d) The procedures detailed in paragraphs (a) through (c) above, disclosed the following exceptions or findings which have not been reflected on the corresponding schedule:
1. There are 3 providers that were paid during the year but not included in Column A of the schedule. Below is a list of providers who are not on the schedule:
 - a. Turning Points for Children CUA 3
 - b. Wordsworth CUA 10
 - c. Wordsworth CUA 5

 2. There are eight providers for which column B indicates the provider contracts contain the CPSL requirements, but a contract between the CCYA and the provider does not exist. Below is a list of those providers:
 - a. Reintegration/Aftercare
 - b. APM
 - c. Abington ELC
 - d. Boyertown ELC
 - e. Columbia North ELC
 - f. Dixon Learning Academy
 - g. PVFY – Northeast Day Care
 - h. Phila Freedom Valley YMCA

 3. The information in columns C through I did not agree to the CCYA monitoring records for In-Home Purchased Services Providers. Table 2 below details the exceptions noted.

Table 2: Summary of Findings for Exhibit XXI		
PROVIDER NAME	COLUMN EXCEPTION	EXCEPTION (COMMENT)
IDAAY	E, I	E. Exceptions Noted During Current Year Monitoring Do Not Agree to CCYA monitoring records. I. The report indicates the CAP was implemented, but follow-up monitoring still shows exceptions.
Philadelphia Youth Network	I	The report indicates the CAP was implemented, but follow-up monitoring still shows exceptions.
Urban Affairs Coalition	I	The report indicates the CAP was implemented, but follow-up monitoring still shows exceptions.
Southeast Asian Mutual Assistance Assn.	I	The report indicates the CAP was implemented, but follow-up monitoring still shows exceptions.
Little Red Perez Boxing Gym	I	The report indicates the CAP was implemented, but no follow up monitoring was performed.

C I T Y O F P H I L A D E L P H I A
O F F I C E O F T H E C O N T R O L L E R

We were engaged by City of Philadelphia, Pennsylvania to perform this agreed-upon procedures engagement and conducted our engagement in accordance with attestation standards established by the American Institute of Certified Public Accountants. We were not engaged to and did not conduct an examination or review engagement, the objective of which would be the expression of an opinion or conclusion, respectively, on the accompanying financial schedules and exhibits required by the DHS Single Audit Supplement. Accordingly, we do not express such an opinion or conclusion. Had we performed additional procedures, other matters might have come to our attention that would have been reported to you.

We are required to be independent of the City of Philadelphia, Pennsylvania and to meet our ethical responsibilities, in accordance with the relevant ethical requirements related to our agreed-procedures engagement.

This report is intended solely for the information and use of the City of Philadelphia, Pennsylvania, City Council, and the Commonwealth of Pennsylvania DHS and is not intended to be and should not be used by anyone other than those specified parties.

A handwritten signature in cursive script that reads "Christy Brady". The signature is written in black ink on a light-colored background.

CHRISTY BRADY, CPA
Deputy City Controller
Philadelphia, Pennsylvania
April 22, 2022

CITY OF PHILADELPHIA
SUMMARY OF EXPENDITURES
TITLE IV-D CHILD SUPPORT PROGRAM
FYE JUNE 30, 2020

EXHIBIT A-1(A)

COMPARISON OF CHILD SUPPORT PROGRAM INDEX NO. 841030 & 842641 SINGLE AUDIT EXPENDITURES WITH THE REPORTED EXPENDITURES

County: Philadelphia		Year Ended: Fiscal Year 2020														
Single Audit Expenditures		Reported Expenditures					Single Audit Over/Under Reported									
Quarter Ending: 09/30/19	Total	Unallowable	Incentive Paid Costs	Net	Amt Paid	Total	Unallowable	Incentive Paid Costs	Net	Amt Paid	Total	Unallowable	Incentive Paid Costs	Net	Amt Paid	
1. Salary/Overhead	9,381,141.00	344,588.00	(525,549.00)	8,511,004.00	5,617,263.00	9,381,141.00	344,588.00	(525,549.00)	8,511,004.00	5,617,263.00	0.00	0.00	0.00	0.00	0.00	0.00
2. Fee/Costs	45.00	0.00	0.00	45.00	30.00	45.00	0.00	0.00	45.00	30.00	0.00	0.00	0.00	0.00	0.00	0.00
3. Interest & Program Income	17,780.00	175.00	0.00	17,605.00	11,619.00	17,780.00	175.00	0.00	17,605.00	11,619.00	0.00	0.00	0.00	0.00	0.00	0.00
4. Blood Testing Fee	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
5. Blood Testing Costs	22,721.00	0.00	0.00	22,721.00	14,996.00	22,721.00	0.00	0.00	22,721.00	14,996.00	0.00	0.00	0.00	0.00	0.00	0.00
6. ADP	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Net Total (1-2-3-4+5+6)	9,386,037.00	344,413.00	(525,549.00)	8,516,075.00	5,620,610.00	9,386,037.00	344,413.00	(525,549.00)	8,516,075.00	5,620,610.00	0.00	0.00	0.00	0.00	0.00	0.00
1. Salary/Overhead	9,408,943.00	373,892.00	(1,013,390.00)	8,021,661.00	5,294,296.00	9,408,943.00	373,892.00	(1,013,390.00)	8,021,661.00	5,294,296.00	0.00	0.00	0.00	0.00	0.00	0.00
2. Fee/Costs	32.00	0.00	0.00	32.00	21.00	32.00	0.00	0.00	32.00	21.00	0.00	0.00	0.00	0.00	0.00	0.00
3. Interest & Program Income	42,987.00	522.00	0.00	42,465.00	28,027.00	42,987.00	522.00	0.00	42,465.00	28,027.00	0.00	0.00	0.00	0.00	0.00	0.00
4. Blood Testing Fee	9,256.00	0.00	0.00	9,256.00	6,109.00	9,256.00	0.00	0.00	9,256.00	6,109.00	0.00	0.00	0.00	0.00	0.00	0.00
5. Blood Testing Costs	13,909.00	0.00	0.00	13,909.00	9,180.00	13,909.00	0.00	0.00	13,909.00	9,180.00	0.00	0.00	0.00	0.00	0.00	0.00
6. ADP	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Net Total (1-2-3-4+5+6)	9,370,577.00	373,370.00	(1,013,390.00)	7,983,817.00	5,269,319.00	9,370,577.00	373,370.00	(1,013,390.00)	7,983,817.00	5,269,319.00	0.00	0.00	0.00	0.00	0.00	0.00
1. Salary/Overhead	7,350,765.00	261,270.00	(403,757.00)	6,685,738.00	4,412,587.00	7,350,765.00	261,270.00	(403,757.00)	6,685,738.00	4,412,587.00	0.00	0.00	0.00	0.00	0.00	0.00
2. Fee/Costs	29.00	0.00	0.00	29.00	19.00	29.00	0.00	0.00	29.00	19.00	0.00	0.00	0.00	0.00	0.00	0.00
3. Interest & Program Income	22,150.00	276.00	0.00	21,874.00	14,437.00	22,150.00	276.00	0.00	21,874.00	14,437.00	0.00	0.00	0.00	0.00	0.00	0.00
4. Blood Testing Fee	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
5. Blood Testing Costs	15,917.00	0.00	0.00	15,917.00	10,505.00	15,917.00	0.00	0.00	15,917.00	10,505.00	0.00	0.00	0.00	0.00	0.00	0.00
6. ADP	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Net Total (1-2-3-4+5+6)	7,344,503.00	260,994.00	(403,757.00)	6,679,752.00	4,408,636.00	7,344,503.00	260,994.00	(403,757.00)	6,679,752.00	4,408,636.00	0.00	0.00	0.00	0.00	0.00	0.00
1. Salary/Overhead	8,785,015.00	267,135.00	(2,472,677.00)	6,045,203.00	3,989,834.00	8,785,015.00	267,135.00	(2,472,677.00)	6,045,203.00	3,989,834.00	0.00	0.00	0.00	0.00	0.00	0.00
2. Fee/Costs	8.00	0.00	0.00	8.00	5.00	8.00	0.00	0.00	8.00	5.00	0.00	0.00	0.00	0.00	0.00	0.00
3. Interest & Program Income	17,375.00	183.00	0.00	17,192.00	11,347.00	17,375.00	183.00	0.00	17,192.00	11,347.00	0.00	0.00	0.00	0.00	0.00	0.00
4. Blood Testing Fee	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
5. Blood Testing Costs	12,184.00	0.00	0.00	12,184.00	8,041.00	12,184.00	0.00	0.00	12,184.00	8,041.00	0.00	0.00	0.00	0.00	0.00	0.00
6. ADP	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Net Total (1-2-3-4+5+6)	8,779,816.00	266,952.00	(2,472,677.00)	6,040,187.00	3,986,523.00	8,779,816.00	266,952.00	(2,472,677.00)	6,040,187.00	3,986,523.00	0.00	0.00	0.00	0.00	0.00	0.00

CITY OF PHILADELPHIA
SUMMARY OF EXPENDITURES
TITLE IV-D CHILD SUPPORT PROGRAM
FYE JUNE 30, 2020

EXHIBIT A-1(a)

COMPARISON OF CHILD SUPPORT PROGRAM INDEX NO. 841030 & 842641 SINGLE AUDIT EXPENDITURES WITH THE REPORTED EXPENDITURES - SUPPLEMENTALS

County: Philadelphia		Year Ended:					Fiscal Year 2020								
Single Audit Expenditures		Reported Expenditures					Single Audit Over/Under Reported								
Quarter Ending: 09/30/17	Total	Unallowable	Incentive Paid Costs	Net	Amt Paid	Total	Unallowable	Incentive Paid Costs	Net	Amt Paid	Total	Unallowable	Incentive Paid Costs	Net	Amt Paid
1. Salary/Overhead	2,783.00	(145.00)	0.00	2,928.00	1,932.00	2,783.00	(145.00)	0.00	2,928.00	1,932.00	0.00	0.00	0.00	0.00	0.00
2. Fee/Costs	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
3. Interest & Program Income	(2,227.00)	(31.00)	0.00	(2,196.00)	(1,449.00)	(2,227.00)	(31.00)	0.00	(2,196.00)	(1,449.00)	0.00	0.00	0.00	0.00	0.00
4. Blood Testing Fee	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
5. Blood Testing Costs	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
6. ADP	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Net Total (1-2-3-4+5+6)	5,010.00	(114.00)	0.00	5,124.00	3,381.00	5,010.00	(114.00)	0.00	5,124.00	3,381.00	0.00	0.00	0.00	0.00	0.00
Quarter Ending: 12/31/17	Total	Unallowable	Incentive Paid Costs	Net	Amt Paid	Total	Unallowable	Incentive Paid Costs	Net	Amt Paid	Total	Unallowable	Incentive Paid Costs	Net	Amt Paid
1. Salary/Overhead	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
2. Fee/Costs	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
3. Interest & Program Income	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
4. Blood Testing Fee	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
5. Blood Testing Costs	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
6. ADP	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Net Total (1-2-3-4+5+6)	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Quarter Ending: 3/31/18	Total	Unallowable	Incentive Paid Costs	Net	Amt Paid	Total	Unallowable	Incentive Paid Costs	Net	Amt Paid	Total	Unallowable	Incentive Paid Costs	Net	Amt Paid
1. Salary/Overhead	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
2. Fee/Costs	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
3. Interest & Program Income	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
4. Blood Testing Fee	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
5. Blood Testing Costs	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
6. ADP	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Net Total (1-2-3-4+5+6)	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Quarter Ending: 6/30/18	Total	Unallowable	Incentive Paid Costs	Net	Amt Paid	Total	Unallowable	Incentive Paid Costs	Net	Amt Paid	Total	Unallowable	Incentive Paid Costs	Net	Amt Paid
1. Salary/Overhead	0.00	(1,616.00)	0.00	1,616.00	1,067.00	0.00	(1,616.00)	0.00	1,616.00	1,067.00	0.00	0.00	0.00	0.00	0.00
2. Fee/Costs	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
3. Interest & Program Income	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
4. Blood Testing Fee	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
5. Blood Testing Costs	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
6. ADP	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Net Total (1-2-3-4+5+6)	0.00	(1,616.00)	0.00	1,616.00	1,067.00	0.00	(1,616.00)	0.00	1,616.00	1,067.00	0.00	0.00	0.00	0.00	0.00

**CHILD SUPPORT ENFORCEMENT
PACSES OCSE 157 Data Reliability Validation**

County Philadelphia Year Ended June 30, 2020

OCSE 157 Report Line Number	Number of Cases Reviewed	Case Problems Found
Line #1 IV-D cases open at the end of the fiscal year.	5	None
Line #2 IV-D cases open at the end of the fiscal year with support orders established.	5	None
Line #5 Children in IV-D cases open at the end of the fiscal year that were born out of wedlock.	5	None
Line #6 Children in IV-D cases open at the end of the fiscal year that were born out of wedlock with paternity resolved.	5	None
Line #24 Total amount of current support due for the fiscal year for IV-D cases, excluding emancipated children.	5	None
Line #25 Total amount of support disbursed as current support during the fiscal year for IV-D cases, excluding emancipated children.	5	None
Line #28 Cases with arrears due during the fiscal year (10/01/19 - 9/30/20)	5	None
Line #29 Cases with Disbursements on arrears during the fiscal year (10/01/19 - 9/30/20)	5	None

**CHILD SUPPORT ENFORCEMENT
COMPARISON OF REPORTED INCENTIVES TO INCENTIVES ON DEPOSIT**

EXHIBIT A-1 (c)

County - Philadelphia

Fiscal Year Ended - June 30, 2020

Month	MSE Incentive Paid Cost Worksheet Ending Incentive Balance	Audited Title IV-D Account Incentive Balance	Type of Account Structure
July 1, 2019	\$0.00	\$0.00	<input checked="" type="checkbox"/> Separate Bank Account <input type="checkbox"/> Restricted Fund - General Ledger <input type="checkbox"/> Other: _____
September 30, 2019	\$0.00	\$0.00	
December 31, 2019	\$0.00	\$0.00	
March 31, 2020	\$0.00	\$0.00	
June 30, 2020	\$0.00	\$0.00	

Note: Do not include income received from interest or Medical Incentives.

CHILD SUPPORT ENFORCEMENT
COMPARISON OF SINGLE AUDIT TITLE IV-D ACCOUNT WITH REPORTED TITLE IV-D ACCOUNT

County - Philadelphia

Fiscal Year Ended - June 30, 2020

	Single Audit TITLE IV-D Account	Reported TITLE IV-D Account	Single Audit Over/(Under) Reported
Balance at July 1, 2019	\$ 44,015,709.26	\$ 44,015,709.26	\$ -
Receipts:			
Reimbursements	18,269,556.00	18,269,556.00	-
Incentives	4,415,373.55	4,415,373.55	-
Title XIX Incentives	909.00	909.00	-
Interest	46,853.57	46,853.57	-
Program Income	194,688.00	194,688.00	-
Genetic Testing Costs	4,628.46	4,628.46	-
Maintenance of Effort (MOE)	2,537,628.00	2,537,628.00	-
Other: State Grant	7,900,000.00	7,900,000.00	-
Miscellaneous	900.00	900.00	-
General Fund DA	522,209.00	621,532.00	(99,323.00) A
DA's Reimbursement	1,019,976.00	1,019,976.00	-
Total Receipts	\$ 34,912,721.58	\$ 35,012,044.58	\$ (99,323.00)
Intra-fund Transfer - In	-	-	-
Funds Available	\$ 78,928,430.84	\$ 79,027,753.84	\$ -
Disbursements:			
Incentive Paid Costs - Salaries and Overhead	4,415,373.55	4,415,373.55	-
Transfers to General Fund	-	-	-
Vendor Payments	726,151.00	726,151.00	-
Bank Charges	4,851.17	4,851.17	-
Other: Salaries and Fringes	19,732,374.56	19,732,374.56	-
Indirect Costs (MOE)	-	-	-
Vendor Payments DA	-	301,753.00	(301,753.00) A
Salaries and Fringes DA	1,542,185.00	1,339,755.00	202,430.00 A
Unfunded MOE	-	-	-
Indirect Costs (DA)	-	-	-
Total Disbursements	\$ 26,420,935.28	\$ 26,520,258.28	\$ (99,323.00)
Intra-fund Transfers - Out	-	-	-
Balance at June 30, 2020	\$ 52,507,495.56	\$ 52,507,495.56	\$ -

The Title IV-D account consists of **3 accounts**. Please indicate here the total number of accounts that make up the Title IV-D account.

The Title IV-D account is comprised of **1 checking, 0 savings, 0 CD, and 2 trust fund accounts**. Please indicate here the type of accounts that the Title IV-D account is comprised of.

A : Represents a timing difference due to the January 2020 portion not billed in FY 2020.

Commonwealth of Pennsylvania
DHS - Bureau of Financial Operations
County Mental Health Report of Income and Expenditures
MH15 - Mental Health Services
Fiscal Year 2019 - 2020
Philadelphia MH Program

Exhibit IV(a) MH NBG

	Sources of DHS Funding	App	DHS Funds Available			Cost Eligible for DHS Participation (4)	Balance Of Funds (5)	Grant Fund Adjs. (6)	Total Fund Balance (7)
			Carryover (1)	Allotment (2)	Total Allocation (3)				
A.	MH Services	10248	\$750,000	\$137,487,411	\$138,237,411	\$137,421,153	\$816,258	\$0	\$816,258
B.	OTHER STATE FUNDS								
1	Specialized Residences for the Mentally Ill Homeless	10258	\$0	\$930,058	\$930,058	\$930,058	\$0	\$0	\$0
2	Behavioral Health Services Initiative	10262	\$0	\$4,016,773	\$4,016,773	\$4,016,773	\$0	\$0	\$0
3	Reserved – 100%	00001	\$0	\$0	\$0	\$0	\$0	\$0	\$0
	Subtotal Other State		\$0	\$4,946,831	\$4,946,831	\$4,946,831	\$0	\$0	\$0
C.	SSBG	70135	\$0	\$5,532,135	\$5,532,135	\$5,532,135	\$0	\$0	\$0
D.	CMHSBG	70167	\$3,765	\$2,730,303	\$2,734,068	\$2,715,359	\$18,709	\$0	\$18,709
E.	OTHER FEDERAL FUNDS								
1	PATH Homeless Grant (Federal)	70154	\$0	\$438,674	\$438,674	\$438,674	\$0	\$0	\$0
2	Suicide Prevention in Schools and Colleges	71022	\$0	\$0	\$0	\$0	\$0	\$0	\$0
3	Reserved	00002	\$0	\$0	\$0	\$0	\$0	\$0	\$0
4	Reserved	00003	\$0	\$0	\$0	\$0	\$0	\$0	\$0
	Subtotal Other Federal Funds		\$0	\$438,674	\$438,674	\$438,674	\$0	\$0	\$0
F.	TOTAL		\$753,765	\$151,135,354	\$151,889,119	\$151,054,152	\$834,967	\$0	\$834,967

**PHILADELPHIA COUNTY
INTELECTUAL DISABILITIES SERVICES
REPORT OF INCOME AND EXPENDITURES
FOR THE TWELVE MONTH PERIOD ENDED JUNE 30, 2020**

Exhibit IV-(b) NBG

	Total
I. TOTAL ALLOCATION	\$151,889,119
II. TOTAL EXPENDITURES	\$174,912,452
III. COSTS OVER ALLOCATION	
A. County Funded Eligible	\$1,991,615
B. County Funded Ineligible	\$1,679,457
C. Other Eligible	\$8,822,161
D. Other Ineligible	\$0
Subtotal Costs over Allocation	\$12,493,233
IV. REVENUES	
A. Program Service Fees	\$324,184
B. Private Insurance	\$1,477,452
C. Medical Assistance	\$94,673
D. Medical Assistance - Admin Claims	\$0
E. Room and Board	\$478,444
F. Earned Interest	\$295,464
G. Other	\$4,031,844
Subtotal Revenues	\$6,702,061
V. DHS REIMBURSEMENT	
A. Base Allocation 90%	\$39,519,416
B. Base Allocation 100%	\$15,488,530
C. DHS Categorical Funding 90%	\$2,447,637
D. DHS Categorical Funding 100%	\$85,351,075
E. SSBG 90%	0
F. SSBG 100%	\$5,532,135
G. CMHSBG Non-Categorical Funding 90%	\$0
H. CMHSBG Non-Categorical Funding 100%	\$2,203,831
I. CMHSBG Categorical Funding	\$511,528
Subtotal DHS Reimbursement	\$151,054,152
VI. COUNTY MATCH	
10% County Match	\$4,663,006
Subtotal County Match	\$4,663,006
VII. TOTAL DHS REIMB & COUNTY MATCH	\$155,717,158
VIII. TOTAL CARRYOVER	\$834,967

PHILADELPHIA COUNTY
SCHEDULE OF REVENUES, EXPENDITURES AND CARRYOVER FUNDS
INTELLECTUAL DISABILITIES SERVICES
FOR THE TWELVE MONTH PERIOD ENDED June 30, 2020

EXHIBIT IV-(c) ID NBG

Sources of DHS Funding	Appropriation	DHS Funds Available			Cost Eligible for DHS Participation (4)	Balance Of Funds (5)	Grant Fund Adjs. (6)	Total Fund Balance (7)
		Carryover (1)	Allotment (2)	Total Allocation (3)				
A. ID Services								
1. Community (Non-Residential/Residential)	10255	\$0	\$17,140,457	\$17,140,457	\$17,140,457	\$0	\$0	\$0
2. Temporary NBG Funds for Regional Collaboratives	10255	\$0	\$0	\$0	\$0	\$0	\$0	\$0
3. SSBG	70177	\$0	\$1,422,353	\$1,422,353	\$1,422,353	\$0	\$0	\$0
4. Reserved	00001	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Subtotal ID Services		\$0	\$18,562,810	\$18,562,810	\$18,562,810	\$0	\$0	\$0
B. Waiver								
1. Waiver Administration	10255/70175	\$0	\$14,071,534	\$14,071,534	\$14,071,534	\$0	\$0	\$0
2. Reserved	00002	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Subtotal Waiver		\$0	\$14,071,534	\$14,071,534	\$14,071,534	\$0	\$0	\$0
C. Other								
1. Temporary MFP Federal Funding	70175	\$0	\$80,000	\$80,000	\$53,334	\$26,666	\$0	\$26,666
Subtotal Other		\$0	\$80,000	\$80,000	\$53,334	\$26,666	\$0	\$26,666
D. TOTAL		\$0	\$32,714,344	\$32,714,344	\$32,687,678	\$26,666	\$0	\$26,666

**PHILADELPHIA COUNTY
INTELLECTUAL DISABILITIES SERVICES
REPORT OF INCOME AND EXPENDITURES
FOR TWELVE MONTH PERIOD ENDED JUNE 30.2020**

EXHIBIT IV-(D) ID NBG

	Total
I. TOTAL ALLOCATION	\$32,714,344
II. TOTAL EXPENDITURES	\$37,565,061
III. COSTS OVER ALLOCATION	
A. County Funded Eligible	\$825,529
B. County Funded Ineligible	\$2,332,841
C. Other Eligible	\$0
D. Other Ineligible	\$0
Subtotal Costs over Allocation	\$3,158,370
IV. REVENUES	
A. Program Service Fees	\$7,024
B. Private Insurance	\$0
C. Medical Assistance	\$0
D. Medical Assistance - Admin Claims	\$612,998
E. Room and Board	\$0
F. Earned Interest	\$327
G. Other	\$5,235
Subtotal Revenues	\$625,584
V. DHS REIMBURSEMENT	
A. Base Allocation 90%	\$8,928,816
B. Base Allocation 100%	\$6,686,598
C. DHS Categorical Funding 90%	\$912,045
D. DHS Categorical Funding 100%	\$14,737,866
E. SSBG 90%	\$0
F. SSBG 100%	\$1,422,353
Subtotal DHS Reimbursement	\$32,687,678
VI. COUNTY MATCH	
10% County Match	\$1,093,429
Subtotal County Match	\$1,093,429
VII. TOTAL DHS REIMB & COUNTY MATCH	\$33,781,107
VIII. TOTAL CARRYOVER	\$26,666

EARLY INTERVENTION SERVICES

Sources of DHS Funding	App	DHS Funds Available			Cost Eligible for DHS Participation (4)	Balance Of Funds (5)	Grant Fund Adjustments (6)	Total Fund Balance (7)
		Carryover (1)	Allotment (2)	Total Allocation (3)				
A. Early Intervention Services								
1. Early Intervention Services	10235	\$42,426	\$17,321,279	\$17,363,705	\$16,827,494	\$536,211	(\$36,597)	\$499,614
2. Early Intervention Training	10235	\$0	\$281,772	\$281,772	\$281,772	\$0	\$0	\$0
3. Early Intervention Administration	10235	\$0	\$2,822,774	\$2,822,774	\$2,822,774	\$0	\$0	\$0
4. Infants & Toddlers w/Disabilities (Part C)	70170	\$0	\$6,026,536	\$6,026,536	\$6,026,536	\$0	\$0	\$0
5. IT&F Waiver Administration	10235/70184	\$17,656	\$406,248	\$423,904	\$410,576	\$13,328	\$0	\$13,328
6. Reserved	00001	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Total Early Intervention Services		\$60,082	\$26,858,609	\$26,918,691	\$26,369,152	\$549,539	(\$36,597)	\$512,942

EARLY INTERVENTION SERVICES

	Admin Office	Early Intervention	Service Coordination	Total
I. TOTAL ALLOCATION				\$26,918,691
II. TOTAL EXPENDITURES	\$4,517,167	\$22,909,900	\$8,943,677	\$36,370,744
III. COSTS OVER ALLOCATION				
A. County Funded Eligible	\$410,092	\$0	\$0	\$410,092
B. County Funded Ineligible	\$560,083	\$0	\$0	\$560,083
C. Other Eligible	\$0	\$0	\$0	\$0
D. Other Ineligible	\$0	\$0	\$0	\$0
Subtotal Costs Over Allocation	\$970,175	\$0	\$0	\$970,175
IV. REVENUES				
A. Program Service Fees	\$0	\$0	\$0	\$0
B. Private Insurance	\$0	\$0	\$0	\$0
C. Medical Assistance	\$0	\$0	\$6,147,130	\$6,147,130
D. Earned Interest	\$0	\$0	\$0	\$0
E. Other	\$0	\$0	\$0	\$0
Subtotal Revenues	\$0	\$0	\$6,147,130	\$6,147,130
V. DHS REIMBURSEMENT				
A. DHS Categorical Funding 90%	\$2,822,774	\$20,618,910	\$2,516,892	\$25,958,576
B. DHS Categorical Funding 100%	\$410,576	\$0	\$0	\$410,576
Subtotal DHS Reimbursement	\$3,233,350	\$20,618,910	\$2,516,892	\$26,369,152
VI. COUNTY MATCH				
10% County Match	\$313,642	\$2,290,990	\$279,655	\$2,884,287
Subtotal County Match	\$313,642	\$2,290,990	\$279,655	\$2,884,287
VII. TOTAL DHS REIMB & COUNTY MATCH	\$3,546,992	\$22,909,900	\$2,796,547	\$29,253,439
VIII. TOTAL CARRYOVER				\$549,539

Commonwealth of Pennsylvania
DHS - Bureau of Financial Operations
County Report of Income and Expenditures
Fiscal Year 2019 - 2020
Philadelphia County Homeless Assistance Services

Exhibit XIX(a) NBG

	Administration	Bridge Housing	Case Management	Rental Assistance	Emergency Shelter	Other Housing Supports	Total
I. TOTAL ALLOCATION (Including Reallocated Funds)							\$7,970,371
II. TOTAL EXPENDITURES							
A. Personnel	\$0	\$0	\$74,388	\$0	\$0	\$0	\$74,388
B. Operating	\$0	\$0	\$0	\$0	\$0	\$0	\$0
C. Purchased Services	\$0	\$4,679,345	\$3,216,638	\$0	\$0	\$0	\$7,895,983
D. Reserved	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Subtotal of Total Expenditures	\$0	\$4,679,345	\$3,291,026	\$0	\$0	\$0	\$7,970,371
III. REVENUES							
A. Client Fees	\$0	\$0	\$0	\$0	\$0	\$0	\$0
B. Other	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Subtotal Revenues	\$0	\$0	\$0	\$0	\$0	\$0	\$0
IV. DHS REIMBURSEMENT							
A. State HAP Funding	\$0	\$357,213	\$2,178,358	\$0	\$0	\$0	\$2,535,571
B. SSBG	\$0	\$3,070,332	\$1,112,668	\$0	\$0	\$0	\$4,183,000
C. SABG	\$0	\$1,251,800	\$0	\$0	\$0	\$0	\$1,251,800
Subtotal DHS Reimbursement	\$0	\$4,679,345	\$3,291,026	\$0	\$0	\$0	\$7,970,371
V. UNSPENT ALLOCATION							\$0

CITY OF PHILADELPHIA
 Year Ended June 30, 2020
 Supplemental Schedule
 RECONCILIATION
 Federal Awards Passed through the Pennsylvania Department of Human Services
 Expenditures per the SEFA to Revenue Received Per PA Confirm Report

CEDA Name	CEDA Number	Federal Expenditures per the SEFA	Federal Awards Received per the PA Dept of Human Services	Difference	Percentage Difference	Detailed Explanation of the Difference
State Admin Matching for Supplemental Assistance Program	10.561	\$ 398,116	\$ 394,199	\$ 3,917	1.0%	Diff FY 20 \$182,863.00 Expenditures \$308,180.00 Revenues-Timing Difference. Diff FY 19 \$215,253.00 Expenditures \$86,019.00 Revenues-Timing Difference. Net Difference \$3,917.00 Confirmed.
Special Education-Grants for Infants and Families	84.181	\$ 6,026,536	\$ 6,351,536	\$ (325,000)	(5.1%)	Diff FY 20 \$6,026,536.00 Expenditures \$6,351,536.00 Revenues. Net Difference \$(325,000.00) Confirmed.
Subsidized Permanent Legal Custodianship	93.090	\$ 3,854,877	\$ 4,085,232	\$ (230,355)	(5.6%)	Diff FY 20 \$3,854,877.00 Expenditures \$4,085,232.00 Revenues. Net Difference \$(230,355.00) Confirmed.
Projects for Assistance in Transition from Homelessness (PATII)	93.150	\$ 438,674	\$ 438,674	\$ -	0.0%	Net Difference \$0.00 Confirmed.
Promoting Safe and Stable Families	93.556	\$ -	\$ 330,684	\$ (330,684)	(100.0%)	Diff FY 20 \$0 Expenditures \$207,982.00 Revenues - Timing Difference. Diff FY 19 \$0 Expenditures \$32,702.00 Revenues - Timing Difference Net Difference \$(330,684.00).
Temporary Assistance for Needy Families	93.558	\$ 29,578,693	\$ 20,893,985	\$ 8,684,708	41.6%	Diff FY 20 \$25,760,212.00 Expenditures \$12,476,046.88 Revenues- Timing Difference. Diff FY 19 \$3,816,062.00 Expenditures \$8,417,938.31 Revenues - Timing Difference. Diff FY 18 \$2,419.00 Expenditures \$0 Revenues - Timing Difference. Net Difference \$8,684,708.00 Confirmed.
Child Support Enforcement	93.563	\$ 18,760,249	\$ 22,297,723	\$ (3,537,474)	(15.9%)	Diff FY 20 \$18,760,249.00 Expenditures \$13,573,000.00 Revenues- Timing Difference. Diff FY 19 \$0 Expenditures \$6,121,525.00 Revenues- Timing Difference. Diff FY 18 \$0 Expenditures \$4,448.00 Revenues- Timing Difference. Diff FY Unknown \$0 Expenditures \$2,418,750.07 Revenues-Timing Difference Net Difference \$(3,537,474.00) Confirmed.
Stephanie Tabbs Jones Child Welfare Services Program	93.645	\$ 2,337,036	\$ 3,106,976	\$ (769,940)	(24.8%)	Diff FY 20 \$2,337,036.00 Expenditures \$3,106,979.00 Revenues Net Difference \$(769,940.00) Confirmed.
Child Welfare Research Training or Demonstration	93.648	\$ 934,972	\$ -	\$ 934,972	100.0%	Diff FY 20 \$805,275.00 Expenditures \$0 Revenues-Timing Difference. Diff FY 18 \$120,697.00 Expenditures \$0 Revenues-Timing Difference. Net Difference \$934,972.00 Confirmed.
Foster Care Title IV-E	93.658	\$ 107,799,790	\$ 100,821,103	\$ 6,978,687	6.9%	Diff FY 20 \$103,769,481 Expenditures \$20,342,268.17 Revenues-Timing Difference. Diff FY 19 \$2,115,245 Expenditures \$66,765,282.23 Revenues-Timing Difference. Diff FY 18 \$99,074 Expenditures \$13,357,322.5 Revenues-Timing Difference Diff FY 17 \$0 Expenditures \$356,229.63 Revenues-Timing Difference Diff FY 15 \$0 Expenditures \$0 Revenues-Timing Difference Diff FY 14 \$0 Expenditures \$0 Revenues-Timing Difference Diff FY 13 \$0 Expenditures \$0 Revenues-Timing Difference Diff FY Unknown \$1,815,990 Expenditures \$ Revenues-Timing Difference Net Difference \$6,978,687.00 Confirmed.
Adoption Assistance	93.659	\$ 30,111,940	\$ 32,732,072	\$ (2,620,132)	(8.0%)	Diff FY 20 \$30,107,146 Expenditures \$22,657,763.10 Revenues Timing Difference. Diff FY 19 \$0 Expenditures \$10,107,138.74 Revenues-Timing Difference Diff FY 18 \$4,794.00 Expenditures \$(26,951.71) Revenues-Timing Difference. Diff FY 17 \$0 Expenditures \$0 Revenues-Timing Difference. Diff FY Unknown \$0 Expenditures \$(5,879.80) Revenue". Net Difference \$(2,620,132.00) Confirmed.
Social Services Block Grant	93.667	\$ 14,823,820	\$ 14,631,099	\$ 192,721	1.3%	Diff FY 20 \$14,558,401.00 Expenditures \$13,248,065.00 Revenues Timing Difference. Diff FY 19 \$265,419.00 Expenditures \$1,383,034.00 Revenues-Timing Difference Net Difference \$192,721.00 Confirmed.
Chafee Foster Care Independence Program	93.674	\$ 1,044,751	\$ 749,969	\$ 294,782	30.3%	Diff FY 20 \$1,044,751.00 Expenditures \$688,982.27 Revenues-Timing Difference. Diff FY 19 \$0 Expenditures \$60,986.57 Revenues-Timing Difference. Net Difference \$294,782.00 Confirmed.
Medical Assistance Program	93.778	\$ 7,856,216	\$ 8,075,323	\$ (219,107)	(2.7%)	Diff FY 20 \$7,854,637.00 Expenditures \$7,958,014.05 Revenues-Timing Difference. Expenses include \$625,584 of program income Diff FY 19 \$0 Expenditures \$277,368.80 Revenues-Timing Difference. Diff FY 18 \$1,579.00 Expenditures \$0 Revenues-Timing Difference. FY Unknown \$0 Expenditures \$(160,000.00) Revenue. Net Difference \$(219,107.00) Confirmed.
Opioid STR	93.788	\$ 1,308,456	\$ 843,805	\$ 464,651	55.1%	Diff FY 20 \$955,355.00 Expenditures \$792,748.77 Revenues-Timing Difference. Diff FY 19 \$353,101.00 Expenditures \$51,055.80 Revenues-Timing Difference. Net Difference \$464,651.00 Confirmed.
Money Follows the person Rebalancing Demonstration	93.791	\$ 53,334	\$ 80,000	\$ (26,666)	(33.3%)	Diff FY 20 \$53,334.00 Expenditures \$180,000.00 Revenues-Timing Difference. FY Unknown \$0 Expenditures \$(100,000.00) Revenue. Net Difference \$(26,666.00) Confirmed.
Block Grants for Community Mental Health Services	93.958	\$ 2,731,551	\$ 2,731,551	\$ -	0.0%	Diff FY 20 \$2,731,551.00 Expenditures \$2,048,663.00 Revenues-Timing Difference. Diff FY 19 \$0 Expenditures \$682,888.00 Revenues-Timing Difference. Net Difference \$0.00 Confirmed.
Block Grants for Prevention and Treatment of Substance Abuse	93.959	\$ 1,261,376	\$ 1,251,800	\$ 9,576	0.8%	Diff FY 20 \$1,247,589.00 Expenditures \$1,251,800.00 Revenues- Timing Difference Diff FY 19 \$13,787.00 Expenditures \$0 Revenues- Timing Difference Net Difference \$9,576.00 Confirmed

SUPPLEMENTAL SCHEDULE

Philadelphia
COUNTY: (51)

PERIOD ENDED: 6/30/2020

(A) Notes	(B)	(C)	(D)	IF COLUMN D IS YES:		(G)	(H) 2	(I)
				(E) 1	(F)			
Provider Name	Does Provider Contract Include CPSL Requirements	Most Recent Monitoring Date	Monitored During the Current Year Yes/No	List Any Exceptions Noted During Current Year Monitoring	If Applicable, Was CAP Submitted	Is CAP Acceptable to CCYA	Date Follow-up Was Done On Prior Year Monitoring	Has Provider Implemented The CAP
DAVE AIKENS LAW OFFICES								
HEATHER L. GABOR, ESQUIRE								
JAY H. GINSBURG, ESQUIRE								
KIRBO & KIRBO PC								
LEMON, MARK								
MARTIN, JAMES W								
MOSHINSKI LAW, P.C.								
NICOLO, JAMES								
PHILIPS, MARGARET H								
SUSAN YOUNG								
BRIDGE THERAPEUTIC CENTER AT FOX CHASE (Also -Congregate Care-- Placement)	Y							
CATHOLIC SOCIAL SERVICES (FC-Placement)	Y							
CHRIST OF CALVARY COMMUNITY DEV. CORP.	Y							
COMMUNIPOWER II	Y							
CORA SERVICES INCORPORATED	Y	•Family advocacy 10/28/19 •Truancy 6/29-6/30/20 •IPS 2/13/20	•FA-Y •Truancy Y •IPS Y	•FA-0 •Truancy 0 •IPS 0			•FA 11/3/2020 •Truancy 3/8-3/9/21 •IPS 12/16-12/17/2020	
CORNERSTONE	Y	JJS-REIN-3/10/2020	Y	0			JJS REIN- 1/11-1/15/2021	
DIVERSIFIED COMMUNITY SERVICES INC	Y	IPS 2/11/2020	Y	0			IPS 12/30/2020-12/31/2020	
EDUCATING CHILDREN FOR PARENTING	Y							
GIRLS INC OF GREATER PHILADELPHIA	Y							
GOOD SHEPHERD CORPORATION	Y							
IDAAY	Y	ISP-7/23/2020; VP-7/24/2020	Y	ISP-6; VP-0	Y	Y	ISP-5/5/2021; VP-5/5/2021	Y
JUVENILE JUSTICE CENTER OF PHILADELPHIA	Y	•Truancy 6/10-6/11/20 •IPS 2/6/20	Y	0			•Truancy 4/21/20 •IPS 1/4-1/5/21	
JUVENILE JUSTICE CENTER OF PHILADELPHIA	Y	JJS-IHD-12/17-12/18/2019	Y	0			4/19-4/23/2021	
LITTLE RED PEREZ BOXING GYM, INC.	Y	CFS-12/9/2019	Y	2	Y	Y	Not evaluated in FY 21 Closed due to COVID	Y
LOWER KENSINGTON								
NORRIS SQUARE COMMUNITY ALLIANCE	Y	IPS 1/16/20	Y	0			1/7/-1/8/2021	
NORTHEAST TREATMENT CENTERS INC	Y	JJS-IHD-6/23-26,29-30 & 7/1-3/2020	Y	0			3/12, 17-19, 22, 25-26/2021	
PENNSYLVANIA HOSPITAL	Y							
REINTEGRATION SITE/AC	Y							
REINTEGRATION/AFTERCARE	Y							
ST GABES AFTERCARE DELAS	Y	REIN-5/21,5/26-27,6/2-6/3/2020	Y	0			Did not Evaluate in FY21; No FY21 Contract	
THE CENTER FOR GRIEVING CHILDREN	Y							
UPLIFT CENTER FOR GRIEVING CHILDREN	Y							
VISION QUEST	Y	IHD-12/10-12/11/2019 REIN-5/28-29, 6/5,6/9-10 & 6/16/2020	Y	IHD-0; REIN-0			IHD- No FY21 Contract; REIN-1/27-1/29/2021	
YOUTH ADVOCATE PROGRAM	Y	JJS IHD-1/9-14/2020	Y	0			2/9-11, 16-19/2021	
YOUTH ADVOCATE PROGRAM INCORPORATED	Y	JJS-DT-2/11-12/2020	Y	0			2/26 & 3/1-4/2021	
A CHILD'S DREAM WORLD ACADEMY LLC								
A SECOND CHANCE, INC. (Placement-Foster Care)	Y							
AARDVARK CHILD CARE & LEARNING CENTER								

SUPPLEMENTAL SCHEDULE

ACADEMIC WONDERS INC.									
ADLER'S PHARMACY LTC, INC									
ALGEN HOLDING COMPANY									
ALPHABEST EDUCATION INC									
APM - Q1	Y								
ARNETTE GREEN									
ASSESSMENT TREATMENT ALTERNATIVES INC -(Placement-Foster Care)	Y								
BACILIO LLC									
BEECHFIELD UNITED METHODIST CHURCH									
Bethanna - Q1 (Placement-Foster Care)	Y								
BIG BROTHERS BIG SISTERS ASSOCIATION	Y	PYD-6/30/2020	Y	2	Y	Y	2/26/2021	Y	
BOYS & GIRLS CLUBS OF GREATER WASHINGTON									
BUSY BEES LEARNING CENTER INC									
C.B. COMMUNITY SCHOOLS	Y	6/29/2020	Y	0			3/18-3/19/21		
CANDY'S KIDS LEARNING ACADEMY LLC									
CARSON VALLEY CHILDREN'S AID (Also-FC,CC-Placement)	Y	•Truancy 3/10-3/11/2020 •RSR 7/6- 7/9/2020	Y	•Truancy 1 •RSR 0	Y	Y	•Truancy 4/20-4/21/21 •RSR 2/1-2/12/21	Y	
CASA OF PHILADELPHIA	Y	10/24/2019	Y	0			10/15-10/16/2020		
Catholic Community Services - Q1(Placement-Foster Care)	Y								
CDH ORTHODONTICS LLC									
CENTER FOR ARSON RESEARCH INCORPORATED									
CHENITA ROGERS									
CHILDCARE DEVELOPMENT INC									
CHILDRENS HOSPITAL OF PHILADELPHIA									
CONGRESO DE LATINOS UNIDOS INCORPORATED	Y	•Truancy 6/30-7/1/20 •Rapid rehousing 6/24/20 •DV 1/30/20 •FEC 6/29/20	Y	•Truancy -1 •RR - 0 •DV -0 •FEC -3	Y	Y	•Truancy 3/12 &3/15/2021 •RR 4/5-4/6/21 •DV 3/16-3/17/21 •FEC 5/13/2021	Y	
CUDDLES N CARES INC.									
DEAF HEARING COMMUNICATION CENTRE INC									
DEBORAH'S LITTLE SHEPHERDS CHILDCARE INC									
DELCO CHILD DAY CARE									
DEVEREUX FOUNDATION (Placement-Congregate Care ;Foster Care)	Y								
DONNETTA HILL-HOOKS FAMILY									
DOROTHEA STEPHENS									
EDUCATION WORKS INC									
ENMED LLC									
ERIKIA F. WILLIAMS									
ERIKIA MILLER									
ESSENCE ALLEN-PRESLEY									
FAMILY SUPPORT SERVICES	Y								
FORENSIC MENTAL HEALTH SERVICES, LLC	Y								
GENEVA WORLDWIDE INC									
GEORGETTE S. WHITE									
GLOBO LANGUAGE SOLUTIONS LLC									
GRACE TRINITY UNITED CHURCH OF CHRIST									
GREATER PHILADELPHIA YMCA	Y								
HEALTH FEDERATION OF PHILADELPHIA INC	Y	2/13/2020	Y	0			3/29/2021		
HOMELESS ADVOCACY PROJECT HOPE ACADEMY	Y								
HOPE RISING CHILD LEARNING CENTER LLC									
INTERCULTURAL FAMILY SERVICES INC	Y	•Truancy 6/23-6/24/2020 •FES 11/6-11/7/2019	•Truancy Y •FES Y	•Truancy 0 •FES 0			•Truancy 3/18-3/19/21 •FES 10/27-10/28/20		
ISL LIMITED									
JACKSON DUNCAN									
JEWISH FAMILY & CHILDREN'S SERVICE (Placement-Foster care)	Y	•Truancy 3/3- 3/4/20 •FES 10/28-10/29/19	•Truancy Y •FES Y	•Truancy 0 •FES 0			•Truancy No contract FY 21 •FES No contract fy21		
JOSEPH J PETERS INSTITUTE	Y	Not evaluated in FY20							
JUST CHILDREN CHILD CARE NE., INC.									
JUVENILE JUSTICE CENTER OF PHILADELPHIA DUPLICATE	Y								
KA OF FONTANA INC									
KASJA INC									
KID QUEST INC									
KIDDIE ACADEMY OF FUQUAY-WAKE KIDS INC									
KIDS CONNECTION LEARNING CENTER LLC									

SUPPLEMENTAL SCHEDULE

KRISHAV LLC								
LABORATORY CORP. OF AMERICA HOLDINGS								
LANGUAGE LINE SERVICES INC								
LATONTA GODBOLDT								
LEARN & PLAY INC								
LITTLE ACHIEVERS INC								
LITTLE DARLINGS CHILD CARE CENTER, INC.								
LORRAINE MATTHEWS								
LUPERO INC								
LUTHERAN SETTLEMENT HOUSE	Y	2/6/2020	Y	2	Y	Y	3/25-3/26/2021	Y
MAMA'S LUV CHILDCARE CENTER LLC								
MATERNITY CARE COALITION OF GREATER PHIL	Y	10/24/2019	Y	0			10/28-10/29/2020	
MAYA ENTERPRISE INC.								
MAZZONI CENTER	Y	1/8/2020	Y	0			2/8/2021	
MEE-MOM'S QUALITY PLUS CHILD CARE CENTER								
MENERGY LLC	Y	1/9/2020	Y	0			2/8/2021	
MERAKEY CHILDREN'S SERVICES(Placement-Foster Care)	Y							
MERCY NEIGHBORHOOD MINISTRIES PHILA INC								
METHODIST FAMILY SERVICES OF PHILA. MONICA YELLOCK	Y	•FUP 2/26/20 •Blueprint 2/26/20 •Shelter Plus 2/26/20 •QUAD 2/26/20 •Fresh Start 2/26/20 •Educare 2/20/20	ALL-Y	ALL-0			•FUP 4/14/21 •Blueprint 4/15/21 •Shelter Plus 4/19/21 •QUAD 4/19/21 •Fresh Start 4/15/21 •Educare 5/3/21	
MONTGOMERY EARLY LEARNING CENTER								
MUNCHKINLAND DAY CARE								
NATIONAL NURSE-LED CARE CONSORTIUM NATIONALITIES SERVICE CENTER	Y							
NEIGHBOR CARE PHARMACY SERVICE INC								
NESHAMINY ELEMENTARY SCH AGE CHILD CARE								
NET CUA 1	Y							
NET CUA 7	Y							
NORTHERN CHILDREN'S SERVICES (Placement-Congregate Care ;Foster Care as well)	Y	Housing-10/29/2019	Y	0			Housing-11/6/2020	
OLNEY ACADEMY INC								
PENNSYLVANIA SCHOOL FOR THE DEAF	Y	1/29/2020	Y	0			5/6/2021	
PHILADELPHIA CHILDREN'S ALLIANCE	Y							
PHILADELPHIA MENTAL HEALTH CARE CORP	Y							
PHILADELPHIA MURAL ARTS ADVOCATES	Y	12/11/2019	Y	0			12/8/2020	
PHILADELPHIA YOUTH NETWORK	Y	•E3 ADMIN 11/15/19 •E3 CC JEVS 11/22/19 •E3 THE BRIDGE 11/20/19 •E3 CONGRESO 11/13/19	ALL-Y	•E3 ADMIN 5 •E3 CC JEVS 1 •E3 THE BRIDGE-0 •E3 CONGRESO -0	•E3 ADMIN Y •E3 CC JEVS Y	•E3 ADMIN Y •E3 CC JEVS Y	•E3 ADMIN 5/7/2020 •E3 CC JEVS 11/23/20 •E3 THE BRIDGE N/A •E3 CONGRESO 11/18/2020	•E3 ADMIN Y •E3 CC JEVS Y
PHILMONT GUIDANCE CENTER		We did not evaluate in FY 20						
PRESBYTERIAN CHILDREN'S VILLAGE	Y							
PUBLIC HEALTH MANAGEMENT CORP	Y	CFS-2/14/2020	Y	0			3/23/2021	
QUANTUM INCORPORATED								
RENATA HOWELL								
ROBIN JONES								
SANDRA GREGORY								
SANDRA PRECHA-STEVENSON								
SHEETAL A. DUGGAL								
SLATER FUNERAL HOME								
SMART BEGINNINGS EARLY LEARNING CENTER								
SMYK LLC								
SOMERSET ACADEMY EARLY LEARNING CENTER	Y	12/20/2019	Y	2	Y	Y	11/17/2020	Y
SOUTHEAST ASIAN MUTUAL ASSISTANCE ASSN	Y	•TRUANCY CUA #3 5/27-5/28 •TRUANCY CUA #9 6/4-6/5/2020	Y	CUA #3 (1) CUA 9 (0)	Y	Y	CUA3- 4/16-4/19/2021; CUA 9-4/19-4/20/2021	Y
ST. FRANCIS-ST. VINCENT HOMES (Placement-Congregate Care)	Y							
STUDENTS FOR LIFE LLC								
SUNRISE LEARNING ACADEMY								
SYNERGY PHARMACY SERVICES LLC								
Tabor Community Partners - Q1 (Placement-Foster Care)	Y							
TANYA PIERCE								

SUPPLEMENTAL SCHEDULE

TEMPLE UNIVERSITY	Y	Family Friends & Grandmas Kids 9/28/20 extention granted due to covid	Y	0			FAMILY FRIENDS 4/20-4/21/21 GRANDMAS KIDS 4/20-4/21/21	
THE ATTIC YOUTH CENTER	Y	PYD- 5/14/2020	Y	1	Y	Y	1/28/2021	Y
THE CHRISTIAN HOME OF JOHNSTOWN INC								
THE COMMUNICATION CONNECTION, INC.								
THE LEARNING EXPERIENCE-HOLLY SPRINGS								
TINY STARS INC								
TLC LEARNING SERVICES LLC								
TONYS WORLD LLC								
TURNING POINTS CUA 10 LLC	Y							
TURNING POINTS CUA 5 LLC	Y							
TURNING POINTS CUA9 LLC	Y							
TURNING POINTS FOR CHILDREN (Placement)	Y							
UNITED COMMUNITIES SOUTHEAST PHILA	Y	•NE-FES 12/3-12/4/19 •S-FES 12/10-12/11/19 *Truancy 6/15-/6/16/2020	Y	ALL-0			•NE-FES 1/12-1/13/21 •S-FES 12/1-12/2/2020 *Truancy 4/8-4/9/21	
URBAN AFFAIRS COALITION	Y	•Grand Central 10/21/2019 •TAP N/A due to covid •CHOP 12/18/2019 •Covenant House 1/17/2020 •Teenshop 1/7/2020 •Galaei 6/10/20	•GC- Y •TAP -N •CHOP Y •Covenant House Y •Teenshop Y •Galaei Y	•Grand Central -0 •CHOP-0 •CH-0 •Teenshop-0 •Galaei- 1	Y	Y	•GC- 10/8/2020 •TAP -5/5/2021 •CHOP-not operable due to covid •Covenant House 3/4/2021 •Teenshop 12/9/2020 •Galaei 3/1-3/2/21	Y
URBANCARE PHARMACY								
VERONICA SHELTON								
VOICE COMMUNITY ECONOMIC DEVELOPMNT CORP								
WAYNE MEMORIAL COMMUNITY HEALTH CENTERS								
WEE "R" THE WORLD EARLY LEARNING CTR INC								
WOAR	Y	2/19/22020	Y	1	Y	Y	3/1/2021	Y
WOMEN AGAINST ABUSE	Y	3/12/2020	Y	0			4/28/2021	
WOMEN IN TRANSITION	Y	7/3/2020 (EXTENDED FY DUE TO COVID)	Y	1	Y	Y	2/11/2021	Y
YOUNG MEN'S CHRISTIAN ASSOCIATION OF DE								
YOUNG SCHOLARS DAYCARE CENTER INC								
YOUR CHILD AND MINE EARLY LEARNING YOUTH ENRICHMENT PROGRAMS								
YOUTH SERVICE, INC	Y	Truancy 5/21-5/22/2020	Y	0			4/14-4/15/2021	
YOUTH SERVICES INCORPORATED	Y	FES-10/23-10/24/19; Baring House-CFS- 11/5/2019	Y	0			FES-11/10-11/11/2020; Baring-10/15/2020	
ZENIA K & R INCORPORATION								
LITTLE DARLINGS DAY CARE								
1014 W. THAYER ST.								
123 BACK TO BASICS LLC								
1939 W VENANGO ST								
3321 N 22ND STREET								
4910 WYALUSING AVENUE								
5200 OXFORD STREET								
5517 GREEN STREET								
7500 GERMANTOWN AVENUE								
A CHILD'S FIRST STEP DC	Y	12/12/2019	Y	0			No contract fy21	
AARDVARK DAY CARE CENTER								
AARDVARK DAY CARE CENTERS								
ABINGTON ELC	Y							
ACCLAIM ACADEMY LLC								
ALLEN WESLEY BROOKS JR								
ALPHABEST EDUCATION INC.								
ALPHABEST EDUCATION, INC								
ARDMORE								
ARGOS CHILDCARE CENTER								
BASES								
BEAUTIFUL BEGINNINGS II								
BOVERTOWN ELC	Y							
BUSY BEE LEARNING CENTER								
BUSY BEES LEARNING CENTER								
CAMPBILL-IT								
CHILDREN'S PL CEDAR								
COLUMBIA NORTH ELC	Y							
CREATIVE MINDS CHILD CARE								
CUDDLES-N-CARE INC								
DEBORAH'S LITTLE SHEP TOO								
DELCO CHILD CARE ASSOC								
DELCOCHILD DAYCAREASSOC-H								
DISCOVERY PLACE FOR LITTL								
DISCOVERY POINT DAY CARE								

SUPPLEMENTAL SCHEDULE

Dixon Learning Academy – DIXON DAY CARE CENTER.	Y	2/18/20	Y	1	Y	Y	Not evaluated in FY 21 No DHS contracted children	
DONETTA HILL HOOKS FAMILY								
EAST FRANKFORD DAY CARE								
ERIKA MCMILLAN CHILD CARE								
GRACE NEIGHBORHOOD ACAD								
GRACE TRINITY ACADEMY								
HARRIS, KELLY								
HOPE RISING CHILD LRNG CT								
HYLTON BOYS & GIRLS CLUB								
I. A. OAKLEY LEARNING CTR								
ICU STEM ACADEMY								
JC ACADEMY OF EXCELLENCE								
JOHNSON CHILD CARE CENTER								
JUST CHILDREN								
JUST CHILDREN MAINLINE								
KIDDIE ACADEMY DAY CARE								
KIDDIE ACADEMY FUQUAY VAR								
KIDDIE ACADEMY HOLLY SPRI								
KIDDIE ACADEMY OF FONTANA								
KIDDIE ACADEMY OF HILLTOW								
KIDDIE ACADEMY OF RUNNEME								
KIDS CONNECTION LEARNING								
KINDER CARE 073079								
KINDER CARE EDUCATION LLC								
KINDER CARE LEARNING C1402								
KINDER CARE LEARNING CENTE								
LATONTA GODBOLD								
LEARN AND PLAY CENTERS								
LIGHTBRIDGE ACADEMY DELRA								
LITTLE ACHIEVERS INC.								
LITTLE DARLINGS DAY CARE								
LITTLE EINSTEIN'S E L C								
LORRAINE MATTHEWS FCCH								
MAMAS LUV CHILDCARE CTR								
MEE MOMS QUALITY PLUS CHI								
MEE MOMS QULITY PLUS CHI								
MELC INFANTS FRIENDSHIP								
MEMORABLE MOMENTS LEARNIN								
MERCY NEIGHBORHOOD								
METHODIST FAMILY SVS								
MICHELLE'S LITTLE MIRACLE								
MISS MARTY'S PRE-SCHOOL	Y	11/21/2019	Y	0			Did not serve any DHS children FY 21	
MOLLYS CHILD CARE CENTER								
NESH ELEM SCH AGE CC KIDS								
NORTHEAST ELC								
PAST YOUR BEDTIME CHILD	Y	6/3/2020	Y	0			Did not serve any DHS children this FY 21	
PEE WEE PREP LEARNING CTR	Y	5/18/2020	Y	1	Y	Y	2/5/2021	Y
PFVY - NORTHEAST DAY CARE	Y							
PHILA FREEDOM VALLEY YMCA	Y							
PHOENIXVILLE ELC								
PORTER'S DAY CARE	Y	11/14/2019	Y	0			5/11/2021	
PRATT STREET LEARNING CEN								
PRODIGY LEARNING CENTER								
ROGERS, CHENITA								
ROXBOROUGH ELC								
SMART BEGINNINGS ELC								
SOUND START CHILDCARE CEN								
SPIN FRANKFORD								
STEP BY STEP EXTENDED DAY								
SUNBRIGHT CHILDCARE LLC								
SWEET DREAMS AND FAIRY TA								
T.Y.L. II, INC.	Y	1/8/2020	Y	1	Y	Y	No contract FY21	Y
TEACHING TOTS LEARNING AC								
THE CHILDREN'S PLACE PRE								
THE LEARNING EXPERIENCE								
THE LEARNING EXPERIENCE-H								
THE WORD OF LIFE CHRISTIA								
TINY STARS								
TIOGA								
TONYS WORLD LLC/NORTH_TRA								
TOWNSHIP OF WESTAMPTON								
TUTOR TIME CHILD CARE LEA								
WEE R THE WORLD EARLY LEA								
WEE R THEWORLD EARLY LEA								
YMCA OF DELAWARE								
YOUNG SCHOLARS DAYCARE								
YOUR CHILD IN MINE DC								
DELASALLE VOCATNL (ST GAB	Y							
FAMILY SCHOOL	Y	3/5/2020	Y	1	Y	Y	FSS is no longer over Family School for FY21. Elwyn is the new provider of this program 12/16 & 12/18/2020	Y
MAGIC COTTAGE DAYCARE CTR								
MODS (Congregate Care Placement)	Y							

SUPPLEMENTAL SCHEDULE

MOTHER GOOSE COTTAGE (Congregate Care Placement)	Y							
MAPLETON MAIN RESIDENCE (Congregate Care Placement)	Y							



CITY OF PHILADELPHIA

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REBECCA RHYNHART
City Controller

CHRISTY BRADY
Deputy City Controller

INDEPENDENT ACCOUNTANT'S REPORT ON APPLYING AGREED-UPON PROCEDURES

To the Honorable Mayor and Honorable Members
of the Council of the City of Philadelphia

To the Commonwealth of Pennsylvania,
Department of Community and Economic Development

We have performed the procedures enumerated below on the Schedule of Federal Cash Receipts Passed Through the Pennsylvania Department of Community and Economic Development (the financial schedule) of the City of Philadelphia, Pennsylvania, required by the Commonwealth of Pennsylvania, Department of Community and Economic Development (DCED) for the year ended June 30, 2020. The City of Philadelphia, Pennsylvania's management is responsible for the financial schedule.

The City of Philadelphia, Pennsylvania management and DCED have agreed to and acknowledged that the procedures performed are appropriate to meet the intended purpose of comparing the financial schedule to the audited books and records and required format. This report may not be suitable for any other purpose. The procedures performed may not address all the items of interest to a user of this report and may not meet the needs of all users of this report and, as such, users are responsible for determining whether the procedures performed are appropriate for their purposes.

The procedures and associated findings are as follows:

Procedures

- (a) We have compared the amounts and classifications on the financial schedule titled Federal Cash Receipts Passed Through the Pennsylvania DCED for the year ended June 30, 2020, to the corresponding amounts in the books and records of the City of Philadelphia, Pennsylvania used to prepare financial statements audited by us. We also compared the example schedule required by DCED to the financial schedule to determine that it is presented, at a minimum, at the level of detail and in the format required by DCED.

C I T Y O F P H I L A D E L P H I A
O F F I C E O F T H E C O N T R O L L E R

- (b) We have inquired of management as to whether there were any adjustments to reported revenues or expenditures, which were not reflected on the financial schedule submitted to DCED for the period in question.

Findings

- i. The procedures detailed in the two preceding paragraphs, (a) and (b) above, disclosed no adjustments or findings which have not been reflected on the corresponding financial schedule.

We were engaged by the City of Philadelphia, Pennsylvania to perform this agreed-upon procedures engagement and conducted our engagement in accordance with attestation standards established by the American Institute of Certified Public Accountants. We were not engaged to and did not conduct an examination or review engagement, the objective of which would be the expression of an opinion or conclusion, respectively, on the accompanying Schedule of Federal Cash Receipts Passed Through the Pennsylvania DCED required by DCED for the year ended June 30, 2020. Accordingly, we do not express such an opinion or conclusion. Had we performed additional procedures, other matters might have come to our attention that would have been reported to you.

We are required to be independent of the City of Philadelphia, Pennsylvania and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements related to our agreed-upon procedures engagement.

This report is intended solely for the information and use of the management of the City of Philadelphia, Pennsylvania, City Council, and the Commonwealth of Pennsylvania DCED and is not intended to be and should not be used by anyone other than those specified parties.



CHRISTY BRADY, CPA
Deputy City Controller
Philadelphia, Pennsylvania
April 22, 2022

City of Philadelphia
Schedule of Federal Cash Receipts Passed Through the Pennsylvania
Department of Community and Economic Development
July 1, 2019 to June 30, 2020

<u>Grantor Agency/ Project Title</u>	<u>City ID Number</u>	<u>CFDA Number</u>	<u>Contract Number</u>	<u>Federal Awards</u>	<u>Federal Receipts</u>
<u>U.S. Department of Housing & Urban Development</u>					
Pass- Through - PA Department of Community & Economic Development:					
Emergency Solutions Grant Program	241424	14.231	C000070339	200,000	191,972
Subtotal: Emergency Solutions Grant Program				200,000	191,972
Total U.S. Department of Housing & Urban Development:				200,000	191,972
<u>U.S. Department of Education</u>					
Pass- Through - PA Department of Community & Economic Development:					
Prosper	080545	84.215	Subgrant #830003	175,000	175,000
Subtotal: Fund for the Improvement of Education				175,000	175,000
Total U.S. Department of Education:				175,000	175,000
<u>U.S. Department of Health & Human Services</u>					
Pass- Through - PA Department of Community & Economic Development:					
CSBG - Administration FY19	080332	93.569	C000066926	5,330,531	3,797,637
CSBG - Administration FY20	080334	93.569	C000066926	5,354,476	622,909
CSBG - Discretionary Funds FY19	080333	93.569	C000066926-3	30,000	27,409
CSBG- Administration FY18	080331	93.569	C000066926	5,647,334	500,445
Subtotal: Community Services Block Grant				16,362,341	4,948,400
Total U.S. Department of Health & Human Services:				16,362,341	4,948,400
Total Federal Cash Receipts Passed Through PaDCED:				16,737,341	5,315,372



CITY OF PHILADELPHIA

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Josefine Arevalo
Director of Accounting

Federal Grantor & Pass-Thru Agencies
Federal Audit Clearinghouse
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CORRECTIVE ACTION PLAN FY 2020 SINGLE AUDIT REPORT (“SAR”)

Section II - Financial Audit Material Weaknesses:

2020-001 INADEQUATE STAFFING LEVELS, LACK OF TECHNOLOGY INVESTMENT AND INSUFFICIENT OVERSIGHT LED TO UNDETECTED MATERIAL MISTATEMENTS

Views of the Responsible Officials and Corrective Action Plan: The Accounting Bureau (Accounting) is committed to continuing to produce an accurate and well-prepared ACFR and to continuously improving the city’s financial reporting. We continue to actively work on implementing staff retention and training strategies to focus on training, with an emphasis on the ACFR preparation process and to have senior management accountants attend the national Government Finance Officers Association (GFOA) conference so that management stays informed of current industry trends, regulatory updates, and best practices in government financial management. While budget constraints in FY 20 due to COVID-19 hindered the expansion of our workforce, we continue to look for opportunities to increase human capital resources, including the use of consultants in the absence of available funds to hire staff.

We continue to make improvements in our ACFR preparation and review, and we have maintained engagement with the external accounting firm. We continue to update a comprehensive checklist for accountants to include guidelines for review of the full accrual government-wide financial statements. We will maintain the services of the outside accounting firm to assist in the ACFR compilation efforts. Finance continues to focus on enhancing our reporting processes and increase efficiencies. Accounting works with departments to eliminate errors and request corrections to the reporting submitted to the Accounting and will work with the Department of Revenue to avoid tax receivable overstatement or other inaccurate reporting.

We acknowledge that a new comprehensive financial reporting system will improve the ACFR preparation process, and have begun planning for the implementation of such system through our OPAL project. This project will redesign the city’s financial, grants, procurement, supply chain and business intelligence business processes, by leveraging new ERP technology that will replace the city’s legacy applications; FAMIS ADPICS, ACIS and other ancillary systems. Accounting has received the GFOA Certificate of Achievement for Excellence in Financial Reporting for forty consecutive years and has successfully addressed all GFOA recommendations presented in that process. As always

Accounting will continue to critique the errors in the drafts sent to the Controller’s Office and the adjustments resulting from the most recent ACFR audit with the entire accounting staff as a learning tool to produce improved financial statement going forward.

Auditor’s Comments on Agency’s Response: In its response management states “As always Accounting will continue to critique the errors in the drafts sent to the Controller’s Office and the adjustments resulting from the most recent ACFR audit with the entire accounting staff as a learning tool to produce improved financial statements going forward.” We disagree with management’s use of the term “drafts” when describing the financial statements submitted to us for audit. Effective internal control requires that before the Finance Office submits the Comprehensive Annual Financial Report to us for audit, accounting management should perform a review of those financial statements for accuracy and completeness. The \$167 million of Comprehensive Annual Financial Report errors cited on page 1 of the report occurred because the city’s controls over the financial reporting process failed to prevent or detect timely correct misstatements. In fact, we found most of the \$167 million of Comprehensive Annual Financial Report errors very late in the audit process, proposing most of our audit adjustments within the one-month period prior to the issuance of the audit opinion. The errors were identified after the Finance Office should have already completed its financial statement review procedures and finalized the statements.

While Improvement Was Noted, Late Submission of Aviation Fund Financial Statements Delayed Preparation and Audit of Comprehensive Annual Financial Report

Views of the Responsible Officials: Thank you for acknowledging the strides made by DOA to provide key financial statement data on October 22, 2020 to enable audit testing to timely proceed. While the discovery of an error in the Sinking Fund and the lack of a schedule of deliverables, including a miscommunication around target deadlines, contributed to the delay in issuing the FY20 financial statements and compilation, we are pleased that our submissions in FY20 were earlier than in the prior year. The Division of Aviation has and will continue to work with the Office of the Director of Finance to submit financial statements and compilations that are timely, accurate, and include a compilation review checklist.

Auditor’s Comments on Agency’s Response: In response management states “Thank you for acknowledging the strides made by DOA to provide key financial statement data on October 22, 2020 to enable audit testing to timely proceed.”

While we did acknowledge strides were made by the DOA, the financial statements the DOA provided to the Finance Office on October 22, 2020, did not enable us to timely proceed with audit testing. Those statements contained multiple open items and there were significant financial statement changes between the October 22, 2020, and December 28, 2020 versions. Additionally, the compilation, a key component which provides support for the amounts tested in the financial statements, was not submitted to Finance Office until December 28, 2020, resulting in the city’s financial statements to not be updated until January 6, 2021.

Late Receipt of Component Unit Financial Reports Still Delayed Preparation and Audit of Comprehensive Annual Financial Report

Views of the Responsible Officials: We agree that the timely submission of all component unit reports is critical to the timely issuance and accuracy of the city’s ACFR. We will continue to meet with management and auditors of various component units concerning timely submission of financial reports, as well as have additional meetings to provide guidance and assist with problems in component units that experience issues that delay the preparation of their financial reports. Notably, after multiple meetings during the fiscal year, PMA provided timely submission. Finance continues to send initial requests for component unit financial statements and data in as early as May for all entities with

March 31 FYE, with required responses no later than June 30. We also send requests for all other Component Units by end of June, with responses required by August 31. Follow-up requests are sent out to component units, with an emphasis on the importance of timely submission of financial data highlighted in all communications.

The five component units called out for very late submissions, PPA, PHA, PAID, PRA, and SDP, provided valid reasons for their delay or showed evidence of improvement. PPA (Philadelphia Parking Authority) was late due to the national COVID 19 pandemic and their management teams full review of OPEB, GASB 45 and GASB 75, PPA anticipates meeting the FY21 deadline. PHA (Philadelphia Housing Authority) indicated their audited financial statements were delayed pending the completion of their single audit report. PAID (Philadelphia Authority for Industrial Development) submitted their audited report to the Finance Office on December 8, 2020. This delay was due to the COVID-19 pandemic challenges. However, the submission to the Controller's Office was further delayed because Finance Office accountants did not submit PAID's financial statements until January 7, 2021. PAID will work diligently towards and make every effort to meet the FY21 financial statements submission deadline. PRA (Philadelphia Redevelopment Authority) audited financial statements were delayed due to key personnel turnover, including their VP of Finance. The SDP (School District of Philadelphia) was delayed due to their audit. The Finance Office will continue to work with the component units to ensure timely submission of audited financial statements; and will continue to engage the city's Director of Finance, as needed.

2020-002 UNTIMELY PREPARATION OF SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS MAY RESULT IN LATE SUBMISSION OF THE SINGLE AUDIT REPORTING PACKAGE TO THE FEDERAL AUDIT CLEARINGHOUSE

Views of the Responsible Officials: Finance recognizes the importance of submitting a timely and accurate federal awards and major programs schedule (SEFA) to our auditors. More importantly, there is a crucial need for the timely completion of our audits, and the timely submission of an accurate Single Audit Reporting package to the Federal Audit Clearinghouse to prevent a violation of federal grant terms and conditions and to prevent the suspension of federal funding for the city's grants and programs. While we acknowledge GAAU needs to continue all efforts to improve the SEFA submission timeline, we must also point out that the Controller's Office needs to ensure audits are completed on time, as late audits contribute to further delays in the submission to the Federal Audit Clearinghouse. We also acknowledge that delayed responses to audit requests have impacted the Controller's Office audit timeline. Finance continues to work with departments and the Controller's Office to eliminate audit inefficiencies.

GAAU staff undergo a meticulous process involving numerous departments and requiring multiple follow-ups to produce a complete and accurate SEFA. We communicate the importance of providing complete and accurate information to the departments and we emphasize the need to provide timely data. GAAU provides guidance to departments and conducts numerous collaborative meetings with departments whenever necessary throughout the audit period to discuss issues and assist with resolutions. Our department continues to explore additional ways to provide a completed SEFA to our auditors in a timelier fashion. We agree that additional resources would aid in expediting the SEFA preparation, but the pandemic hindered our plans to add staff.

Another step to accelerate the preparation of the SEFA would involve fast-tracking the FAMIS reconciliation process. GAAU will attempt to begin FAMIS reconciliations earlier this year. Our goal will be to accelerate departmental revenue validations and AP accrual validations so that these are also completed earlier this year. GAAU is committed to working very closely with departments that have late expense and revenue transfers due to grantor-related issues on final award amounts. Further, our goal is to expedite the completion of the reconciliation of Grant Fund Schedules and to provide you with the fully reconciled fund schedules and the SFA version A in an accelerated timeframe. We are hopeful that maintaining this accelerated timeline would result in a timely preparation of the SEFA and we hope to continue working with departments to ensure the requirements of SAP G 3-1 and SAP G 6-1 are followed.

We maintain that certain best practices will also enable a timely submission of the Single Audit Reporting Package, including 1) The provision of a “provided by client list” with a detailed schedule of all required support for the audit with target due dates and dates of receipt from Finance for tracking purposes. This should include the due date for the SEFA Version 1.0; 2) The establishment of multiple planning meetings, including an entrance conference to iron out expectations for all parties and discuss considerations for the upcoming audit and any takeaways from the previous audit; 3) Regular audit status update meetings to identify any constraints and issues and to monitor audit progress; 4) The completion of audit testing for the ACFR and Single Audit at the same time; and 5) The acceleration of the audit testing timeline, including cross-cutting procedures, where applicable, to ensure that the audits are completed on an accelerated timeline and reporting packages are submitted ahead of time.

Auditor’s Comments on Agency’s Response: Regarding management’s statements concerning the untimely preparation of the SEFA which may result in the late submission of the Single Audit reporting package, we have the following comments:

In its response above, management states, “While we acknowledge GAAU needs to continue efforts to improve SEFA submission timeline, we must also point out that the Controller’s Office needs to ensure its audits are completed on time, as last audits contribute to further delays in the submission of the Federal Audit Clearinghouse.

The fiscal year 2020 Single Audit is currently on-going and the key obstacle to submitting the reporting package to the Federal Audit Clearinghouse on time is the Finance Office’s untimely preparation and submission of the SEFA for audit and the inaccurate and untimely responses from grantor departments to the auditor’s requests. As noted above for fiscal year 2020, GAAU did not provide the preliminary SEFA for audit until March 12, 2021, which was only 16 days earlier than it was provided for audit in the prior year.

Management also states, “We maintain that certain best practices will also enable a timely submission of the Single Audit reporting package, including 1) The provision of a “provided by client list” with a detailed schedule of all required support for the audit with target due dates and dates of receipt from Finance for tracking purposes. This should include the due date for the SEFA version 1.0; 2) The establishment of multiple planning meetings, including an entrance conference to iron out expectations for all parties and discuss considerations for the upcoming audit and any takeaways from the previous audit; 3) Regular audit status update meetings to identify any constraints and issues and to monitor audit progress; 4) The completion of the audit testing for the ACFR and Single Audit at the same time: and 5) The acceleration of the audit testing timeline, including cross-cutting procedures, where applicable, to ensure that the audits are completed on an accelerated timeline and reporting packages are submitted ahead of time.”

The best practices management listed above have been in place during our audits, including 1) notifying the Finance Office on August 14, 2020, to provide a preliminary SEFA by October 31, 2020, and submitting a provided by client list with target dates to the Finance Office on April 15, 2021; 2) holding entrance conferences between April 2021 and May 2021 with the Finance Office and the grantor departments that had major programs selected for audit; 3) conducting biweekly audit status update meetings that began on May 12, 2021, and are ongoing; 4) completing audit testing for the Comprehensive Annual Financial Report and the Single Audit at the same time would require the Finance Office to provide an accurate and timely SEFA; and 5) performing cross-cutting procedures take place however, as stated above, the audit timeline is dependent on the timely receipt of accurate financial schedules and supporting documentation for audit.

2020-003 BREAKDOWNS IN THE FUNCTIONALITY AND APPLICATION IT CONTROLS OF THE ONEPHILLY SYSTEM CONTINUE TO INCREASE THE RISK FOR MATERIAL PAYROLL ERRORS

Views of the Responsible Officials: The OnePhilly team continues to dedicate resources to system enhancements and the resolution of system issues. In the past year, the team has made significant progress as is evident by the finding resolved in this report and from the conditions noted as corrected, including 1) Employees with access to Oracle Time and Labor (OTL) manager self-service are no longer able to authorize their own time cards; 2) The Timelink defect noted in prior year has been resolved; 3) No hourly rate recalculation differences in employees' pay existed in the current period; and 4) The OnePhilly team successfully eliminated black-out periods for self-service functionality for timecards that are not being processed. These are just a few of the many enhancements implemented during FY20. Shortly after Go-Live, there were 1,680 defects and enhancements. That work has been effective. At the time of this writing, there are only approximately 220 tickets open, which are primarily enhancements not defects.

- The City of Philadelphia maintains its commitment to ensure employees get paid on time. As previously communicated, management agreed (after thoughtful discussion) to running an Assumed Time program in the event that Departments are unable to update, review and approve time captured for the period. Thank you for acknowledging our implementation of our Assumed Time reconciliation process, which ensures that timekeepers review and accurately update time in the system within three retro-periods. Departments implement controls to ensure that all retroactive changes are entered accurately into the system and occur in a timely manner. Payroll timekeepers are tasked with reviewing the time entries for their departments for accuracy. Only authorized personnel make changes to employee timecards after following the required approval steps for that specific process.
- The OnePhilly and Central Payroll teams perform certain Citywide and cross-functional tasks. These teams follow the appropriate steps when performing their functions, including making changes to employee timecards. Employees within Central Payroll and OnePhilly who update timecards are certified and have the level of competency required to fulfill the functions of their positions. SAPs E-9101 and I-9101 provide these employees with the authority to make corrections to erroneous employee timecard entries that are submitted by employee supervisors and timekeepers at the department level. If these corrections were not made by Central Payroll and OnePhilly, employees would be paid incorrectly.
- Only relevant hour types are authorized for employees and timekeepers. The time types that timekeepers have access to are driven by both department and Compulsory Union Code (CUC). Hour types should not be restricted at the department level. Hour types are driven by CUC and, therefore, not all hour types are available for each employee. For example, Hazmat or Acting Out of Rank is available for CUC 'F' for firefighters, and Stress Pay is available only for Police. All hour types are reviewed and approved by managers and timekeepers.
- The OnePhilly team does not approve all timecards in unapproved status. Only timecards in the most current processing period that are in working status are approved in order to ensure all employees get paid. Timekeepers are then tasked with updating these timecards after the close of the processing period. In the absence of the automatic approval process and the Assumed Time program, if managers and timekeepers did not complete their review and approval of employee timecards by the payroll processing deadline, employees would not receive their paychecks. Management determined that the risks related to not paying employees were greater than the risk of paying employees and retroactively adjusting these payments if needed. Further, the number of instances in which employees' current timecards remain in unapproved status continues to decrease significantly. Departments are responsible for implementing controls to ensure that all retroactive changes are entered accurately into the system and occur in a timely manner. We continue

to look for ways to enhance our processes and will explore additional controls that can be implemented at the department level.

- Thank you for acknowledging the strides the OnePhilly team has taken to correct all issues related to inaccurate accrual leave. The one outstanding accrual leave issue being referenced from 2019 was resolved in February FY20, however a manual coding error caused this issue to resurface in December FY21. This issue was prioritized and resolved effective February FY21 and is now accurately reflected in the system.
- We disagree with this finding. The Timecard Status Summary Dashboard is restricted by Department. Timekeepers use this dashboard to view meaningful data during the time capture phase of payroll processing, such as timecards in approved status and timecards in working or error status. All of this information is accessed and viewed at the department level. Only one report with limited data on the dashboard has a Citywide view only access, and that is the Missing Timecard Report. Super timekeepers can view the listing of all employees across the City that have missing timecards in this report, but they do not have access to sensitive payroll and personally identifiable information (PII) of employees in other departments. We continue to work with Oracle developers to prioritize the update of the missing timecard report so that Super Timekeepers will view it at the department level only.
- Thank you for acknowledging the progress made by the OnePhilly Team. According to the OnePhilly Team, there are no known inaccuracies existing in the Overpaid/Underpaid Report. The Overpaid/Underpaid Report has been significantly enhanced since FY19 and continues to be instrumental in the Central Payroll review process. A team of payroll examiners conducts the review of the Overpaid/Underpaid reports. The reduction in lines requiring review referenced above is indicative of the elimination of inaccuracies in the Overpaid/Underpaid Report during FY19 and FY20.
- The statement that outbound files “lack formalized monitoring controls over completeness and accuracy” is inaccurate. The OnePhilly Team has implemented controls for each type of outbound interface file. The information being sent to outside parties is different, and therefore different controls are required for monitoring accuracy and completeness for each file. There cannot be one individual standardized process for monitoring completeness and accuracy because of the customized nature of the produced files.
- Central Payroll had dedicated staff that thoroughly reviewed and compared the listing of approved authorized signers and followed up with departments to ensure appropriate levels of approvals were obtained from supervisory and executive-level approvers. During FY20, the Central Payroll and OnePhilly teams made significant strides to enhance the sign-off process, and specifically, as previously communicated, Central Payroll worked with the OnePhilly Team to develop a blueprint, and then implement the automated payroll sign-off process. This new automated sign-off process was implemented in September 2020.

Auditor’s Comments on Agency’s Response: Regarding management’s statements on the breakdowns in the functionality and application IT controls of the OnePhilly system, we have the following comments:

In its response above, management states the following with regard to the use of assumed time:

“Departments implement controls to ensure that all retroactive changes are entered accurately into the system

and occur in a timely manner. Payroll timekeepers are tasked with reviewing the time entries for their departments for accuracy. Only authorized personnel make changes to employee timecards after following the required approval steps for that specific process.”

The continued reliance on individual departments to make retroactive changes to processed timecards, without ensuring these changes are made constitutes an internal control weakness. If timekeepers do not make manual corrections to these timecards, the employee may be paid erroneously. While the Assumed Time Reconciliation Report aids a department timekeeper in identifying changes that should be made, there is no control in place to ensure the changes are being made.

Management states the following with regard to the changes made to employee timecards without documentation or approval:

“Employees within Central Payroll and OnePhilly who update timecards are certified and have the level of competency required to fulfill the functions of their positions. SAPs E-9101 and I-9101 provide these employees with the authority to make corrections to erroneous employee timecard entries that are not submitted by employee supervisors and timekeepers at the department level.”

Our finding or recommendation does not question the authority or the competency of the employees making changes to timecards. When changes must be made to a timecard by a OnePhilly or Central Payroll employee, the unit should retain documentation supporting the validity of the change and include a secondary review of the correction to reduce the likelihood of an error being made. Subsequent to making changes, OnePhilly or Central Payroll should communicate all changes made to the applicable department.

Management states the following with regard to employee timecards continue to show hour types that are not appropriate for the employee’s position:

“ Hours type should not be restricted at the department level. Hour types are driven by CUC and, therefore, not all hour types are available for each employee.” “All hours types are reviewed and approved by managers and timekeepers.”

Based on our review, organizing hours type permissions by CUC continues to make inappropriate hours types available. For example, an employee, who is in a department that does not schedule shift work, may select shift differential time because shift work is available to employees in other departments with the same CUC. Restricting the availability of these hours types creates a stronger control than the continued reliance on managers and timekeepers to identify timecard errors.

Management reiterates the importance of using assumed time and automatic approval so that employees are paid in a timely manner and states the following with regard to the continued use of an automated process to change unapproved timecards to approved status for payroll processing:

“Departments are responsible for implementing controls to ensure that all retroactive changes are entered accurately into the system and occur in a timely manner.”

Our recommendation does not suggest that timecards in unapproved status should not be approved and processed

for timely payment. While the departments may be responsible for making retroactive changes, Central Payroll should establish internal controls to ensure these changes occur in all departments.

Management states the following with regard to Super Timekeeper's ability to view information on the Timecard Status Summary Dashboard from other departments, including the Missing Timecard Report:

“We disagree with this finding. The Timecard Status Summary Dashboard is restricted by department.”
“Only one report with limited data on the dashboard has a citywide view only access, and that is the Missing Timecard Report.”

Management's response confirms that the Timecard Status Summary Dashboard is not restricted by department. The continued ability for a Super Timekeeper to view the Missing Timecard Report from other departments remains an internal control weakness. The OnePhilly team also acknowledges their need to work with Oracle developers to prioritize the update of the Missing Timecard Report so that Super Timekeepers are able to view it at the department level only.

Management states the following with regard to many outbound files sent to various third parties that continue to lack formalized monitoring controls over their completeness and accuracy:

“The statement that outbound files “lack formalized monitoring controls over completeness and accuracy” is inaccurate. The OnePhilly Team has implemented controls for each type of outbound interface file.”

During our testing, the OnePhilly team provided documentation illustrating the progress in developing and implementing monitoring controls for outbound files. This documentation indicated that many of the outbound file controls were still in development, thus lacking formalized monitoring controls.

Section III - Financial Audit Significant Deficiencies:

2020-004 DEFICIENCY IN ONEPHILLY SYSTEM IT GENERAL CONTROLS REQUIRE CONTINUED IMPROVEMENT TO MINIMIZE VULNERABILITIES

Views of the Responsible Officials:

- Thank you for highlighting the elimination of the four findings related to monitoring controls noted in the prior year. OnePhilly continues to maintain the numerous mechanisms in place to monitor Service Level Agreements (SLA), including Daily performance dashboard reports, weekly PMO meetings, and monthly SLA meetings. SOC report reviews, along with an accompanying risk survey, will continue to be conducted by representatives from OIT's Information Security Group (ISG), Law and Finance. Where control gaps exist, vendor due diligence checks will be conducted.
- Thank you for noting the elimination of verbal provisioning requests and the introduction of access requests through the help desk, which allows for tracking. Thank you also for highlighting the implementation of periodic user reviews. OnePhilly has previously provided documentation concerning separation of duties and systematic permissioning based on responsibilities across departments. Access provisioning and de-provisioning is carried out by the OnePhilly security provisioning team, which thoroughly considers systematic permissioning and segregation of duties when assigning access. The team continues to develop enhancements to the user access process and will finalize the automation of the access provisioning and de-

provisioning for newly hired, transferred, or terminated employees during FY22.

- Thank you for highlighting the significant improvements made to the password requirements configured in the OnePhilly system. Please see additional response to this condition in Appendix I.
- The team continues to maintain that the plethora of support provided including steering committee meeting agendas and presentations, go-live timelines, and emails to the steering committee confirming Go-Live was successful, among other communications, collectively support the steering committee's decision to go live. Further, thank you for acknowledging the enhancements we made to our steering committee meeting reports. Please see additional response to this condition in Appendix I.

Auditor's Comments on Agency's Response: In response to our recommendation that the OnePhilly team develop a comprehensive document that clearly identifies incompatible roles, responsibilities, and permissions, and that a formal process be established to request and approve user access which considers the documented SoD requirements, on page 40 management states:

“OnePhilly has previously provided documentation concerning separation of duties and systematic permissioning based on responsibilities across departments. Access provisioning and de-provisioning is carried out by OnePhilly security provisioning team, which thoroughly considers systematic permissioning and segregation of duties when assigning access.”

During the audit, the OnePhilly team provided a draft design document for systematic permissioning of user access during hiring, transfers, and termination of employees. The document does not contain sufficient internal controls that consider SoD including identification of incompatible roles, responsibilities, and permissions.

2020-005 OIT'S IT GENERAL CONTROLS CONTINUE TO REQUIRE STRENGTHENING

Views of the Responsible Officials: OIT will assess separating the functions mentioned above and will segregate the duties associated with each among available employees where possible. Where, due to limited resources, OIT must rely on one employee to perform multiple functions, OIT will make every effort to monitor employee activity. Additionally, OIT will continue to review its change management control procedures and implement measures to ensure that the process is adhered to for application changes. OIT will also work to revise its change management policy to include the two additional recommended requirements.

2020-006 TREASURER'S BANK RECONCILIATION PROCEDURES STILL REQUIRE IMPROVEMENT

Views of the Responsible Officials: Thank you for acknowledging the improvements made to the City Treasurer's Office's (CTO) reconciliation procedures, including the timely preparation of fiscal year-end bank reconciliations and the finalization of the Bank Reconciliation Policy. We agree that additional actions are needed to improve the timeliness of resolution to reconciling differences between the Treasurer account book and bank balances. To address this, CTO has re-engaged fiscal staff from various departments when reviewing unidentified reconciling items on a monthly basis to more timely address such items. CTO is also working with Finance to create a process to book unidentified receipts while awaiting confirmation for validation.

To address the DPH finding, CTO is revisiting the process with DPH, Revenue, and Finance to make necessary adjustments to enable DPH to recognize their revenue prior to the funds transferring to the consolidated cash

account.

To address the escheatment recommendation, CTO has engaged an Accounting Firm to work with CTO and Finance to provide escheatment services to address the current escheatable amounts and provide future support as checks become eligible for escheatment.

2020-007 FAILURE OF DEPARTMENTS TO PROPERLY AND TIMELY APPROVE BIWEEKLY PAROLLS INCREASES RISK FOR IMPROPRIETIES AND UNDETECTED ERRORS

Views of the Responsible Officials: Thank you for highlighting that the OnePhilly system configuration included the implementation of segregation of duties concerning data entry, review and approval of bi-weekly payroll transactions. Thank you for acknowledging that improvements were made in the departmental approval process for payroll compared to prior year results. Thank you also for acknowledging our recent automation of the payroll sign-off process. We continue to send out reminder emails to departments during each pay period to ensure that payroll sign-offs are conducted timely. You state in your finding that there were 741 instances where departments did not timely submit the time entry detail reports with the two required signatures. We will work to explore multiple options for enforcement.

Auditor's Comments on Agency's Response: In its response on page 41, management states, "Thank you for highlighting that the OnePhilly system configuration included the implementation of segregation of duties concerning data entry, review and approval of bi-weekly payroll transactions."

The OnePhilly system continued to use a manual payroll approval process and did not require the different levels of approvals prior to processing payroll. Therefore, we were not able to test and verify whether the city has implemented segregation of duties regarding this process during the current audit. Since the approval process has now been automated during fiscal year 2021, we will test and report on this process during the fiscal year 2021 audit.

2020-008 CAPITAL ASSET CONTROL DEFICIENCIES INCREASE RISK OF REPORTING ERROS

Lack of a Comprehensive Capital Asset System Hampered Reporting Process

Views of the Responsible Officials: Thank you for noting the conversion of Lotus 1-2-3 files previously used in our reconciliation process to Excel. We acknowledge that our existing process created some reconciling differences in our proof files, but we are happy that PMA assets were accurately reported, and all corrections were made to the final proof. We agree that the Office of the Director of Finance needs to implement a comprehensive capital asset management system and to eliminate the existing cumbersome process. This condition is expected to be resolved with the OPAL project implementation.

Failure to Inventory Real Property Assets Increases Risk of Inaccurate Accounting Records

Views of the Responsible Officials: Finance Office management have had multiple meetings with the GIS unit concerning our objective of reconciling the fixed asset ledger to IWAMS. The framework for the reconciliation process has been discussed and the hope is to perform the first reconciliation to IWANS during FY22.

2020-009 SAPs REQUIRE UPDATING TO ENSURE ACCURATE AND CONSISTENT APPLICATION OF ACCOUNTING RULES AND REGULATIONS

Views of the Responsible Officials: We agree with your recommendation to continue to update the city's SAPs. We have increased Citywide engagement with control and process owners and continue to have working meetings with stakeholders to facilitate the update of SAPs. We have also made great strides to identify obsolete SAPs. Management

will continue to prioritize this initiative, within budget and resource constraints.

Section IV – Federal and PA Department of Human Services Findings and Questioned Costs:

2020-010 REPORTING – MATERIAL WEAKNESS AND COMPLIANCE FINDING

Edward Byrne Memorial Justice Assistance Grant Program – CFDA 16.738

Views of the Responsible Officials and Corrective Action Plan: This response is to findings of the Philadelphia Controller's Office FY 20 Single Audit of the Philadelphia Police Department's (PPD), Edward Byrne Memorial Justice Assistance Grant Program (JAG program), CFDA 16.738.

This response is provided to add context and clarity, from the managing agency's (PPD) perspective, of the findings of Material Weakness and Compliance.

FFR's: Reporting is completed to and stored in the Federal Records systems, (RMS) for these reports. The PPD uses that system for retention and recall of official copies of these reports as its method of storing and producing the reports as needed for any subsequent review or audit.

While the Controller's report did mention that the federal Grant Management System was sunsetted, it needs to be emphasized that this is true and verifiable; and that there are several annual awards of JAG that are referenced collectively under a single CFDA; and that these awards and reports were not migrated to the new JustGrants reporting RMS that became the reporting portal and RMS in October of 2020. The oldest of these grant awards and reports under review for this FY 20 Single Audit have a project award start date in October of 2012, and each subsequent year awarded in the subsequent CY years, and have been closed with the federal awarding agency since September 2019. This is relevant because of the question of whether quarterly reports were filed and accepted by the Grantor.

Performance Metrics: The Performance Metrics, both quarterly and cumulative are completed through a separate federal portal and RMS called the Performance Measurement Tool (PMT). It needs to be made clear that the PPD was able and did provide final PMT reports to the extent they were requested for review. In fact, in discussing and corresponding with the Controller's office, these were referred to as an element of supporting documentation for the FFR's. Although having a different primary purpose, the PMT report does reference dollar amounts expended and those amounts need to reconcile to the FFR's.

Effect: This response and comment wish to reflect that any question of whether the required reports were submitted and accepted by the grantor agency is collectively demonstrated by the facts that these grants have been closed out, statements by the PPD Grants Management Unit Commanding Officer who has first-hand knowledge and supervisory responsibility for completing of the reports, subsequent annual JAG awards following 2019 without any holding of funds or special conditions referencing delinquent or deficient prior grant award reporting, no DOJ notifications of City of Philadelphia POC's Mayor, Managing Director, City Treasurer, and written notice from the federal Office of Audit Assessment and Management in December of 2020, of removal of the City of Philadelphia from "High Risk" status from the OIG audit of the 2016 DNC.

Recommendations and Corrective Actions: The Controller's report noted that there were statements that changes in personnel occurred and affected the ability of the PPD to produce certain reports. While the PPD acknowledges and stated that there were changes in personnel at both the PPD unit level and city administration within the Managing Director's Office, the statements referred to the fact that email correspondence pertaining to specific administrative

decisions were no longer available. However, the Commanding Officer of the GMU was aware contemporaneously of the correspondence, and actually supervised that the specific actions directed by the executive level of the MDO were effectuated in the management of the award.

Regarding corrective action for proper transfer of responsibility whenever personnel changes may occur, this has been and is addressed going forward at the unit level. The Grants Management Unit offices were moved to a new Public Safety facility in July of 2021.

Since that time, records of grant files are being stored in a separate electronic cloud file created for each award, that is accessible by several people within the unit.

Contact Person: Captain Stephen Murianka, Captain, Philadelphia Police Department (215) 683-2846

2020-011 REPORTING – SIGNIFICANT DEFICIENCY AND COMPLIANCE FINDING

Emergency Solutions Grants Program – CFDA 14.231

Choice Neighborhoods Implementation Grants – CFDA 14.889

Views of the Responsible Officials and Corrective Action Plan: We rely on the Departments to submit accurate accounts payable to the Finance Office within the cut-off period in order to meet the Charter-mandated Annual Financial Report (AFR) submission which is 120 days after the end of the fiscal period.

As explained in finding 2020-0012, Departments have noted that there are instances where vendors may experience an administrative burden and are unable to provide them with invoices in a timely fashion. If invoices are not timely submitted, payments are delayed, and the accounts payable accrual for the reporting year may be understated. In instances of delayed invoicing, we reported expenditures in the subsequent reporting period that they were paid with a footnote to clearly identify the related accounting period when those expenditures should have been identified or accrued.

In FY 2021, the Finance Office management timeline extended the accounts payable review from September to the middle of October 2021. We will continue to work with the Departments with unique challenges to ensure that accurate accounts payable are submitted within the cut-off period for the AFR reporting.

Contact Person: Leon Minka, Accounting Manager, Finance (215)-686-6172

2020-012 REPORTING – SIGNIFICANT DEFICIENCY AND COMPLIANCE FINDING

Staffing for Adequate Fire and Emergency Response – CFDA 97.083

Views of the Responsible Officials and Corrective Action Plan: PFD agrees that there were errors in the SF-425 for reporting period ending December 31, 2019, and June 30, 2020. These errors – particularly the error related to the June 30, 2020 SF-425 – were initially identified by the PFD in August 2020 and immediately reported to PFD’s funding liaison at FEMA as well as to internal partners within City of Philadelphia government. At that time, FEMA advised not to correct the June 30, 2020 SF-425 but to focus on ensuring future SF-425 reports were correct. In reviewing the error identified, the PFD found a few contributing factors. The primary error was in calculating the grant appropriation split across FY2020 and FY2021 allowing more expenditures to book against the grant index code in FY2020 than should have. This simple administrative error would have been identified earlier than August 2020 if other conditions had not further complicated PFD’s work environment, namely the emergence of COVID-19 in March 2020 and the introduction of a new payroll system implemented in March 2019. COVID-19 deeply affected the work environment, productivity, and priority focus of PFD employees, often prolonging the time required for seemingly

routine tasks. Further, detailed payroll analysis from the new payroll system proved more time-intensive than originally planned. These twin obstacles together prevented a more timely and thoughtful review of the SF-425 reports prior to submission. PFD recognizes the seriousness of these errors and has been and will continue to be committed to communicating with its partners as well as continuing to work on and improve its grants management process/procedures.

Contact Person: Tara Mohr, Chief of Staff, Philadelphia Fire Department (215) 683-1570.

2020-013 REPORTING – SIGNIFICANT DEFICIENCY AND COMPLIANCE FINDING

Emergency Solutions Grant Program – CFDA #14.231

Home Investment Partnerships Program – CFDA #14.239

Choice Neighborhoods Implementation Grants – CFDA #14.889

Community Services Block Grant – CFDA #93.569

Blocks Grants for Prevention and Treatment of Substance Abuse – CFDA #93.959

Views of the Responsible Officials and Corrective Action Plan: GAAU will reinforce with affected departments the need to review the new accounting expenditure report that includes both types of encumbrance document prefixes for professional service contracts. GAAU will also reinforce compliance with the prescribed municipal policy Standard Accounting Procedure G 5-1 Subrecipient Monitoring that is intended to assist city departments with compliance with 2 CFR 200.510(b)(4).

In FY 2022, GAAU will implement the digitized Grants Profile form. The requirements for subrecipient and contractor determinations are incorporated on this form. Identifying the subrecipients at the outset of the grant will enable the departments to ensure proper accountability and compliance with program requirements and achievement of performance goals. However, Departments have noted that there are instances where subrecipients may experience an administrative burden and are unable to provide Departments with invoices in a timely fashion. If invoices are not timely submitted, payments are delayed, and the accounts payable accrual for the reporting year may be understated. Depending on the reporting requirements of the grantor, prime recipients may be allowed to report these subrecipient expenditures in subsequent reporting periods in a manner that clearly identifies the related accounting period. In instances of delayed invoicing, reporting the expenditure in the current period with a footnote, if allowed by the grantor requirements, may provide the most relevant and reliable SEFA reporting information.

GAAU will continue to pursue innovative methods and work and consult with the Office of Recovery and Grants (ORG), Health and Human Services cluster and other departments to improve reporting of subrecipients expenditures.

Contact Person: Leon Minka, Accounting Manager, Finance (215) 686-6172

2020-014 SUBRECIPIENT MONITORING – SIGNIFICANT DEFICIENCY AND COMPLIANCE FINDING

Coronavirus Relief Fund – CFDA #21.019

Views of the Responsible Officials and Corrective Action Plan: The Office of Recovery and Grants (ORG) acknowledges the finding and appreciates that the Office of the Controller’s consideration of the complicating factors that distinguish the CARES Act Coronavirus Relief Fund (CRF) grant from typical federal grants, including:

1. Timeline for grant award: a COVID-19 emergency declaration was issued by the President of the United States, and was followed by a Mayoral declaration, during the week of March 13, 2020. The City initiated a range of emergency operations at that time. However, the City did not know, and could not anticipate, the form in which

federal grant funding would become available at the time of the initial declaration. It was not until mid-April 2020 that the City was made aware that CARES Act CRF grant funds would be available. By that time, the City's COVID-19 response was well underway.

2. Lack of timely and clear guidance: the U.S. Treasury issued guidance on grant eligibility requirements, financial and performance reporting, and subrecipient definitions in an evolving and retrospective manner. Specifically, the U.S. Treasury issued its first guidance relating to subrecipients in July through August 2020, which was after the actual FY2020 performance period ended.
 - a. When ORG evaluated individual expenditures, we required that, in keeping with the City's procedures and policies, all expenditures had the required documentation detail and fit with any guidance as we knew it for the grant. We also provided direct guidance to departments on documentation necessary under 2 CFR 200 guidelines, as those guidelines became available.
3. Emergency circumstances: the City initiated emergency COVID-19 response activities in March of 2020, and, due to the exigent nature of public health and safety response, amended existing contracts with vendors to perform services that may have been substantially different than the initial, underlying contract entailed.

For these reasons, ORG and the City's operating departments were forced to identify and attempt to define CRF grant-related subrecipients retrospectively. As we have described in prior memos responsive to the audit, ORG performed a review of the specific, COVID-19 related emergency purchase or scope of work related to each vendor in order to determine whether the vendor would be classified as a subrecipient or contractor per 2 CFR 200.331. In each case, the City held an existing contract with the vendor, which was subsequently amended to include the COVID-19 related emergency goods or services, in accordance with federal grant guidance issued by the U.S. Treasury for Coronavirus Relief Funds (CRF) and Federal Emergency Management Administration guidance on emergent contracting during the COVID-19 pandemic. In ORG's view, the specific, COVID-19 related activities or purchases qualified each of the three vendors named above to be classified as a subrecipient.

While ORG did not communicate directly with the vendors subsequent to identifying their funding as a federal source, the office communicated to the City departments and indicated the specific vendors for which they held contracts where COVID-19 related purchases/scope of work was funded by the federal CRF grant. ORG also provided summary guidance on subrecipient monitoring to the respective departments.

Corrective actions: To improve subrecipient monitoring practices related to the CRF grant, ORG is planning for the Single Audit in consultation with central Finance offices, including the Grants Accounting Unit, Budget Office, and the Director of Controls and Compliance; and with operating departments, particularly the Managing Director's Office/Health and Human Services cluster. Corrective actions include:

- ORG has developed and is offering recurring training sessions for operational departments and fiscal officers on subrecipient monitoring.
- In cooperation with central Finance and MDO, creating a schedule for identification of subrecipients and their respective expenditures related to CRF projects.
- ORG is affirmatively communicating audit requirements to CRF subrecipients via memo to operating departments, so that those departments may send letters to subrecipients regarding monitoring and audit reporting requirements.

In conclusion, ORG is taking proactive steps based on the recommendations of the Office of the Controller to address the deficiency that was identified in the FY20 audit process. Our office welcomes continued communication with the Office of the Controller on process improvement and in preparation for ongoing audits of federal COVID-19 Recovery grants.

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2020-015 SUBRECIPIENT MONITORING – SIGNIFICANT DEFICIENCY AND COMPLIANCE FINDING

Community Services Block Grant – CFDA 93.569

Views of the Responsible Officials and Corrective Action Plan: MOCEO acknowledges that we did not have a subrecipient risk assessment tool in place to pre-identify areas in which problems might arise with providers we contracted with during FY 2020.

To address this need, MOCEO developed a Risk Assessment Standard Operating Procedure in October 2020 with the actual Risk Assessment tool being finalized by MOCEO in 2021 (see attached). The intent was that both would be implemented for the CY 2020 contract period (monitoring and assessment take place in CY 2021) and moving forward. Implementation of this tool was negatively impacted by the COVID-19 pandemic as was the general timeliness of subrecipient monitoring. We have now resumed programmatic and fiscal monitoring for ALL subrecipients (low, moderate, or high risk).

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