

**City of Philadelphia,
Pennsylvania**



**Schedule of Financial Assistance
Fiscal Year Ended
June 30, 2021
Office of the Director of Finance**



City of Philadelphia
Pennsylvania

Schedule of Financial Assistance
Fiscal Year Ended
June 30, 2021

**CITY OF PHILADELPHIA
SCHEDULE OF FINANCIAL ASSISTANCE
FOR THE FISCAL YEAR ENDED JUNE 30, 2021**

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**CITY OF PHILADELPHIA
SCHEDULE OF FINANCIAL ASSISTANCE
FOR THE FISCAL YEAR ENDED JUNE 30, 2021**

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**CITY OF PHILADELPHIA
SCHEDULE OF FINANCIAL ASSISTANCE
FOR THE FISCAL YEAR ENDED JUNE 30, 2021**

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INTRODUCTORY SECTION

Letter of Transmittal



CITY OF PHILADELPHIA

OFFICE OF THE DIRECTOR OF FINANCE
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ROB DUBOW
Director of Finance

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

February 27, 2023

Dear Mayor Kenney:

The Schedule of Financial Assistance (SFA) of the City of Philadelphia (City) for the fiscal year ended June 30, 2021, 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 On December 26, 2013, OMB Circular A-133 was superseded by the issuance of Title 2 U.S. Code of Federal Regulations Part 200, Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal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, 2021, presents the entire operations of the City. The ACFR was issued under separate cover on February 25, 2022. 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 February 27, 2023 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, 2021. 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 June 2021, 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 01, 2020 - June 30, 2021

Grantor Agency Project Title	City ID Number	Federal Assistance Listing Number (AL#)	Contract Number	Federal Award	Federal Expenditure	Subrecipient Expenditure
U.S. Department of Agriculture						
Direct- U.S. Department of Agriculture						
Community Composting & Organics Diversity	490901	10.935	NR203A750001C019	90,000	14,072	1,485
Subtotal Federal AL# 10.935 Urban Agriculture and Innovative Production				90,000	14,072	1,485
Subtotal: Direct U.S. Department of Agriculture				90,000	14,072	1,485
Child Nutrition Cluster- PA Department of Education:						
School Breakfast and Milk FY21	221936	10.553	Receipts	104,418	104,418	0
Subtotal Federal AL# 10.553 School Breakfast Program				104,418	104,418	0
School Lunch FY21	221936	10.555	Receipts	163,606	163,606	0
Subtotal Federal AL# 10.555 National School Lunch Program				163,606	163,606	0
Summer Food Program FY20	160662	10.559	300-51-726-0	2,518,875	2,394,707	0
Summer Food Program FY21	160663	10.559	300-51-726-0	5,010,171	1,651,313	0
Subtotal Federal AL# 10.559 Summer Food Service Program for Children				7,529,046	4,046,020	0
Subtotal: Child Nutrition Cluster- PA Department of Education:				7,797,070	4,314,044	0
Pass- Through- PA Department of Education:						
After School Snack Program FY21	160696	10.558	300-51-726-0	1,787,745	18,704	0
Child & Adult Care Food Program	240900	10.558	300-51-653-0	1,085,652	447,494	0
Subtotal Federal AL# 10.558 Child and Adult Care Food Program				2,873,397	466,198	0
Subtotal: Pass-Through-PA Department of Education				2,873,397	466,198	0
Total U.S. Department of Agriculture				10,760,467	4,794,314	1,485
U.S. Department of Housing & Urban Development						
Direct- U.S. Department of Housing & Urban Development						
HUD Homes Inspection Services FY20	143534	14.000	DU203NP-17-D-01	348,362	30,852	0
HUD Homes Inspection Services FY21	146015	14.000	5 NU50CK000521-02-00	1,796,063	4,657	0
Subtotal Federal AL# 14.000 HUD Home Inspection Services				2,144,425	35,509	0
CDBG Prior Year	H720PY	14.218	B-10-MC-42-0012	2,645,519	1,110,555	1,110,555
CDBG YEAR 36	H06036	14.218	B-11-MC-42-0012	55,325,903	267,712	267,712
CDBG YEAR 37	H06037	14.218	B-12-MC-42-0012	46,186,638	177,748	177,748
CDBG YEAR 38	H06038	14.218	B-13-MC-42-0012	38,344,629	1,095,121	1,095,121
CDBG YEAR 39	H06039	14.218	B-14-MC-42-0012	40,049,151	380,326	380,326
CDBG YEAR 40	H06040	14.218	B-15-MC-42-0012	39,308,769	661,403	603,846
CDBG YEAR 41	H06041	14.218	B-16-MC-42-0012	39,046,238	373,170	276,446
CDBG YEAR 42	H06042	14.218	B-17-MC-42-0012	38,807,206	1,256,480	678,588
CDBG YEAR 43	H06043	14.218	B-18-MC-42-0012	38,700,839	1,645,659	1,645,659
CDBG YEAR 44	H06044	14.218	B-19-MC-42-0012	42,828,109	3,981,383	3,981,383
CDBG YEAR 45	H06045	14.218	B-20-MC-42-0012	42,828,109	17,914,309	17,638,785
CDBG YEAR 46	H06046	14.218	B-21-MC-45-0012	44,629,051	25,866,314	17,676,715
CDBG YEAR 46 Program Income	H06046	14.218	B-21-MC-42-0012	6,954,322	6,954,322	6,954,322
NSP 2 Program Income	729988	14.218	Program Income	880,088	880,088	880,088
Subtotal Federal AL# 14.218 Community Development Block Grant/Entitlement Grants				476,534,571	62,564,590	53,367,294
McKinney Shelter Program (S-11) FY19	241421	14.231	E-18-MC-42-0012	179,723	5,211	0
McKinney Shelter Program (S-11) FY20	241355	14.231	E-19-MC-42-0012	290,450	24,838	0
McKinney Shelter Program (S-11) FY21	241382	14.231	E-19-MC-42-0012	1,653,034	1,317,547	814,862
McKinney Shelter Program (S-11) FY21	241381	14.231	E-19-MC-42-0012	1,810,172	1,780,014	1,780,014
McKinney Shelter Program (S-11) FY21	241380	14.231	E-19-MC-42-0012	300,000	196,704	134,756
COVID-19 - McKinney Shelter Program Covid Care Act FY21	241384	14.231	E-20-MW-42-0012	21,441,752	15,956,709	11,600,663
COVID-19 - McKinney Shelter Program Covid Care Act FY21	241385	14.231	E-20-MW-42-0012	7,192,958	913,404	845,399
COVID-19 - McKinney Shelter Program Covid Care Act FY21	241383	14.231	E-20-MW-42-0012	6,635,054	3,166,044	361,632
Subtotal Federal AL# 14.231 Emergency Solutions Grant Program				39,503,143	23,360,471	15,537,326
Home - Payroll FY21	723135	14.239	M-20-MC-42-0203	244,000	181,108	0
Home Investment Partnership FY16	72HM16	14.239	M-15MC-42-0203	7,800,365	682,813	638,224
Home Investment Partnership FY17	72HM17	14.239	M-16MC-42-0203	8,185,058	1,572,904	934,957
Home Investment Partnership FY18	72HM18	14.239	M-17MC-42-0203	7,896,797	2,954,437	2,954,437
Home Investment Partnership FY19	72HM19	14.239	M-18-MC-42-0203	10,371,509	3,259,338	2,777,564
Home Investment Partnership FY21	72HM21	14.239	M-20-MC-42-0203	11,346,500	469,421	362,431
Subtotal Federal AL# 14.239 Home Investment Partnership Program				45,844,229	9,120,021	7,667,613
COVID-19 - HOPWA- Housing for Persons with Aids FY20	72HWC203	14.241	Award Letter	1,059,147	483,067	397,196
COVID-19 - HOPWA- Housing for Persons with Aids FY20	72HWC204	14.241	Award Letter	117,251	10,201	10,201
HOPWA- Housing for Persons with AIDS FY15	72HW15	14.241	PA-H14-F-001	9,256,519	701	0
HOPWA- Housing for Persons with AIDS FY16	72HW16	14.241	PA-H15-F-001	7,223,295	22,113	0
HOPWA- Housing for Persons with AIDS FY18	72HW18	14.241	PA-H17-F-001	7,157,610	228,446	0
HOPWA- Housing for Persons with AIDS FY19	72HW19	14.241	PA-H18-F-001	7,343,333	16,971	0
HOPWA- Housing for Persons with AIDS FY20	72HW20	14.241	4100083232	776,562	191,565	191,565
HOPWA- Housing for Persons with AIDS FY20	72HW20	14.241	PA-H19-F-001	7,277,934	1,340,648	1,340,648
HOPWA- Housing for Persons with AIDS FY21	72HW21	14.241	PA-H20-F-001	7,870,628	5,444,870	4,501,841
HOPWA- Payroll FY21	723136	14.241	PAH20F001	213,000	183,251	0
Subtotal Federal AL# 14.241 Housing Opportunities for Persons with AIDS				48,295,279	7,921,833	6,441,451
CoC - Gaudenzia Shelton Court	242548	14.267	PA0568L3T001904	106,934	52,858	39,262
CoC - Gaudenzia Tioga Arms	242549	14.267	PA0690L3T001906	300,965	300,965	208,406
CoC - Reunification	242539	14.267	PA0072L3T001912	2,874,863	2,693,449	2,668,271
CoC- 1260 Housing Develop Corp CTT	242391	14.267	PA0468L3T001910	202,800	157,094	157,094
CoC- 1260 Housing Develop Corp Hopin I	242522	14.267	PA0040L3T001811	855,372	268,945	268,945
CoC- 1260 Housing Develop Corp Hopin I	242555	14.267	PA0040L3T001912	855,372	442,064	442,064
CoC- 1260 Housing Develop Corp Hopin II	242537	14.267	PA0041L3T001912	567,920	567,920	567,920
CoC- 1260 Housing Develop Corp Hopin IV	242390	14.267	PA0336L3T001911	378,414	310,935	283,846
CoC- 1260 Housing Development Corp	242589	14.267	PA0336L3T002012	395,694	54,740	54,740
CoC- 1260 Housing Development Corp Hopin II	242594	14.267	PA0041L3T002013	594,656	196,853	196,853

City of Philadelphia
Schedule of Expenditures of Federal Awards
July 01, 2020 - June 30, 2021

Grantor Agency Project Title	City ID Number	Federal Assistance Listing Number (AL#)	Contract Number	Federal Award	Federal Expenditure	Subrecipient Expenditure
CoC- Action AIDS Back on Track	242517	14.267	PA0868L3T001801	198,408	49,602	40,848
CoC- Action Aids Back on Track	242546	14.267	PA0868L3T001902	192,528	192,528	152,179
CoC- Apm Esperanza	242533	14.267	PA0466L3T001910	108,984	68,966	68,966
CoC- Bethesda Bainbridge Consolidated	242538	14.267	PA0013L3T001912	151,344	151,344	151,344
CoC- Calutta House Independence PL Expan	242520	14.267	PA0786L3T001802	162,038	44,681	44,681
CoC- Catch Patriot House	242392	14.267	PA0434L3T001907	62,393	62,393	62,393
CoC- Cea Bhns	242527	14.267	PA0863L3T001801	293,108	65,340	65,340
CoC- DePaul St. Raymonds House	242507	14.267	PA0569L3T001804	338,757	79,746	79,746
CoC- DePaul St. Raymonds House	242543	14.267	PA0569L3T001905	338,757	308,530	308,530
CoC- DOEH Housing First Project	242518	14.267	PA0681L3T001704	324,929	19,450	19,450
CoC- DOEH Housing First Project	242550	14.267	PA0681L3T001906	264,929	176,619	176,619
CoC- DV CEA BHRS Training	242559	14.267	PA0912D3T001901	341,013	135,224	104,539
CoC- Edison 64	242531	14.267	PA0865L3T001901	358,068	332,340	316,064
CoC- Family Rapid Re Housing	241310	14.267	PA0757L3T001500	2,552,751	545,450	434,693
CoC- First Foundation	242545	14.267	PA0866L3T001902	506,605	204,096	181,091
CoC- FIT Rapid Re Housing	242511	14.267	PA0869L3T001801	375,490	14,870	14,870
CoC- FIT Rapid Re Housing	242582	14.267	PA0566L3T001906	363,130	173,896	157,871
CoC- Help Help RRH	242523	14.267	PA0788L3T001802	525,760	166,688	155,173
CoC- Help Help RRH	242529	14.267	PA0788L3T001903	517,780	23,029	0
CoC- HMIS	242389	14.267	PA0036L3T001912	461,396	461,115	0
CoC- HMIS	242586	14.267	PA0036L3T002013	461,396	2,835	0
CoC- Housing First & Community Intergration	242508	14.267	PA0758L3T001803	975,547	48,138	48,138
CoC- Housing First & Community Intergration	242551	14.267	PA0758L3T001904	929,457	634,949	634,949
CoC- Methodist (Bridge Hope)	242532	14.267	PA0672L3T001904	226,622	181,959	181,959
CoC- Northern Home for Children	242542	14.267	PA0566L3T001906	83,621	66,148	66,148
CoC- Pathways Bonus Project	242374	14.267	PA0004L3T001805	552,884	63,802	63,802
CoC- Pathways Bonus Project	242528	14.267	PA0004L3T001906	499,884	335,760	335,760
CoC- Pathways Streets to Home	242525	14.267	PA0911L3T001800	267,463	5,871	5,871
CoC- Pathways Streets to Home	242556	14.267	PA0911L3T001901	267,463	229,924	218,295
CoC- Planning Grant	242506	14.267	PA0908L3T001800	973,958	133,891	0
CoC- Planning Grant	242557	14.267	PA0946L3T001900	1,016,804	911,068	80,001
CoC- Project Home - Fairmount	242364	14.267	PA0007L3T001710	42,387	7,078	7,078
CoC- Project Home - Rowan Diamond	242362	14.267	PA0470L3T001708	139,356	33,180	33,180
CoC- Project Home Fairmount (1523)	242503	14.267	PA0007L3T001811	270,440	113,320	113,320
CoC- Project Home Fairmount (1523)	242552	14.267	PA0007L3T001912	237,792	199,419	199,419
CoC- Project Home Hope Haven 1	242514	14.267	PA0038L3T001811	156,480	31,885	31,885
CoC- Project Home Hope Haven 1	242553	14.267	PA0038L3T001912	135,177	119,552	89,694
CoC- Project Home in Community/ The Cross	242540	14.267	PA0049L3T001912	338,344	320,699	320,699
CoC- Project Home Integrated Supportive Housing	242513	14.267	PA0501L3T001803	278,430	18,975	18,975
CoC- Project Home Integrated Supportive Housing	242547	14.267	PA0501L3T001904	276,030	175,804	175,804
CoC- Project Home Kate's Place Consolidation	242534	14.267	PA0469L3T001910	281,280	223,677	223,677
CoC- Project Home Rowan Judson	242505	14.267	PA0338L3T001810	656,652	85,378	85,378
CoC- Project Home Rowan Judson	242541	14.267	PA0338L3T001911	656,652	533,415	417,195
CoC- Project Home St. John the Evangelist	242385	14.267	PA0607L3T001807	667,974	126,129	126,129
CoC- Project ST John the Evangelist House	242535	14.267	PA0607L3T001908	595,217	574,453	574,453
CoC- Rapid Re Housing	242544	14.267	PA0759L3T001904	627,766	373,773	248,388
CoC- Rapid Re-housing	242500	14.267	PA0910L3T001800	544,648	112,776	112,776
CoC- Rapid Re-Housing	242512	14.267	PA0759L3T001803	653,794	193,970	174,079
CoC- Rapid Re-housing	242530	14.267	PA0691L3T001903	104,920	49,705	49,705
CoC- Rapid Re-Housing	242581	14.267	PA0910L3T001901	522,997	489,940	466,218
CoC- Rapid Re-housing FY19	242355	14.267	PA0759L3T001702	631,390	2,168	2,168
CoC- Reunification	242379	14.267	PA0072L3T001811	3,086,332	14,350	14,350
CoC- Salvation Army - Apartments Consolidated	242387	14.267	PA0059L3T001811	352,740	33,956	33,956
CoC- Valley Youth - RAP 4 Youth	242360	14.267	PA0787L3T001701	728,915	206,925	58,497
CoC- Valley Youth Rap 4 Youth	242519	14.267	PA0787L3T001802	755,975	558,156	468,658
CoC- Valley Youth Rap 4 Youth	242554	14.267	PA0787L3T001903	722,122	32,823	0
CoC- WAA Safe at Home	242516	14.267	PA0867L3T001801	251,354	60,061	60,061
CoC- WAA Safe at Home	242558	14.267	PA0867L3T001902	242,752	84,801	73,767
Subtotal Federal AL# 14.267 Continuum of Care Program				35,784,173	15,712,443	13,236,230
Choice Neighborhoods	722250	14.889	PA3A518CNG113	30,000,000	4,275,584	4,218,696
Subtotal Federal AL# 14.889 Choice Neighborhoods Implementation Grants				30,000,000	4,275,584	4,218,696
HUD Healthy Homes Supplement	147152	14.905	PALHB0702-18	600,000	108,783	0
HUD Lead Hazard Demo - Part 7	147151	14.905	PALHB0702-18	3,500,000	956,651	0
Subtotal Federal AL# 14.905 Lead Hazard Reduction Demonstration Grant Program				4,100,000	1,065,434	0
Subtotal: Direct U.S. Department of Housing and Urban Development				682,205,820	124,055,885	100,468,610
Pass- Through- PA Department of Community & Economic Development:						
COVID-19 - Emergency Solutions Grant Cares Code Blue	241386	14.231	C000075620	535,830	411,101	249,620
COVID-19 - Emergency Solutions Grant Cares Program	241374	14.231	C000074191	4,176,301	1,243,603	1,073,304
McKinney Shelter Program (S-11) FY20	241349	14.231	C000072754	359,441	103,941	103,941
Subtotal Federal AL# 14.231 Emergency Solutions Grant Program				5,071,572	1,758,645	1,426,865
Subtotal: Pass-Through- PA Department of Community and Economic Development				5,071,572	1,758,645	1,426,865
Pass- Through- PA Department of Health:						
HUD Lead Based Paint Hazard Control	144602	14.900	SAP# 4100085965	118,665	13,859	13,859
Subtotal Federal AL# 14.900 Lead-Based Paint Hazard Control in Privately-Owned Housing				118,665	13,859	13,859
Subtotal: Pass- Through- PA Department of Health:				118,665	13,859	13,859
Total U.S. Department of Housing & Urban Development				687,396,057	125,828,389	101,909,334

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Grantor Agency Project Title	City ID Number	Federal Assistance Listing Number (AL#)	Contract Number	Federal Award	Federal Expenditure	Subrecipient Expenditure
U.S. Department of the Interior						
Direct- U.S. Department of the Interior						
Tinicum Wildlife Preserve	360170	15.608	P.L. 95-469	4,187	4,187	0
Subtotal Federal AL# 15.608 Fish and Wildlife Management Assistance				4,187	4,187	0
Subtotal: Direct U.S. Department of the Interior				4,187	4,187	0
Total U.S. Department of the Interior				4,187	4,187	0
U.S. Department of Justice						
Direct- U.S. Department of Justice						
COVID-19 - Coronavirus Emergency Response	110998	16.034	2020-VD-BX-1723	4,806,668	2,027,504	0
Subtotal Federal AL# 16.034 Coronavirus Emergency Supplemental Funding Program				4,806,668	2,027,504	0
Improv Criminal Justice Resp - Arrest Program	100684	16.590	2017-WE-AX-0015	899,666	66,102	47,246
Subtotal Federal AL# 16.590 Grants to Encourage Arrest Policies and Enf. of Protection Orders				899,666	66,102	47,246
Implementation of the IBR/NIBRS	110980	16.734	2016-FU-CX-K056	3,872,621	1,068,554	0
Subtotal Federal AL# 16.734 Special Data Collections and Statistical Studies				3,872,621	1,068,554	0
2018 JAG XIV	111087	16.738	2018-DJ-BX-0465	1,565,517	461,592	1,370
JAG - XIII	111083	16.738	2017-DJ-BX-0727	1,598,674	1,244,275	0
JAG - XIII Interest	111084	16.738	201-DJ-BX-0727 Interest	23,475	12,300	0
Subtotal Federal AL# 16.738 Edward Byrne Memorial Justice Assistance Grant Program				3,187,666	1,718,167	1,370
2018 DNA CEBR Backlog Reduction Pgm	111194	16.741	2018-DN-BX-0077	830,044	232,215	165,000
Subtotal Federal AL# 16.741 DNA Backlog Reduction Program				830,044	232,215	165,000
2017 SAKI Backlog Elimination Program	111192	16.833	2017-AK-BX-0026	910,945	322,348	110,000
Subtotal Federal AL# 16.833 National Sexual Assault Kit Initiative SAKI				910,945	322,348	110,000
Building Partnerships & Enhancing Surveillance	147180	16.838	2018-AR-BX-K448	996,160	167,227	0
Subtotal Federal AL# 16.838 Comprehensive Opioid, Stimulant, and Substance Abuse Program				996,160	167,227	0
Federal Forfeiture - DOJ - All Years	110993	16.922	Receipts	5,389,569	488,344	0
Federal Forfeiture Funds - DOJ	690310	16.922	Revenue Based	712,523	136,270	0
Subtotal Federal AL# 16.922 Equitable Sharing Program				6,102,092	624,614	0
Subtotal: Direct U.S. Department of Justice				21,605,862	6,226,731	323,616
Pass- Through- PA Commission on Crime and Delinquency:						
Basic Service-Victim of Juvenile Offenders FY19	690519	16.575	2016/2017/2018-VF-06/07-29289	439,125	85,243	0
Basic Service-Victim of Juvenile Offenders FY21	690524	16.575	2018/2019/2020-VF/VS-07/06/ST 3426:	439,125	119,816	0
Evaluation of the Philadelphia Cares	690803	16.575	2017/18-VF-05-29159	180,933	51,127	51,127
Philadelphia Cares	690801	16.575	2016-VF-05-28259	1,009,178	183,798	15,218
Philadelphia Cares FY21	690802	16.575	2018/2019/2020-VF-05-33144	1,211,013	265,308	46,042
Victim Witness FY19	690463	16.575	2016/2017/2018-VF-06/07-29289	2,258,835	649,819	0
Victim Witness FY21	690477	16.575	2018/2019/2020-VF/VS-07/06/ST 3426:	2,258,271	644,384	0
VOJO - Victims of Juvenile Offenders FY19	840527	16.575	2018-VF-05-29244	432,155	1,318	0
VOJO - Victims of Juvenile Offenders FY21	840528	16.575	2019/2020-VF-07-3458	216,078	157,050	0
Subtotal Federal AL# 16.575 Crime Victim Assistance				8,444,713	2,157,863	112,387
PCCD Stop FY20	690478	16.588	2018/2019-VA-01/02/03-28826	31,250	31,250	0
Subtotal Federal AL# 16.588 Violence Against Women Formula Grant				31,250	31,250	0
Cross System Data & Information Sharing	150726	16.738	Allocation Letter	60,872	60,872	60,872
Root Causes Project	100738	16.738	2017-JG-LS-28703-2	104,972	48,731	0
Subtotal Federal AL# 16.738 Edward Byrne Memorial Justice Assistance Grant Program				165,844	109,603	60,872
Phila County Vocational Coordinators	841101	16.812	2016-SR-04 / ST-27521	333,169	90,229	0
Subtotal Federal AL# 16.812 Second Chance Act Reentry Initiative				333,169	90,229	0
Building Trade Opioid Initiative	144615	16.838	2018-CO-01 30972	149,928	95,893	0
Subtotal Federal AL# 16.838 Comprehensive Opioid, Stimulant, and Substance Abuse Program				149,928	95,893	0
Subtotal: Pass- Through- PA Commission on Crime and Delinquency:				9,124,904	2,484,838	173,259
Total U.S. Department of Justice				30,730,766	8,711,569	496,875
U.S. Department of Labor						
Direct- U.S. Department of Labor						
1199C	130306	17.278	Award Letter	269,497	616	0
Subtotal Federal AL# 17.278 WIOA Dislocated Worker Formula Grants				269,497	616	0
Subtotal: Direct U.S. Department of Labor				269,497	616	0
Pass- Through- Private Industry Council (PIC):						
Phil-a-Job II work Experience FY20	160666	17.225	19145/S124	218,750	606	0
Phil-a-Job II - Work Experience FY21	160668	17.225	21209/S124	218,750	139,401	0
Phil-a-Job II - Work Experience FY21	160667	17.225	19145/S124	406,250	95,046	0
Subtotal Federal AL# 17.225 Unemployment Insurance				843,750	235,053	0
PYN - SLIP Summer Program 2020	160703	17.278	20654 / SLP02	80,250	33,891	0
Subtotal Federal AL# 17.278 WIOA Dislocated Worker Formula Grants				80,250	33,891	0
Subtotal Pass- Through Private Industry Council (PIC)				924,000	268,944	0
Pass- Through- Philadelphia Corporation for the Aging (PCA) :						
Commission on Aging - PCA FY19	50314	17.235	1030100	832,108	52	0
Commission on Aging - PCA FY20	50330	17.235	1-0301-27	838,171	40	0
Commission on Aging FY21	101331	17.235	Award Letter	913,715	745,901	6,870
Subtotal Federal AL# 17.235 Senior Community Service Employment Program				2,583,994	745,993	6,870
Subtotal Pass- Through Philadelphia Corporation for the Aging (PCA)				2,583,994	745,993	6,870

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Pass- Through- Philadelphia Workforce Development Corporation:						
Workforce Develop Partner & Employment Program	420368	17.278	PW21-005	297,615	297,615	0
Subtotal Federal AL# 17.278 WIOA Dislocated Worker Formula Grants				297,615	297,615	0
Subtotal Pass- Through Philadelphia Workforce Development Corporation				297,615	297,615	0
Total U.S. Department of Labor				4,075,106	1,313,168	6,870
U.S. Department of Transportation						
Direct- U.S. Department of Transportation						
COVID-19 - Cares Act Funding a Result of COVID 19 - FY2020	A42215	20.106	3-42-0076-118-2020	116,281,843	62,491,251	0
Extend RW 9R/27L Construct Phase IV (Extend RW 9L/27R-Design Phase)	C42605	20.106	3-42-0076-111-2017	16,686,735	697,353	0
PNE-Reconstruct Runway 6/24 PH I (Reconstruct Runway)	C42611	20.106	3-42-0074-021-2018	1,684,631	7,710,557	0
PNE-Reconstruct Runway 6/24 PH II (Reconstruct Runway 6/24)	C42611	20.106	3-42-0074-022-2019	8,806,653	4,298,131	0
PNE-Reconstruct Runway 6/24 Phase III (Reconstruct Runway-Reimbursable Agrmnt Phase III)	C42611	20.106	3-42-0074-023-2019	102,717	84,167	0
PNE-Rehabilitate Airfield Signs/Approach Aid (Rehabilitate Airfield Signs/Approach Aid)	C42610	20.106	3-42-0074-020-2017	930,980	138,850	0
Reconstruct Taxiway K, Phase II & Runway 17/35	C42615	20.106	3-42-0076-117-2020	17,340,288	4,033,154	0
Reconstruct Taxiway K, Phase II	C42615	20.106	3-42-0076-116-2020	10,960,000	3,737,100	0
Reconstruct Runway 6/24	C42611	20.106	3-42-0074-025-2020	9,148,180	5,504,765	0
Reconstruct Taxiway K, Phase I	C42615	20.106	3-42-0076-115-2019	13,414,936	6,115,583	0
Reconstruction of N&S Aprons & Taxiways	C42612	20.106	3-42-0076-113-2018	18,182,302	2,612,461	0
Vale Infrastructure 13-Dual Electric Chargers	C42617	20.106	3-42-0076-120-2020	1,037,321	869,153	0
COVID-19 - NE/PHL Cares Act Fund - FY2020	A42215	20.106	3-42-0074-024-2020	157,000	157,000	0
Subtotal Federal AL# 20.106 Airport Improvement Program and COVID-19 Airport Programs				214,733,586	98,449,525	0
CMAQ CNG Vehicle	C25004	20.205	651121	2,000,000	2,000,000	0
Subtotal Federal AL# 20.205 Highway Planning and Construction				2,000,000	2,000,000	0
Subtotal: Direct U.S. Department of Transportation				216,733,586	100,449,525	0
Pass- Through- Delaware Valley Regional Planning Commission:						
Central Philadelphia Multimodal Trans Analysis	104631	20.205	19-67-120	100,000	66,722	66,722
Complete Streets Plan	720192	20.205	19-67-100	100,000	84,478	0
Pedestrian Safety Study and Action Plan	104630	20.205	19-67-130	100,000	76,333	76,333
Regional GIS Implement & Coordination	120479	20.205	21-53-304	25,000	1,228	0
Regional GIS Implement & Coordination	120491	20.205	21-53-305	26,000	18,204	0
Supportive Regional HWY Plan Program DVRPC	120493	20.205	21-60-050	157,871	157,871	0
Subtotal Federal AL# 20.205 Highway Planning and Construction				508,871	404,836	143,055
Short Range Planning	724104	20.505	20-63-006	119,758	101	0
Short Range Planning	724105	20.505	21-63-006	119,758	116,318	0
Transit Planning and Programming FY21	104626	20.505	21-63-005	98,535	74,750	0
Subtotal Federal AL# 20.505 Metropolitan Transportation Planning and State and Non-Met PL				338,051	191,169	0
Subtotal: Pass-Through Delaware Valley Regional Planning Commission				846,922	596,005	143,055
Pass- Through- PA Department of Transportation:						
30th Street Viadu	C12335	20.205	R19060037	784,000	166,132	0
53rd Street & Baltimore Avenue Safety Improvement	C12312	20.205	R18060027	550,170	550,170	0
American Cities/Safe Rts Schools	C12250	20.205	068551A	3,371,723	2,551,340	0
American Street	C12209	20.205	066526C; 0651145A	22,109,097	5,485,254	0
Bridge Design/Inspection-PY	120253	20.205	receipts	102,000	102,000	0
Chelton Greene Plaza TA Set Aside	C12311	20.205	R18060025	167,217	167,217	0
City ADA Ramps 2	C12305	20.205	R17060010	503,200	162,167	0
Citywide Resurfacing 104	C12282	20.205	0651059A; R17060005	12,210,134	164,593	0
Citywide Resurfacing 105	C12283	20.205	0651062A	3,740,471	2,770,157	0
Citywide Resurfacing 106	C12300	20.205	R17060006	11,049,350	11,049,350	0
Citywide Resurfacing 108	C12302	20.205	R17060008-2	90,200	34,734	0
Delaware Ave (Lewis-Orthodox)	C12169	20.205	065697B	5,141,600	651	0
Federal Highways-CY	120241	20.205	receipts	1,933	1,933	0
Federal Highways-PY	120243	20.205	receipts	122,286	93,766	0
Frankford Creek Greenway	C16066	20.205	0651057A	1,293,023	120,300	0
Frankford Creek Greenway	C16066	20.205	BRC-PRD-20-84	1,283,023	43,543	0
Island Avenue Signals/Transit 1st II	C12140	20.205	065699C	1,460,400	230,560	0
Lincoln Drive	C12194	20.205	0651137A	11,208,919	497,577	0
Montgomery Avenue/Amtrak	C12182	20.205	065595D	2,275,200	140,880	0
North Broad Street Medians- Vision Zero	C12329	20.205	receipts	990,000	672,456	0
Safe Spaces for Cyclists Phase 1&2	C12314	20.205	receipts	400,000	389,644	0
Schuylkill River Swing Bridge	C12298	20.205	0651147A	11,109,336	2,166,708	0
Schuylkill River Swing Bridge	C12298	20.205	0651147A ; C000056090	4,012,013	102,148	0
South Philadelphia Neighborhood Bikeway	C12288	20.205	651030	147,500	14,088	0
Swanson Street	C12281	20.205	0651048	600,000	43,010	0
Thomas Paine Place	C12333	20.205	R19060001	762,783	217,547	0
Traffic Operations Center	C12249	20.205	68553	280,000	1,533	0
Transportation Alternatives set aside	100687	20.205	0651216	450,000	162,153	57,838
Green Infrastructure Tree Planting	C17056	20.205	51001021005-CN	1,825,375	12,151	0
Subtotal Federal AL# 20.205 Highway Planning and Construction				98,040,953	28,113,762	57,838
FY 19 Police Traffic Services Grant	111091	20.600	PTS-2019-PHILA-00010	500	490	0
Philadelphia Community Traffic Safety PG	100756	20.600	CTSP-2021-PHILA-0002	465,013	19,914	0
Subtotal Federal AL# 20.600 State and Community Highway Safety Program				465,513	20,404	0
Vision Zero Community Traffic Safety Edu	100734	20.616	CTSP2019-PHILA-00016	455,805	198,649	198,649
Subtotal Federal AL# 20.616 National Priority Safety Programs				455,805	198,649	198,649
Subtotal: Pass- Through PA Department of Transportation				98,962,271	28,332,815	256,487
Total U.S. Department of Transportation				316,542,779	129,378,345	399,542

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<u>U.S. Department of Treasury</u>						
Direct- U.S. Department of Treasury						
Federal Forfeiture Funds - DOT	690311	21.016	Revenue Based	554,090	266,286	0
Subtotal Federal AL# 21.016 Equitable Sharing				554,090	266,286	0
COVID-19 - FY 2020 Cares Act	100392	21.019	Notification Letter	276,406,953	118,499,463	34,953,981
COVID-19 - HRSA Cares Supplemental CBHCC	144483	21.019	SAP#4100086551	266,529	264,676	0
Subtotal Federal AL# 21.019 Coronavirus Relief Fund				276,673,482	118,764,139	34,953,981
COVID-19 - Emergency Rental Assistance Program (ERAP)	351377	21.023	Notification Letter	47,200,241	34,240,900	34,240,900
Subtotal Federal AL# 21.023 Emergency Rental Assistance Program				47,200,241	34,240,900	34,240,900
Subtotal: Direct U.S. Department of Treasury				324,427,813	153,271,325	69,194,881
Pass- Through- PA Department of Agriculture:						
COVID-19 - State Food Purchase Program Cares Act FY20	242139	21.019	PA-0645 L3 T00 1301	3,540,000	3,539,865	3,359,300
Subtotal Federal AL# 21.019 Coronavirus Relief Fund				3,540,000	3,539,865	3,359,300
Subtotal: Pass- Through- PA Department of Agriculture				3,540,000	3,539,865	3,359,300
Pass- Through- PA Department of Human Services:						
COVID-19 - CEO Cares Act Small Business Assistance	420369	21.019	Notification Letter	1,100,000	1,080,000	1,040,000
Subtotal Federal AL# 21.019 Coronavirus Relief Fund				1,100,000	1,080,000	1,040,000
COVID-19 - HAP- Emergency Rental Assistance Program (ERAP)	351376	21.023	Notification Letter	56,984,128	34,669,838	34,667,302
Subtotal Federal AL# 21.023 Emergency Rental Assistance Program				56,984,128	34,669,838	34,667,302
Subtotal: Pass- Through- PA Department of Human Services				58,084,128	35,749,838	35,707,302
Pass- Through- Pennsylvania Emergency Management Agency (PEMA):						
COVID-19 - Fire CO Emergency Medical Service Grant	130224	21.019	C950002108	24,931	24,931	0
Subtotal Federal AL# 21.019 Coronavirus Relief Fund				24,931	24,931	0
Subtotal: Pass- Through- Pennsylvania Emergency Management Agency (PEMA)				24,931	24,931	0
Total U.S. Department of Treasury				386,076,872	192,585,959	108,261,483
<u>Equal Employment Opportunity Commission</u>						
Direct- Direct Federal Funding:						
Deferred Cases - EEOC	540036	30.002	receipts	188,300	188,300	0
Subtotal Federal AL# 30.002 Employment Discrimination State and Local Fair Employment				188,300	188,300	0
Subtotal: Direct Equal Employment Opportunity Commission				188,300	188,300	0
Total Equal Employment Opportunity Commission				188,300	188,300	0
<u>Federal Communications Commission</u>						
Direct- Federal Communications Commission						
COVID-19 - FCC Telehealth Program	144484	32.006	0512-GRA0007504	791,398	616,039	616,039
Subtotal Federal AL# 32.006 COVID-19 Telehealth Program				791,398	616,039	616,039
Subtotal: Direct Federal Communications Commission				791,398	616,039	616,039
Total Federal Communications Commission				791,398	616,039	616,039
<u>U.S. General Services Administration</u>						
Pass- Through- PA Department of State:						
Help America Vote Act - HAVA	730034	39.011	4100086325	878,827	578,675	0
Subtotal Federal AL# 39.011 Help America Vote Act (HAVA)				878,827	578,675	0
Subtotal: Pass- Through- PA Department of State				878,827	578,675	0
Total U.S. General Services Administration				878,827	578,675	0
<u>U.S. Library of Congress</u>						
Direct- U.S. Library of Congress						
National Library Service Material	520998	42.001	Donated Books	100,424	100,424	0
Subtotal Federal AL# 42.001 Books for the Blind and Physically Handicapped				100,424	100,424	0
Subtotal: Direct- U.S. Library of Congress				100,424	100,424	0
Total U.S. Library of Congress				100,424	100,424	0
<u>U.S. Environmental Protection Agency</u>						
Direct- U.S. Environmental Protection Agency						
Air Pollution Control Program - Fed FY21	146008	66.001	A-00304320-6	1,825,436	1,299,575	0
Air Pollution Control Program FY20	143866	66.001	A-00304320-3	1,825,436	576,927	0
Subtotal Federal AL# 66.001 Air Pollution Control Program Support				3,650,872	1,876,502	0
Ambient Air Monitoring Network FY19	143512	66.034	PM-97311805-0	163,387	19,134	0
Ambient Air Monitoring Network FY20	143549	66.034	PM-97311805-1	163,387	60,216	0
Ambient Air Monitoring Network FY21	145990	66.034	PM-97311805-2	163,387	27,008	0
Community Scale Air Toxic Monitoring Project	144093	66.034	XA-96383401-0	275,162	195,381	0
National Air Toxic Trends Site FY21	146029	66.034	XA-96376201-0	17,958	5,968	0
Subtotal Federal AL# 66.034 Surveys, Studies, Research, Investigation, Clean Air Act				783,281	307,707	0
Subtotal: Direct U.S. Environmental Protection Agency				4,434,153	2,184,209	0
Total U.S. Environmental Protection Agency				4,434,153	2,184,209	0
<u>U.S. Department of Education</u>						
Pass- Through- PA Department of Human Services:						
ID - Early Intervention (70170) FY21	150990	84.181	Allocation Letter	6,026,536	6,026,536	6,026,536
Subtotal Federal AL# 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

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Pass- Through- PA Department of Community & Economic Development:						
Prosper	80545	84.215	Subgrant #830003	175,000	12	0
West Philly Neighborhood Drexel	80546	84.215	Subgrant #830003	127,800	70,463	0
Subtotal Federal AL# 84.215 Innovative Approaches to Literacy				302,800	70,475	0
Subtotal: Pass- Through PA Department of Community & Economic Development				302,800	70,475	0
Total U.S. Department of Education				6,329,336	6,097,011	6,026,536
U.S. Elections Assistance Commission						
Pass- Through- PA Department of State:						
HAVA - Title II - Section 251 Polling Places	730028	90.401	4100029051	1,457,878	30,192	0
Subtotal Federal AL# 90.401 America Vote Act Requirements Payments				1,457,878	30,192	0
COVID-19 - Cares Act Grant HAVA	730035	90.404	4100086353	753,079	753,079	52,314
Subtotal Federal AL# 90.404 2018 HAVA Election Security Grants				753,079	753,079	52,314
Subtotal: Pass- Through- PA Department of State:				2,210,957	783,271	52,314
Total U.S. Elections Assistance Commission				2,210,957	783,271	52,314
U.S. Department of Health & Human Services						
Direct- U.S. Department of Health & Human Services						
GHP - Sodium Reduction FY20	143536	93.082	5 NU58DP000012-04-00	395,000	212,053	176,018
GHP- Sodium Reduction FY21	146017	93.082	6 NU58DP000012-05-01	395,000	228,127	152,638
Subtotal Federal AL# 93.082 Sodium Reduction in Communities				790,000	440,180	328,656
Federal Tuberculosis Control FY 21	145998	93.116	5 NU52PS910223-02-01	573,754	212,348	6,737
Federal Tuberculosis Control FY20	143851	93.116	5 NU52PS910223-01-01	576,093	314,574	81,829
Subtotal Federal AL# 93.116 Project Grants and Cooperative Agreements for Tuberculosis Cntr.				1,149,847	526,922	88,566
Accelerating Strategic Plan to End HIV	144625	93.118	1 NU65PS923706-01-00	381,444	162,846	200
Subtotal Federal AL# 93.118 Acquired Immunodeficiency Syndrome (AIDS) Activity				381,444	162,846	200
Build Evidence Based Prevention in Phila	144522	93.136	1 NU17CE924977-01-01	400,000	162,383	0
Using Drug Overdose Data to Inform & B	144521	93.136	1 NU17CE924977-01-00	5,865,402	3,037,260	751,060
Using Drug Overdose Data to Inform and B	146043	93.136	1 NU17CE924977-02-04	5,250,402	1,554,510	639,874
Subtotal Federal AL# 93.136 Injury Prevention & Control Research and St. Com.				11,515,804	4,754,153	1,390,934
Hepatitis B Virus Infection Prevention	146009	93.137	5 CPIMP191179-02-00	499,961	455,689	67,955
Subtotal Federal AL# 93.137 Community Programs to Improve Minority Health Grant Program				499,961	455,689	67,955
Woman Infant Children Youth HIV Service FY19	146635	93.153	5 H12HA24868-07-00	365,529	906	906
Woman Infant Children Youth HIV Service FY20	146636	93.153	4 H12HA24868-08-01	731,058	393,252	10,867
Subtotal Federal AL# 93.153 Coordinated Services and Access to Research for Women, Infants, Children and Youth Health Center Program Cluster- U.S. Department of Health and Human Services:				1,096,587	394,158	11,773
COVID-19 - Coronavirus Preparedness & Response	144419	93.224	A H8CCS35209-01-00	79,303	27,783	7,874
COVID-19 - HRSA Cares Health Center Program	144418	93.224	4 H8DCS3637-01-01	994,070	695,597	21,720
COVID-19 - HRSA Exp Cap for Coronavirus Testing	144420	93.224	1 H8ECS38070-01-00	535,924	264,625	363
HRSA Health Center # 10 FQHC New Access PT	146038	93.224	5 H80CS29024-07-00	692,911	18,561	0
HRSA Health Center #10 FQHC New Access Point	144410	93.224	5 H80CS29024-05-00	651,152	37,104	14,313
HRSA Health Center Dental Component	144412	93.224	6 H80CS29024-05-00	21,428	6,767	6,767
HRSA Health Center Dental Component	146069	93.224	5 H80CS29024-07-00	370,629	19,520	0
HRSA Health Center Outreach & Enrollment FY19	144411	93.224	6 H80CS29024-05-00	502,852	54,051	44,051
HRSA Health Center#10 FQHC New Access PT	144414	93.224	2 H80CS29024-06-00	623,398	458,252	195,669
HRSA Integrated Behavioral Health ServiceFY19	144416	93.224	6 H80CS29024-05-05	167,000	5,400	1,860
HRSA NAP Yr 6 Dental Funding	144481	93.224	2 H80CS29024-06-00	382,342	297,413	10,560
HRSA Nap Yr 6 Integrated Behavioral Supplemental	144487	93.224	6 H80CS29024-06-03	279,604	100,537	100,537
HRSA Nap Yr 6 Outreach & Enrollment Fund	144480	93.224	2 H80CS29024-06-00	524,315	496,726	495,898
HRSA Nap Yr 6 Primary Care HIV Prevention	144490	93.224	6 H80CS29024-06-04	510,984	230,796	199,488
HRSA NAP Yr 6 Sub MH Funding	144482	93.224	2 H80CS29024-06-00	254,298	235,753	0
HRSA Primary Care HIV Prevention (PCHP)	144417	93.224	1 H8DCS6344-01-00	262,086	4,720	0
HRSA Substance Use Disorder Mental Health FY19	144415	93.224	6 H80CS29024-05-05	110,000	18,890	11,615
Subtotal Federal AL# 93.224 Health Center Program				6,962,296	2,972,495	1,110,715
COVID-19 - Health Center Program Expand Cap Testing	144485	93.527	1 L1CCS394-01-00	909,392	648,913	57,061
Subtotal Federal AL# 93.527 Grants for New and Expanding Services under Health Center Prog.				909,392	648,913	57,061
Subtotal: Health Center Program Services Cluster- U.S. Department of Health and Human Services:						
Comprehensive Addiction/Recovery Service FY19	144570	93.243	1H79SP080336-01	999,658	318,914	80,000
Comprehensive Addiction/Recovery Service FY21	146070	93.243	5H79SP080336-02	499,829	270,101	0
Subtotal Federal AL# 93.243 Substance Abuse and Mental Health Services Projects of Reg. Sgn.				1,499,487	589,015	80,000
Immunization Program - Donated Vaccines	149999	93.268	Direct Assistance in Form of Vaccine	29,671,556	29,671,556	0
COVID-19 - Cares Immunization & Vaccines	146049	93.268	6 NH23IP922583-02-01	1,131,270	654,661	654,456
COVID-19 - Immunization & Vaccine Component Funding	146075	93.268	6 NH23IP922583-02-03	14,313,369	2,063,580	494,015
COVID-19 - Immunization & Vaccines Supplemental	144461	93.268	1 NH23IP922583-01-00	791,794	600,951	274,578
Immunization & Vaccines for Children Cor	144460	93.268	1 NH23IP922583-01-00	2,985,554	23,446	0
Immunization & Vaccines for Children Cor	145982	93.268	6 NH23IP922583-02-01	3,117,022	2,963,874	2,566,188
Improving Data Quality and Completeness	145977	93.268	6 NH23IP922583-02-00	337,163	16,235	0
Subtotal Federal AL# 93.268 Immunization Cooperative Agreements				52,347,728	35,994,303	3,989,237
Phila Improving Hepatitis B&C Care Casca	144017	93.270	6 NU51PS005109-04-02	200,000	200,000	0
Subtotal Federal AL# 93.270 Viral Hepatitis Prevention and Control				200,000	200,000	0
COVID-19 - ELC Enhancing Detection Expansion	145971	93.323	6 NU50CK000521-02-03	91,176,162	1,310,399	618,963
COVID-19 - ELC and Technologies	145974	93.323	6 NU50CK000521-02-03	97,000	14,805	0
COVID-19 - ELC PPP & HCE FY 20	143863	93.323	6 NU50CK000521-01-04	92,417,870	27,955,370	4,616,396
COVID-19 - ELC Pr Supplemental FY20	143864	93.323	6 NU50CK000521-01-05	805,967	50,884	0
COVID-19 - ELC Project E Mis-C	145975	93.323	6 NU50CK000521-02-03	50,000	19,571	0
COVID-19 - ELC Project W Pregnancy Registry	145976	93.323	6 NU50CK000521-02-03	200,000	18,662	0
COVID-19 - Enhanced Epidem & Lab Cap FY20	143862	93.323	6 NU50CK000521-01-07	3,500,000	1,231,121	219,466
COVID-19 - Enhanced Epidemiology & Lab Cap FY21	145999	93.323	6 NU50CK000521-01-07	1,796,063	1,517,761	63,877
COVID-19 - Enhanced Epidemiology & Lab Capacity FY20	143849	93.323	6 NU50CK000521-00	1,877,926	365,295	8,050
Subtotal Federal AL# 93.323 Epidemiology and Lab Capacity for Infectious Diseases				191,920,988	32,483,868	5,526,752

City of Philadelphia
Schedule of Expenditures of Federal Awards
July 01, 2020 - June 30, 2021

Grantor Agency Project Title	City ID Number	Federal Assistance Listing Number (AL#)	Contract Number	Federal	Federal	Subrecipient
				Award	Expenditure	Expenditure
COVID-19 - Pub Health Crisis Response	144243	93.354	1 NU90TP22088-01-00	4,498,340	3,700,719	1,258,578
Subtotal Federal AL# 93.354 Public Health Emergency Response				4,498,340	3,700,719	1,258,578
Health Strategies to Prevent Diabetes FY20	144511	93.435	5 NU58DP006628-02-00	1,200,000	524,957	379,587
Health Strategies to Prevent Diabetes FY21	146052	93.435	5 NU58DP006628-03-00	1,200,000	771,108	237,625
Subtotal Federal AL# 93.435 Innovative State and Local Public Health Strategies				2,400,000	1,296,065	617,212
COVID-19 - Cares Act Provider Relief	140684	93.498	Receipts	2,384,353	2,384,353	0
Subtotal Federal AL# 93.498 Provider Relief Fund and American Rescue Plan (ARP) Rural Distribution				2,384,353	2,384,353	0
End HIV Epidemic : Plan for America RWA/B	146065	93.686	6 UT8HA33955-02-04	2,642,058	418,140	277,199
End HIV Epidemic: Plan for America RWA/B	144144	93.686	1 UT8HA33955-01-00	1,234,942	651,532	491,438
Subtotal Federal AL# 93.686 Ending the HIV Epidemic - A Plan for America				3,877,000	1,069,672	768,637
HIV Emergency Relief - CQI FY21	146074	93.914	2 H89HA00013-31-03	571,125	115,020	115,020
HIV Emergency Relief - UA/CMI FY 20	144065	93.914	2H89HA000013-30-02	383,207	383,207	0
HIV Emergency Relief - UA/CMI FY21	146048	93.914	2 H89HA00013-31-03	450,842	134,211	0
HIV Emergency Relief FY20	144064	93.914	2H89HA000013-30-02	1,323,588	1,086,484	147,766
HIV Emergency Relief FY21	146047	93.914	2H89HA00013-31-03	1,382,265	232,230	0
HIV Emergency Relief Project	144066	93.914	2H89HA000013-30-02	20,269,321	15,462,326	14,488,497
HIV Emergency Relief Project FY21	146073	93.914	2H89HA00013-31-03	21,254,485	5,681,398	4,989,176
HIV Emergency Relief-CQI FY20	144067	93.914	2 H89HA00013-30-02	587,865	329,384	321,343
COVID-19 - Ryan White HIV/AIDS Program A Response	144073	93.914	1 H9AHA36905-01-00	1,000,000	956,043	956,043
Subtotal Federal AL# 93.914 HIV Emergency Relief Project Grants				47,222,698	24,380,303	21,017,845
Outpatient HIV Early Intervention FY19	143546	93.918	5 H76HA00077-28-00	789,009	29,856	29,856
Outpatient HIV Early Intervention FY20	143548	93.918	6 H76HA00077-29-02	448,539	448,539	132,191
COVID-19 - Part C Outpatient Supplemental Funding	144085	93.918	1H7CHA37115-01-00	141,592	107,911	17,652
COVID-19 - Part D WICY Supplemental Funding	146638	93.918	1 H1XHA36E976-01-00	26,834	16,516	0
Outpatient HIV Early Intervention FY21	145981	93.918	6 H76HA00077-30-00	3,117,022	364,181	22,902
Subtotal Federal AL# 93.918 Grants to Provide Outpatient Early Intervention Services				4,522,996	967,003	202,601
Healthy Start Initiative (West) FY2020	143538	93.926	5 H49MC00135-20-00	1,122,899	860,466	343,671
Healthy Start Initiative (West) FY 2019	143510	93.926	6 H49MC00135-19-02	1,455,979	77,559	0
Healthy Start Initiative (west) FY 2021	145980	93.926	5 H49MC00135-21-00	1,144,121	277,571	112,708
Subtotal Federal AL# 93.926 Healthy Start Initiative				3,722,999	1,215,596	456,379
SPNS HCV	146041	93.928	6U90HA39067-01-01	310,000	243,682	0
Subtotal Federal AL# 93.928 Special Projects of National Significance				310,000	243,682	0
AIDS Prevention Project Navigation FY19	144218	93.940	6 NU62PS005039-04-03	3,806,823	287,941	9,003
CSP Component B FY21	146023	93.940	6NU62PS924545-04-01	707,941	237,906	182,227
CSP Component B FY 20	144168	93.940	6 NU62PS924545-03-02	707,941	271,800	236,888
CSP Div of Disease Control DDC FY 21	146024	93.940	6NU62PS924545-04-01	341,739	165,174	0
CSP Division of Disease Control DDC FY20	144170	93.940	6 NU62PS924545-03-02	394,999	169,947	974
CSP HIV Surveillance FY20	144166	93.940	6 NU62PS924545-03-02	989,160	429,082	147,395
CSP HIV Surveillance FY21	146021	93.940	6NU62PS924545-04-01	989,160	420,934	136,128
CSP Prevention Project FY20	144167	93.940	6 NU62PS924545-03-02	4,468,700	2,496,526	1,907,766
CSP Prevention Project FY21	146022	93.940	6NU62PS924545-04-01	4,659,851	2,081,751	1,636,229
CSP Project FY20	144165	93.940	6 NU62PS924545-03-02	483,677	157,881	0
CSP Project FY21	146020	93.940	6NU62PS924545-04-01	345,786	153,796	18,153
Philadelphia Ending HIV Epidemic Component A	144074	93.940	1NU62PS924636-01-00	2,442,477	385,227	289,951
Subtotal Federal AL# 93.940 HIV Prevention Activities Health Department Based				20,338,254	7,257,965	4,564,714
Philadelphia Cooperative Reengage Controlled Trial	144060	93.943	6U01PS00S004505-01	317,494	17,523	0
Subtotal Federal AL# 93.943 Epidemiologic Research Studies of AIDS and HIV in Selected Population Groups				317,494	17,523	0
Medical Monitoring Project (MMP)	146014	93.944	NU62PS92-4608-02-00	483,211	2,873	0
Medical Monitoring Project (MMP) FY20	143965	93.944	1 NU62PS924608-01-00	483,211	440,739	0
National HIV Behavioral Surveillance FY20	143523	93.944	6 NU62PS005088-05-00	350,001	227,301	53,344
Subtotal Federal AL# 93.944 HIV/AIDS Surveillance				1,316,423	670,913	53,344
Enhanced Activities Supplemental Funding	144070	93.977	6 NH25PS005145-02-02	58,775	58,775	0
STD Surveillance Network FY21	145985	93.977	5NH25PS005193-02-00	285,417	175,576	0
STD Surveillance Network FY20	144068	93.977	1 NH25PS005193-01-00	285,417	157,893	0
Strengthening STD Prevention & Control	143847	93.977	5NH 25PS005145-02-00	1,751,525	958,314	38,809
Strengthening STD Prevention & Control	145984	93.977	5NH25PS005145-03-00	1,719,785	648,258	20,790
STD - Program Income FY19	143756	93.977	Program Income	224,272	224,272	0
Subtotal Federal AL# 93.977 Sexually Transmitted Diseases (STD) Prevention and Control Grants				4,325,191	2,223,088	59,599
Subtotal: Direct U.S. Department of Health and Human Services				364,509,282	125,049,424	41,650,758
Pass- Through- PA Department of Drug and Alcohol Program:						
Philadelphia Healthy & H.O.M.E. FY20	150613	93.104	1H79SM082199-01	1,000,000	225,631	0
Philadelphia Healthy & H.O.M.E. FY21	151007	93.104	1H79SM082199-02	1,000,000	676,576	671,799
Subtotal Federal AL# 93.104 Comprehensive Community Mental Health Services for Children with SED				2,000,000	902,207	671,799
Homeless 2 Home Behav Health Project FY21	151005	93.243	Allocation Letter	615,710	615,710	615,710
Philadelphia Alliance for Child Trauma Services (PACTS) FY20	150611	93.243	Allocation Letter	412,741	412,741	272,018
Philadelphia Alliance for Child Trauma Services (PACTS) FY21	151004	93.243	Allocation Letter	267,142	267,142	259,670
Subtotal Federal AL# 93.243 Substance Abuse and Mental Health Services Projects of Reg. Sgn.				1,295,593	1,295,593	1,147,398
State Opioid Response (SOR) Prevention	151014	93.788	Allocation Letter	281,390	281,390	281,390
State Opioid Response (SOR) Treatment	150966	93.788	Allocation Letter	45,807	45,807	45,807
State Opioid Response (SOR) Treatment	151015	93.788	Allocation Letter	605,138	605,138	605,138
Subtotal Federal AL# 93.788 State Targeted Response to the Opioid Crisis Grants				932,335	932,335	932,335
Preg Women - Women w/Child FY21	150976	93.959	Allocation Letter	1,915,136	1,915,136	1,915,136
SAPT - Drug Intervention/ Treatment FY19	150937	93.959	Allocation Letter	4,996,858	75,176	75,176
SAPT - Drug Intervention/Treatment Service Fee FY18	150927	93.959	Allocation Letter	1,897,455	69,790	69,790
SAPT - Drug Intervention/Treatment Fee FY21	151011	93.959	Allocation Letter	1,074,736	1,074,736	1,074,736
SAPT - Drug Intervention/Treatment FY21	151010	93.959	Allocation Letter	3,776,121	3,776,121	3,776,121
SAPT- Alcohol Intervention/Treatment Fee FY21	151013	93.959	Allocation Letter	108,303	108,303	108,303
SAPT- Alcohol Intervention/Treatment FY21	151012	93.959	Allocation Letter	1,647,879	1,647,879	1,647,879

City of Philadelphia
Schedule of Expenditures of Federal Awards
July 01, 2020 - June 30, 2021

Grantor Agency Project Title	City ID Number	Federal Assistance Listing Number (AL#)	Contract Number	Federal Award	Federal Expenditure	Subrecipient Expenditure
Substance Abuse Prevention	151009	93.959	Allocation Letter	2,264,482	2,264,482	2,264,482
Substance Abuse Prevention (SAPT)	150936	93.959	Allocation Letter	2,500,913	5,099	5,099
Subtotal Federal AL# 93.959 Block Grants for Prevention and Treatment of Substance Abuse				20,181,883	10,936,722	10,936,722
Subtotal: Pass-Thru- PA Department of Drug and Alcohol Program				24,409,811	14,066,857	13,688,254
Pass- Through- PA Department of Human Services:						
Title IV-E Legal Custodian SPLC (Div 44) FY21	222231	93.090	Award Letter	6,592,164	3,875,398	0
Subtotal Federal AL# 93.090 Guardianship Assistance				6,592,164	3,875,398	0
MH - Homeless Grant (70154) FY21	150984	93.150	Allocation Letter	438,674	438,674	438,674
Subtotal Federal AL# 93.150 Project for Assistance in Transition from Homelessness				438,674	438,674	438,674
MH -988 Planning Initiative Funds	150959	93.243	Allocation Letter	1,000	1,000	1,000
Subtotal Federal AL# 93.243 Substance Abuse and Mental Health Services Projects of Reg. Sgn.				1,000	1,000	1,000
Caseworker Visitation Grant	221486	93.556	Award Letter	217,734	217,734	0
Subtotal Federal AL# 93.556 MaryLee Allen Promoting Safe and Stable Families Program				217,734	217,734	0
Digital Career Exposure Exportation PYN	80538	93.558	21136/SY009	37,500	6,450	0
Philadelphia Works FY21	80355	93.558	LETTER OF INTENT	200,000	113,058	0
Supported Work Program (Workwise) FY 20	80326	93.558	Allocation Letter	7,546,034	304	0
Supported Work Program (Workwise) FY 21	80350	93.558	Allocation Letter	17,781,992	10,829,061	9,862,148
Temporary Assistant for Needy Families TANF FY20	221665	93.558	Award Letter	26,033,804	1,837,644	18,276
Temporary Assistant for Needy Families TANF FY21	221668	93.558	Award Letter	26,033,804	16,666,260	16,584,340
Subtotal Federal AL# 93.558 Temporary Assistance for Needy Families				77,633,134	29,452,777	26,464,764
Child Support Enforcement FY21	690486	93.563	Receipts	1,444,921	1,051,548	0
Child Support Program FY21	841032	93.563	Revenue Based	23,639,309	15,369,419	0
Subtotal Federal AL# 93.563 Child Support Enforcement				25,084,230	16,420,967	0
Title IV-B FY20	221684	93.645	Award Letter	2,575,773	10,472	10,472
Title IV-B FY21	221685	93.645	Award Letter	2,575,773	1,912,439	1,873,526
Subtotal Federal AL# 93.645 Steph Tubbs Jones Child Welfare Service Program				5,151,546	1,922,911	1,883,998
Title IV-E Demonstration Project FY16	221440	93.648	Award Letter	62,432,121	44,090	44,090
Subtotal Federal AL# 93.648 Child Welfare Research Training or Demonstration				62,432,121	44,090	44,090
Information Technology (ITG) FY20	222257	93.658	Award Letter	10,338,275	97,962	0
Information Technology Grant (ITG) FY21	222258	93.658	Allocation Letter	12,806,591	3,084,733	0
Title IV-E Foster Care (Div 44) FY21	222043	93.658	Allocation Letter	100,486,657	100,486,657	69,886,601
Title IV-E Foster Care FY18	222025	93.658	Award Letter	2,861,878	657	0
Title IV-E Foster Care FY20	222037	93.658	Award Letter	57,942,059	95,342	95,342
Title IV-E Program Income	229995	93.658	Child Support SSI	1,678,232	1,678,232	0
Subtotal Federal AL# 93.658 Foster Care Title IV-E				186,113,692	105,443,583	69,981,943
Title IV-E Adoption Assistance (Div 44) FY21	222070	93.659	Allocation Letter	44,200,982	32,479,461	0
Subtotal Federal AL# 93.659 Adoption Assistance				44,200,982	32,479,461	0
Child Protective Services FY21	221781	93.667	Award Letter	2,888,308	1,506,684	0
Child Protective Services FY20	221780	93.667	Award Letter	2,888,308	242	0
Family Preservation Funds - Title XX FY21	150501	93.667	Allocation Letter	605,304	605,304	605,304
HAP - Bridge Housing FY20	241361	93.667	Allocation Letter	2,610,380	15,268	15,268
COVID-19 - HAP - Cares Act FY20	241359	93.667	Allocation Letter	1,870,000	1,870,000	1,870,000
HAP - Case Management (F) FY21	241369	93.667	Allocation Letter	1,477,126	1,477,126	1,463,911
HAP - Case Management (F) FY21	241370	93.667	Allocation Letter	437,921	437,921	437,921
HAP - Case Management FY20	241364	93.667	Allocation Letter	1,175,529	96,182	96,182
HAP - Bridge Housing (F) FY21	241368	93.667	Allocation Letter	1,921,755	1,921,755	1,921,755
ID - SSBG (70177) FY21	150991	93.667	Allocation Letter	1,422,353	1,422,353	1,422,353
MH - SSBG (70135) FY21	150983	93.667	Allocation Letter	5,532,135	5,532,135	5,532,135
Subtotal Federal AL# 93.667 Social Services Block Grant				22,829,119	14,884,970	13,364,829
Title IV-E Independent Living FY21	222134	93.674	Allocation Letter	393,076	310,456	310,456
Subtotal Federal AL# 93.674 John H. Chafe Foster Care Program for Successful Transition to Adulthood				393,076	310,456	310,456
MH - Random Moment of Time Study	150979	93.778	Allocation Letter	971,801	971,801	971,801
ID - Program Income	150999	93.778	Allocation Letter	644,152	13,684	0
ID - Waiver - Admin (70175) FY21	150992	93.778	Allocation Letter	8,134,833	5,826,507	5,826,507
ID - TSM Admin Federal (70175) FY21	150994	93.778	Allocation Letter	404,736	285,648	285,648
ID Waiver EI (70184) FY21	150993	93.778	Allocation Letter	928,107	432,448	432,448
Medicare Part D - Retirees	350443	93.778	receipts	4,046	4,046	0
Medicare Part D - Retirees	350457	93.778	receipts	49,562	49,562	0
Subtotal Federal AL# 93.778 Medical Assistance Program				11,137,237	7,583,696	7,516,404
Navigation & Housing Services - Individual w/Opioid Use Disorder	150622	93.788	Allocation Letter	1,744,818	1,131,904	692,036
Subtotal Federal AL# 93.788 Opioid STR				1,744,818	1,131,904	692,036
Temp Money Follows the Person MFP FY21	150995	93.791	Allocation Letter	80,000	80,000	80,000
Subtotal Federal AL# 93.791 Money Follows the Person Rebalancing Demonstration				80,000	80,000	80,000
MH - CMHSBG (70167) FY21	150985	93.958	Allocation Letter	2,854,350	2,750,551	2,750,551
Subtotal Federal AL# 93.958 Block Grants for Community Mental Health Services				2,854,350	2,750,551	2,750,551
HAP - Bridge Housing (Pennfree) FY20	241362	93.959	Allocation Letter	1,040,991	4,211	4,211
HAP - Bridge Housing (Pennfree) FY21	241371	93.959	Allocation Letter	1,386,702	1,251,800	1,251,800
Subtotal Federal AL# 93.959 Block Grants for Prevention and Treatment of Substance Abuse				2,427,693	1,256,011	1,256,011
Subtotal: Pass- Through- PA Department of Human Services				449,331,570	218,294,183	124,784,756
Pass- Through- PA Department of Community & Economic Development:						
Community Services Block Grant - Lead FY21	145996	93.569	MOU	190,000	190,000	0
Community Services Block Grant FY20	160723	93.569	MOU	207,000	203,051	0
Community Services Block Grant FY21	160719	93.569	MOU # 21-6212	207,000	199,163	0
Community Services Block Grant -LEAD FY20	143764	93.569	MOU	190,000	190,000	0
CSBG - Administration FY19	80332	93.569	C000066926	5,330,531	158,059	32,535
CSBG - Administration FY20	80334	93.569	C000066926	5,354,476	3,236,211	1,847,956
CSBG Discretionary Grant FY21	80336	93.569	C000066926-9	40,000	1,491	0

City of Philadelphia
Schedule of Expenditures of Federal Awards
July 01, 2020 - June 30, 2021

Grantor Agency Project Title	City ID Number	Federal Assistance Listing Number (AL#)	Contract Number	Federal Award	Federal Expenditure	Subrecipient Expenditure
CSBG Administration FY21	80335	93.569	C000066926	5,081,365	1,075,865	118,563
COVID-19 - CSBG Cares Act FY 20 Part 1	80337	93.569	C000066926	7,571,466	1,109,466	175,640
COVID-19 - CSBG- Emergency Assistance FY21	241358	93.569	MOU	405,000	344,596	163,117
Serve Philadelphia	100790	93.569	MOU	69,825	17,806	0
Subtotal Federal AL# 93.569 Community Services Block Grant				24,646,663	6,725,708	2,337,811
Subtotal: Pass- Through- PA Department of Community & Economic Development				24,646,663	6,725,708	2,337,811
Pass- Through- National Association of County and City Health Officials:						
COVID-19 - Naccho Grant	144887	93.421	2020-121402	49,589	18,063	0
Subtotal Federal AL# 93.421 Strengthening Public Health Systems & Services thru Nat'l Partnerships				49,589	18,063	0
Access Matters FY 21	145983	93.217	210301	502,775	490,299	0
Family Planning Supplemental FY17	143524	93.217	#170301	1,192,750	1,192,750	0
Family Planning Supplemental FY21	143865	93.217	Receipts	40,823	40,823	0
Subtotal Federal AL# 93.217 Family Planning Services				1,736,348	1,723,872	0
C & B Cancer Prevention (F) FY16	143383	93.919	170304	975,393	24,118	0
C & B Cancer Prevention (F) FY19	143385	93.919	190304	581,455	569,591	0
C & B Cancer Prevention FY18	143384	93.919	170304	952,181	47,214	0
Subtotal Federal AL# 93.919 Cooperative Agr. State-Based Compr. Breast & Cervical Cncr Erly Det.				2,509,029	640,923	0
Subtotal: Pass- Through- National Association of County and City Health Officials:				4,294,966	2,382,858	0
Pass- Through- Philadelphia Corporation for the Aging (PCA) :						
Older Adult Program FY21	160687	93.044	1-0119-00-3117	791,622	702,657	0
Subtotal Federal AL# 93.044 Spec. Programs for the Aging Title III, Part B Supp.				791,622	702,657	0
Subtotal: Pass- Through- Philadelphia Corporation for the Aging (PCA) :				791,622	702,657	0
Pass- Through- PA Department of Health:						
Bioterrorism Grant - Cities Readiness Initiative FY20	144405	93.069	SAP#4100083768	623,159	1,304	0
Bioterrorism Grant - Core (Prev B) FY21	146032	93.069	SAP #410086314	446,926	446,922	0
Bioterrorism Grant Cities Readiness Init	146033	93.069	SAP #410086314	623,159	623,159	0
Bioterrorism Hosp Prepare Pgm Mrc FY21	146034	93.069	SAP #410086314	10,343	10,343	0
Subtotal Federal AL# 93.069 Public Health Emergency Preparedness				1,703,587	1,081,728	0
Opioid Involved Mortality Surveillance	145991	93.136	SAP# 4100085403	622,273	439,618	0
Subtotal Federal AL# 93.136 Injury Prevention & Control Research St. Com.				622,273	439,618	0
Philadelphia Project to End Lead Poisoning	144018	93.197	SNUE2EH01400-02-00	642,338	244,456	0
Subtotal Federal AL# 93.197 Childhood Lead Poisoning Prevention Projects				642,338	244,456	0
COVID-19 - Philly Counts Outreach Program	105971	93.323	MOU	277,790	277,790	20,000
Subtotal Federal AL# 93.323 Epidemiology and Lab Capacity for Infectious Diseases				277,790	277,790	20,000
Citywide Opioid Overdose Surveillance	144199	93.324	NU38OT000297-01-00	50,000	18,733	0
Neonatal Abstinence Syndrome Surveillance	144187	93.324	NU38OT000297-02	146,602	9,995	0
Subtotal Federal AL# 93.324 State Health Insurance Assistance Program				196,602	28,728	0
SPAN	144821	93.439	SAP 4100081965 R1	50,000	22,420	10,533
SPAN	146004	93.439	SAP #4100088521 SAF1	32,278	25,667	23,512
Subtotal Federal AL# 93.439 State Physical Activity and Nutrition				82,278	48,087	34,045
SPAN	144821	93.758	SAP 4100081965 R1	70,000	34,466	16,193
Subtotal Federal AL# 93.758 Preventive Health and Health Services Block Grant				70,000	34,466	16,193
COVID-19 - State Rebate & 656 Act State	144162	93.917	SAP4100080127 SAF2	1,120,027	672,393	284,117
Subtotal Federal AL# 93.917 HIV Care Formula Grants				1,120,027	672,393	284,117
Police Diversion to Treatment	151023	93.959	Allocation Letter	56,251	56,251	56,251
State Opioid Response (SOR) House Init	151063	93.959	Allocation Letter	348,448	348,448	348,448
State Opioid Response (SOR) HSE Focused CS	151064	93.959	Allocation Letter	69,384	69,384	69,384
Subtotal Federal AL# 93.959 Block Grants for Prevention and Treatment of Substance Abuse				474,083	474,083	474,083
Safe and Healthy Communities FY21	144062	93.991	SAP#4100085946	361,250	287,953	115,039
SPAN	146004	93.991	SAP #4100088521 SAF1	40,569	30,320	27,775
Subtotal Federal AL# 93.991 Preventive Health and Health Services Block Grant				401,819	318,273	142,814
Children W Special HC Needs FY21	146007	93.994	SAP #4100073279	615,990	591,132	389,474
Children with Special Healthcare Needs FY20	143993	93.994	SAP #4100073279	612,737	38,939	25,740
MIC Primary Services FY20	143991	93.994	SAP #4100073279	929,229	70,745	0
MIC Primary Svcs - FY 21	146005	93.994	SAP #4100073279	924,255	870,224	126,075
Services for Children FY21	146006	93.994	SAP #4100073279	945,954	865,458	43,921
Sudden Death in the Young Meo FY21	144078	93.994	SAP#4000022686	110,000	94,688	0
Subtotal Federal AL# 93.994 Maternal and Child Health Federal Cosolidated Programs				4,138,165	2,531,186	585,210
Subtotal: Pass- Through- PA Department of Health:				9,728,962	6,150,808	1,556,462
Pass- Through- PA Commission on Crime and Delinquency:						
Philadelphia Treatment Court and DUI	840850	93.788	2018-CU-01-28766	190,613	40,804	0
Subtotal Federal AL# 93.788 Opioid STR				190,613	40,804	0
Subtotal: Pass- Through- PA Commission on Crime and Delinquency:				190,613	40,804	0
Total U.S. Department of Health and Human Services				877,903,489	373,413,299	184,018,041
U.S. Corporation of National and Community Services						
Direct- U.S. Corporation of National and Community Services						
Foster Grandparent Program	100850	94.011	20SFAPA001	519,921	369,060	0
Foster Grandparent Program	100659	94.011	17SFAPA002	463,166	167	0
Subtotal Federal AL# 94.011 Americorps Seniors Foster Grandparent Program				983,087	369,227	0
Subtotal: Direct U.S. Corporation of National and Community Services				983,087	369,227	0

City of Philadelphia
Schedule of Expenditures of Federal Awards
July 01, 2020 - June 30, 2021

Grantor Agency Project Title	City ID Number	Federal Assistance Listing Number (AL#)	Contract Number	Federal Award	Federal Expenditure	Subrecipient Expenditure
Pass-Through- PA Department of Labor and Industry						
PHEND - Next Step Americorps Program	80537	94.006	4100083809	172,832	9,770	0
2020-2021 Americorps Competitive Award	100744	94.006	4100083809	755,413	755,413	0
Subtotal Federal AL# 94.006 AmeriCorps State and National				928,245	765,183	0
Subtotal: Pass- Through- PA Department of Labor and Industry				928,245	765,183	0
Total U.S. Corporation of National and Community Services				1,911,332	1,134,410	0
U.S. Executive Office of the President						
Direct- U.S. Executive Office of the President						
Drug Violence Intelligence Initiative HIDTA 2019	111089	95.001	G19PC0003A	133,450	33,311	0
Drug Violence Intelligence Initiative HIDTA 2020	111093	95.001	G20PC003A	76,799	76,799	0
Subtotal Federal AL# 95.001 High Intensity Drug Trafficking Areas Program				210,249	110,110	0
Subtotal: Direct U.S. Executive Office of the President				210,249	110,110	0
Total U.S. Executive Office of the President				210,249	110,110	0
U.S. Social Security Administration						
Direct- U.S. Social Security Administration						
SSA Prisoner Incentive Payments	230059	96.006	Receipt	96,600	96,600	0
Subtotal Federal AL# 96.006 Supplemental Security Income				96,600	96,600	0
Subtotal: Direct U.S. Social Security Administration				96,600	96,600	0
Total U.S. Social Security Administration				96,600	96,600	0
U.S. Department of Homeland Security						
Direct- U.S. Department of Homeland Security:						
PA Task Force I - 2018 Grant	130174	97.025	EMW-2017-CA-000	1,255,990	96,401	0
PA Task Force I - 2019	130175	97.025	EMW-2019-CA-00063	1,243,104	344,538	0
PA Task Force I - 2020 Grant	130177	97.025	EMW-2020-CA-000	435,247	435,247	0
Response Cooperative Agreement FY19	130321	97.025	EMW-2018-CA-USR-0022	780,800	282,691	0
Subtotal Federal AL# 97.025 National Urban Search and Rescue Response System				3,715,141	1,158,877	0
COVID-19 - Vaccine Distribution Program	105973	97.036	4506DR-PA-PW#346	9,186,689	2,373,746	0
COVID-19 - Isolation Quarantine 1	105975	97.036	4506DR-PA PW#371	4,818,409	4,818,409	0
COVID-19 - Isolation Quarantine 2	105976	97.036	4506DR-PA-PW#418	13,812,950	13,812,950	0
COVID-19 - Liacouras Center Alternate Care Site	105974	97.036	4506DR-PA PW#421	5,388,155	5,388,155	0
COVID-19 - Septa CCT Vaccine Transportation Program	105972	97.036	4506DR-PA-PW#315	1,518,845	910,689	0
Subtotal Federal AL# 97.036 Disaster Grants Public Assistance (Presidentially Declared)				34,725,048	27,303,949	0
Fire Prevention & Safety FPS FY18	130191	97.044	EMW-2018-FP-00448	220,357	44,239	0
FY 2018 Assistance to Firefighters Grant	130190	97.044	EMW-2018-FO-05723	3,043,478	2,055,376	0
COVID-19 - FY 2020 AFG - Supplemental	130194	97.044	EMW-2020-FO-00921	5,169,903	119,757	0
Subtotal Federal AL# 97.044 Assistance to Firefighters Grant				8,433,738	2,219,372	0
Port Security Grant Fast Boat 2 FY2017	C25003	97.056	EMW-2017-PU-00253S01	441,732	131,192	0
Subtotal Federal AL# 97.056 Port Security Grant Program				441,732	131,192	0
SAFER - FEMA Grant FY19	130354	97.083	EMW-2017-FH-00595	16,669,092	3,305,404	0
Subtotal Federal AL# 97.083 Staffing for Adequate Fire & Emergency Response				16,669,092	3,305,404	0
Homeland Security Bio Watch Program FY21	146037	97.091	06OHBIO0006-16-0	469,467	71,022	0
Homeland Security-Bio-Watch	144280	97.091	06OHBIO00006-15-02	494,743	346,486	0
Subtotal Federal AL# 97.091 Homeland Security Biowatch Program				964,210	417,508	0
2020 Regional Catastrophic Preparedness	100755	97.111	Award Announcement	929,414	43,894	0
Subtotal Federal AL# 97.111 Regional Catastrophic Preparedness Grant Program				929,414	43,894	0
Subtotal: Direct- U.S. Department of Homeland Security:				65,878,375	34,580,196	0
Pass- Through- Southeastern PA Regional Taskforce:						
2017 Homeland Security Grant	100678	97.067	EMW-2017-SS-00062	1,300,000	25	0
2018 Homeland Security Grant	100679	97.067	EMW-2018-SS-00046	2,946,000	822,595	0
2019 Homeland Security Grant	100689	97.067	Award Letter	3,494,070	978,697	0
Subtotal Federal AL# 97.067 Homeland Security Grant Program				7,740,070	1,801,317	0
Subtotal: Pass- Through Southeastern PA Regional Taskforce				7,740,070	1,801,317	0
Pass- Through- Maritime Exchange For Delaware River & Bay:						
Port Security Grant FY2019	130164	97.056	EMW-2019-PU-00514	171,752	86,778	0
Subtotal Federal AL# 97.056 Port Security Grant Program				171,752	86,778	0
Subtotal: Pass- Through- Maritime Exchange For Delaware River & Bay:				171,752	86,778	0
Total U.S. Department of Homeland Security				73,790,197	36,468,291	0
U.S. Army Corps of Engineers						
Direct- U.S. Army Corps of Engineers						
Homeless Alcoholic Men FY20	150684	14.235	DACA-31-1-15-468	31,250	31,250	31,250
Subtotal Federal AL# 14.235 Supportive Housing Program				31,250	31,250	31,250
Subtotal: Direct U.S. Army Corps of Engineers				31,250	31,250	31,250
Total U.S. Army Corps of Engineers				31,250	31,250	31,250
Total Schedule of Expenditures of Federal Awards				2,404,462,746	884,417,820	401,819,769

**CITY OF PHILADELPHIA
NOTES TO THE SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
FOR THE FISCAL YEAR ENDED JUNE 30, 2021**

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**CITY OF PHILADELPHIA
NOTES TO THE SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
FOR THE FISCAL YEAR ENDED JUNE 30, 2021**

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 Requirements 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	\$ 500,618,430
Community College of Philadelphia	\$ 84,558,576
Philadelphia Redevelopment Authority	\$ 9,999,322
Philadelphia Authority for Industrial Development	\$ 1,030,000
Philadelphia Housing Authority	\$ 458,412,142

**CITY OF PHILADELPHIA
NOTES TO THE SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
FOR THE FISCAL YEAR ENDED JUNE 30, 2021**

3. NOTES TO SPECIFIC PROGRAMS

The following explanatory notes relate to specific grant programs of the City, as indicated by Assistance Listing 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 Assistance Listing Number 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 2021 the City, through PIDC, did not make any loans under the HUD 108 Loan program (Assistance Listing Number 14.248). Through PIDC, the City had direct federal loan balances outstanding at June 30, 2021, under the HUD 108 Loan Program (Assistance Listing Number 14.248), in the amount of \$60,767,000. Loan repayments and investment proceeds from unloaned funds are used by PIDC to repay HUD. HUD Section 108 loan repayments made in fiscal year 2021 were: B-97-MC-42-0012 \$1,575,000; B-08-MC-42-0012 \$2,405,000.

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).

**CITY OF PHILADELPHIA
NOTES TO THE SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
FOR THE FISCAL YEAR ENDED JUNE 30, 2021**

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.

Project Title	City ID Number	Assistance Listing 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 Cities Readiness Initiative	144405	93.069	\$601,541.96	\$0	\$601,541.96	\$0
Bioterrorism Grant Core	146032	93.069	\$1,688.96	\$0	\$297,530.96	\$295,842.00
Bioterrorism Cities Readiness Initiative Y21	146033	93.069	\$0	\$0	\$272,842.00	\$272,842.00
Bioterrorism Hospital Preparedness Program	146034	93.069	\$0	\$0	\$10,343.00	\$10,343.00
Opioid Involved Mortality Surveillance	145991	93.136	\$142,883.83	\$0	\$148,179.77	\$5,295.94
Philadelphia Project to End Lead Poisoning	144018	93.197	\$242,848.06	\$71,912.00	\$262,574.06	\$91,638.00
Philly Counts Covid 19 Outreach	105971	93.323	\$0	\$0	\$0	\$0
Citywide Opioid Overdose Surveillance	144199	93.324	\$0	\$(30,750.71)	\$0	\$(12,018.21)
Neonatal Abstinence Syndrome Surveillance	144187	93.324	\$146,602.00	\$0	\$146,602.00	\$(136,607.00)
SPAN	144821	93.439 93.758	\$97,790.66	\$8,918.17	\$88,872.49	\$(7,358.82)
SPAN	146004	93.439 93.991	\$3,605.99	\$0	\$4,279.19	\$673.20
Covid 19 State Rebate and 656 Act	144162	93.917	\$537,252.00	\$0	\$669,201.00	\$0
Safe & Healthy Community	144062	93.991	\$66,538.92	\$0	\$118,045.31	\$51,506.39
MIC Primary Services	146005	93.994	\$661,514.49	\$0	\$661,514.49	\$0
Services for Children	146006	93.994	\$422,214.91	\$0	\$422,214.91	\$0
Children with Sp needs	146007	93.994	\$291,238.20	\$0	\$291,238.20	\$0
Sudden Death in Young	144078	93.994	\$0	\$0	\$94,687.61	\$94,687.61
MIC Primary Services	143991	93.994	\$359,729.03	\$73,238.52	\$286,490.51	\$0
Children with Special Health Care needs	143993	94.994	\$322,355.25	\$85,191.80	\$237,163.45	\$0
Police Diversion to Treatment	151023	94.959	\$0	\$0	\$0	\$0
State Opioid Response (SOR) House Init	151063	94.959	\$0	\$0	\$0	\$0
State Opioid Response (SOR) House Focused	151064	94.959	\$0	\$0	\$0	\$0

**CITY OF PHILADELPHIA
NOTES TO THE SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
FOR THE FISCAL YEAR ENDED JUNE 30, 2021**

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	Assistance Listing Number	Federal Funding Received during Year	Accrued or (Deferred) at Beg Year	Federal Revenue Recognized during Year	Accrued or (Deferred) at End Year
Philadelphia Healthy & H.O.M.E	150613	93.104	\$246,945.00	\$44,920.00	\$202,025.00	\$0
Philadelphia Healthy & H.O.M.E	151007	93.104	\$270,741.00	\$0	\$436,405.00	\$165,664.00
Homeless 2 Home Behav Health Project	151005	93.243	\$407,532.00	\$0	\$572,196.00	\$164,664.00
Philadelphia Alliance	150611	93.243	\$311,891.00	\$183,799.00	\$128,092.00	\$0
Philadelphia Alliance	151004	93.243	\$172,837.00	\$0	\$236,408.00	\$63,571.00
State Opioid Response Prevention	151014	93.788	\$0	\$0	\$0	\$0
State Opioid Response Prevention	150966	93.788	\$1,035,467.00	\$1,119,056.00	\$955,138.00	\$0
State Opioid Response Treatment	151015	93.788	\$240,854.00	\$0	\$240,854.00	\$0
Pregnant Women with Children	150976	93.959	\$851,533.00	\$0	\$851,533.00	\$0
SAPT- Drug Intervention and Treatment	150937	93.959	\$0	\$(185,780.48)	\$0	\$(110,604.34)
SAPT- Drug Intervention and Treatment	150927	93.959	\$0	\$661,685.65	\$0	\$0
SAPT- Drug Intervention and Treatment	151011	93.959	\$628,765.00	\$0	\$628,765.00	\$0
SAPT – Drug Intervention and Treatment	151010	93.959	\$2,351,648.00	\$0	\$2,351,648.00	\$0
SAPT – Alcohol Intervention and Treatment Fee	151013	93.959	\$67,884.00	\$0	\$67,884.00	\$0
SAPT – Alcohol Intervention Trea	151012	93.959	\$980,849.00	\$0	\$980,849.00	\$0
Substance Abuse Prevention	151009	93.959	\$1,638,593.00	\$0	\$1,638,593.00	\$0
Substance Abuse Prevention	150936	93.959	\$0	\$(12,581.98)	\$0	\$(7,482.83)

**CITY OF PHILADELPHIA
NOTES TO THE SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
FOR THE FISCAL YEAR ENDED JUNE 30, 2021**

9. PRIOR PERIOD INCURRED EXPENDITURES REPORTED IN THE CURRENT YEAR

The table below provides prior period incurred expenditures arisen in the current year as a result of omission or errors in the preparation of the prior SEFAs. The fiscal year 2020 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 2021 ACFR. Refer to the SEFA for the corresponding contract numbers.

Project Title	City_ID Number	Assistance Listing Number	Prior_Period incurred expenditures
PNE-Reconstruct Runway 6/24 PH I (Reconstruct Runway)*	C42611	20.106	\$7,263,230.00
HRSA Health Center #10 FQHC New Access Point	144410	93.224	41,223.74
HRSA Health Center Outreach & Enrollment FY19	144411	93.224	54,050.50
HRSA Health Center Dental Component	144412	93.224	6,767.37
HRSA Health Center#10 FQHC New Access PT	144414	93.224	16,094.35
HRSA Substance Use Disorder Mental Health FY19	144415	93.224	69,076.59
HRSA Integrated Behavioral Health ServiceFY19	144416	93.224	5,399.64
HRSA Primary Care HIV Prevention (PCHP)	144417	93.224	4,720.00
COVID-19 - Coronavirus Preparedness & Response	144419	93.224	10,970.06
HRSA Nap Yr 6 Outreach & Enrollment Fund	144480	93.224	36,213.16
HRSA NAP Yr 6 Dental Funding	144481	93.224	559.19
COVID 19 Pub Health Crisis Response	144243	93.354	506,698.19
HIV Emergency Relief FY20	144064	93.914	25,399.17
HIV Emergency Relief Project	144066	93.914	1,991,047.00
HIV Emergency Relief CQI	144067	93.914	25,361.00
CSP HIV Surveillance FY20	144166	93.940	22,824.00
CSP Prevention Project FY20	144167	93.940	269,589.40
CSP Component B FY20	144168	93.940	38,571.00
AIDS Prevention Project Navigation FY19	144218	93.940	101,963.00

* These prior period expenditures were not a result of Fiscal Year 2020 account payables. These were prior period expenditures from fiscal year 2018 – 2020 reported to grantor but not reflected in prior SEFAs.

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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CHARLES EDACHERIL
Acting 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, 2021, 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, 2022. Our report on the basic financial statements includes an emphasis-of-matter paragraph describing a change in accounting principle, discussed in Notes I.14. and III.14.A. to the basic financial statements. Our report also 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

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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 1952 Allegheny Associates Limited Partnership, Casa Indiana LLC, Francis House on Fairmount, L.P., Mantua Phase II, L.P., St. Francis Villa Senior Housing, L.P., St. Ignatius Senior Housing I, L.P., St. Ignatius Senior Housing II, L.P., Spring Garden Development Associates, L.P., and Uni-Penn Housing Partnership II) 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 identified 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 2021-001 and 2021-002 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 2021-003 through 2021-008 to be significant deficiencies.

Compliance and Other Matters

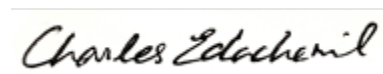
As part of obtaining reasonable assurance about whether the City of Philadelphia, Pennsylvania’s financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could 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 other auditing procedures applied in the audit of the financial statements and, accordingly, we express no opinion on it. We have also included our comments to the City of Philadelphia, Pennsylvania’s responses that we believe do not adequately address our findings and recommendations.

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.



CHARLES EDACHERIL, CPA
Acting City Controller
Philadelphia, Pennsylvania
February 25, 2022



CITY OF PHILADELPHIA

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CHARLES EDACHERIL
Acting 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, 2021. 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 \$1,054,618,470 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, 2021. 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,

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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 Assistance Listing 21.023 Emergency Rental Assistance Program

As described in the accompanying Schedule of Findings and Questioned Costs, the City of Philadelphia, Pennsylvania did not comply with requirements regarding Assistance Listing 21.023 Emergency Rental Assistance Program as described in finding number 2021-009 for Subrecipient Monitoring. Compliance with such requirements is necessary, in our opinion, for the City of Philadelphia, Pennsylvania to comply with the requirements applicable to that program.

Qualified Opinion on Assistance Listing 21.023 Emergency Rental Assistance Program

In our opinion, except for the noncompliance described in the Basis for Qualified Opinion paragraph, 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 Assistance Listing 21.023 Emergency Rental Assistance Program for the year ended June 30, 2021.

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 programs 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, 2021.

Other Matters

The results of our auditing procedures disclosed another instance of noncompliance which is required to be reported in accordance with the Uniform Guidance and the DHS Single Audit Supplement and which is described in the accompanying Schedule of Findings and Questioned Costs as items 2020-009, 2021-010,

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2021-011 2021-012, 2021-013, 2021-014, 2021-015, 2021-016, 2021-017, 2021-018, 2021-019, 2021-020, and 2021-021. 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 were not 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 deficiencies in internal control over compliance described in the accompanying Schedule of Findings and Questioned Costs as items 2021-009, 2021-010, and 2021-011 to be material weaknesses.

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 2021-

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012, 2021-013, 2021-014, 2021-015, 2021-016, 2021-017, 2021-019, 2021-020, and 2021-021 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 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, 2021, 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, 2022, which contained unmodified opinions on those financial statements. Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the basic financial statements. The accompanying Schedule of Expenditures of Federal Awards is presented for purposes of additional analysis as required by the Uniform Guidance and is not a required part of the basic financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. The information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the Schedule of Expenditures of Federal Awards is fairly stated in all material respects in relation to the basic financial statements as a whole.

Charles Edacheril

CHARLES EDACHERIL, CPA
Acting City Controller
Philadelphia, Pennsylvania
February 27, 2023

Schedule of Findings and Questioned Costs

Section I – Summary of Auditor’s Results

CITY OF PHILADELPHIA

Schedule of Findings and Questioned Costs – June 30, 2021

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>Assistance Listing Number(s)</u>
Emergency Solutions Grant	14.231
Coronavirus Emergency Supplemental Funding Program	16.034
Airport Improvement Program & COVID-19 Airports Program	20.106
Coronavirus Relief Fund	21.019
Emergency Rental Assistance Program	21.023
Injury Prevention and Control Research and State and Community Based Programs	93.136
Family Planning Services	93.217
Health Center Program Cluster:	
Health Center Program	93.224
Grants for New and Expanded Services under the Health Center Program	93.527
Immunization Cooperative Agreements Grant Program	93.268
Epidemiology & Laboratory Capacity for Infectious Diseases	93.323
Public Health Emergency Response: Cooperative Agreement for Emergency Response: Public Health Crisis Response	93.354
Provider Relief Fund and American Rescue Plan (ARP) Rural Distribution	93.498
Social Services Block Grant	93.667
HIV Emergency Relief Project Grants	93.914
HIV Prevention Activities - Health Department Based	93.940
Disaster Grants – Public Assistance	97.036

CITY OF PHILADELPHIA

Schedule of Findings and Questioned Costs – June 30, 2021

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

Auditee qualified as low-risk auditee? ___ yes X no

<u>Finding No.</u>		<u>Page</u>	<u>Questioned Costs</u>
<u>Section II - Financial Audit Material Weaknesses:</u>			
2021-001	Inadequate Staffing Levels, Lack of Technological Investment and Insufficient Oversight Led to Undetected Material Misstatements and Untimely Preparation of the Schedule of Expenditures of Federal Awards	36	
2021-002	Breakdowns in the Functionality and Application IT Controls of the OnePhilly System Continue to Increase the Risk for Material Payroll Errors	46	
<u>Section III - Financial Audit Significant Deficiencies</u>			
2021-003	OIT’s IT General Controls Require Strengthening	52	
2021-004	Treasurer’s Bank Reconciliation Procedures Still Require Improvement.	54	
2021-005	Failure to Close Out Prior Year Grant Activity Increases Risk of Reporting Errors	57	
2021-006	Accounts Payable Reporting Still Needs Improvement	59	
2021-007	Capital Asset Control Deficiencies Increase Risk of Reporting Errors	62	
2021-008	SAPs Require Updating to Ensure Accurate and Consistent Application of Accounting Rules and Regulations	65	
<u>Section IV – Federal and PA. Department of Human Services Findings and Questioned Costs</u>			
2021-009	Subrecipient Monitoring – Material Weakness and Compliance Finding Assistance Listing 21.023 Emergency Rental Assistance Program	68	
2021-010	Reporting – Material Weakness and Compliance Finding Assistance Listing 93.268 Immunization Cooperative Agreements Grant Program Assistance Listing 93.940 HIV Prevention Activities – Health Department Based	71	
2021-011	Special Tests and Provisions – Material Weakness and Compliance Finding Assistance Listing 93.268 Immunization Cooperative Agreements Grant Program	73	

CITY OF PHILADELPHIA

Schedule of Findings and Questioned Costs – June 30, 2021

<u>Finding No.</u>		<u>Page</u>	<u>Questioned Costs</u>
2021-012	Activities Allowed and Unallowed & Allowable Costs and Cost Principles – Significant Deficiency and Compliance Finding Assistance Listing 14.231 Emergency Solutions Grant	74	\$66,516
2021-013	Special Tests and Provisions – Significant Deficiency and Compliance Finding Assistance Listing 14.231 Emergency Solutions Grant Program	75	
2021-014	Reporting – Significant Deficiency and Compliance Finding Assistance Listing 93.268 Immunization Cooperative Agreements Grant Program Assistance Listing 93.914 HIV Emergency Relief Project Grants Assistance Listing 93.940 HIV Prevention Activities – Health Department Based Assistance Listing 93.224 Health Center Program Assistance Listing 93.527 Grants for New and Expanded Services under the Health Center Program	76	
2021-015	Subrecipient Monitoring – Significant Deficiency and Compliance Finding Assistance Listing 21.019 Coronavirus Relief Fund	78	
2021-016	Procurement – Significant Deficiency and Compliance Finding Assistance Listing 93.940 HIV Prevention Activities – Health Department Based	80	
2021-017	SEFA Reporting – Significant Deficiency Assistance Listing 93.224 Health Center Program Assistance Listing 93.527 Grants for New and Expanded Services under the Health Center Program Assistance Listing 93.354 Public Health Emergency Response: Cooperative Agreement for Emergency Response: Public Health Crisis Response Assistance Listing 93.914 HIV Emergency Relief Project Grants Assistance Listing 93.940 HIV Prevention Activities – Health Department Based	81	
2021-018	Activities Allowed and Unallowed & Allowable Costs and Cost Principles – Compliance Finding Assistance Listing 97.036 Disaster Grants – Public Assistance	83	\$83,240

CITY OF PHILADELPHIA

Schedule of Findings and Questioned Costs – June 30, 2021

<u>Finding No.</u>		<u>Page</u>	<u>Questioned Costs</u>
2021-019	Subrecipient Monitoring – Significant Deficiency and Compliance Finding Assistance Listing 93.354 Public Health Emergency Response: Cooperative Agreement for Emergency Response: Public Health Crisis Response	85	
2021-020	Reporting – Significant Deficiency and Compliance Finding Assistance Listing 93.136 Injury Prevention and Control Research and State and Community Based Programs Assistance Listing 93.224 Health Center Program Assistance Listing 93.527 Grants for New and Expanded Services Under the Health Center Program	86	
2021-021	Subrecipient Monitoring – Significant Deficiency and Compliance Finding Assistance Listing 93.323 Epidemiology & Laboratory Capacity for Infectious Diseases	88	

Schedule of Findings and Questioned Costs

Section II - Financial Audit Material Weaknesses

2021-001 INADEQUATE STAFFING LEVELS, LACK OF TECHNOLOGICAL INVESTMENT AND INSUFFICIENT OVERSIGHT LED TO UNDETECTED MATERIAL MISSTATEMENTS AND UNTIMELY PREPARATION OF THE SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS

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 Annual Comprehensive Financial Report (ACFR) and the Schedule of Expenditures of Federal Awards (SEFA). 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 ACFR and SEFA 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 ACFR;
- Late submission of Aviation Fund financial statements continues to delay preparation and audit of the ACFR;
- Late receipt of component unit and fiduciary fund financial reports again delayed preparation and audit of the ACFR; and
- Untimely preparation of the SEFA may result in the late submission of the single audit reporting package to the federal audit clearinghouse.

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: The Finance Office failed to detect errors totaling \$229 million during preparation of the city’s fiscal year 2021 ACFR submitted for audit and did not provide finalized footnotes until very late in the audit process. Examples of undetected errors included:

- Accounts payable were under recorded by a total of \$67 million in the General Fund, HealthChoices Behavioral Health Fund, Grants Revenue Fund, and Aviation Operating and

¹Financial Accounting and Management Information System

²These quasi-government units are considered component units for purposes of the city’s ACFR.

Capital Funds due to weaknesses in the payables identification and recording process, as discussed in more detail.

- Taxes receivable were overstated by \$45.5 million because of the inclusion of receivables which were previously written off by the city's Tax Review Panel.
- The Community College of Philadelphia (CCP), a city component unit, account balances were understated by \$34.2 million due to the failure to incorporate the financial data of a new CCP component unit.

An example of an untimely provided footnote was the completed disclosure for the Aviation Fund notes payable, for which we did not receive a substantially completed version for audit until February 15, 2022, just over a week before we issued the audit opinion.

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 2021 ACFR can be relied upon for informative decision making.

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 ACFR 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 2021). Inadequate staff size has resulted in significant and complex parts of the ACFR, 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 ACFR 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 ACFR. Instead, accountants produce the ACFR 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 ACFR.

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 ACFR. 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.

While progress was made on the compilation, including the completion of the first several sections, the Finance Office was again unable to fully implement that plan for the fiscal year 2021 ACFR. In the prior year, we noted the accounting firm assisted the Finance Office with the preparation of a review checklist which provided accountants with detailed instructions for verifying the accuracy and completeness of the fund financial statements. However, we continue to note the checklist has not been updated to include guidelines for review of the full accrual government-wide financial statements. During the current year, the checklist was moved closer to finalization with the creation of a draft of these guidelines. Also, the accounting firm assisted with the implementation of new Governmental Accounting Standards Board (GASB) requirements for component unit reporting and fund classification.

Recommendations: Without sufficient accounting staff and a comprehensive financial reporting system to prepare and review information needed for the ACFR, 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 ACFR. 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 2022 ACFR, management follow through with its plan to use the accounting firm to assist with the preparation of the compilation package with detailed documentation supporting the ACFR. Additionally, Finance Office accountants should utilize the accounting firm to assist with finalizing the review checklist for the full accrual government-wide financial statements. While we support the Finance Office's hiring of the accounting firm as a short-term remedy to improve the ACFR 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.

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, which includes 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.

The Community College of Philadelphia (CCP) failed to report accurately in their reformatted financial statements the newly formed discretely presented component unit, CCP Development, LLC. A revised reformatted financial statement report was submitted by CCP to the Accounting Bureau to correct the error. CCP will ensure that accurate reformatted statements will be submitted moving forward.

The Accounting Bureau already made changes to the accounts payable process over the last few fiscal years to minimize the risk of unrecorded account payable, however, there are still a lot of challenges in departments whose vendors were unable to provide them with invoices in a timely manner. If invoices are not timely submitted, payments are delayed, and the accounts payable accrual for the reporting year may be understated. The Accounting Bureau will continue to work with the Departments with unique challenges to ensure that accurate accounts payable are submitted within the cut-off period.

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 41 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, 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 ACFR to us for audit, accounting management should perform a review of those financial statements for accuracy and completeness. The \$229 million of ACFR errors cited in report occurred because the city's controls over the financial reporting process failed to prevent or detect and timely correct the misstatements. The errors were identified after the Finance Office should have already completed its financial statement review procedures and finalized the statements.

Late Submission of Aviation Fund Financial Statements Continues to Delay Preparation and Audit of ACFR

Condition: We have previously reported that the late submission of the Aviation Fund financial statements and supporting compilation contributed to the city’s inability to timely prepare the preliminary ACFR. For fiscal year 2021, the Aviation Fund statements and compilation were again completed late, with the DOA not submitting this information to the Finance Office until December 20, 2021. While this was eight days earlier than the previous year, the late submission contributed to the Aviation Fund not being included in the city’s financial statements until December 29, 2021.

Criteria: It is essential that the Finance Office and the DOA work together to ensure the timely completion of the Aviation Fund financial statements and compilation, so there is adequate time to review and incorporate those statements into the ACFR.

Effect: The inability to timely submit the Aviation Fund financial statements delays the completion of required financial reporting and auditing processes for the city’s ACFR. It also increases the risk for errors, as Finance Office accountants have less time to adequately review the statements.

Cause: In preparing the city’s ACFR, Finance Office accountants must collect, analyze, and summarize financial information from numerous sources, including the DOA. Additionally, the DOA must wait for information from the Finance Office before it can finalize its financial statements and the supporting compilation. The Finance Office and the DOA have not established mutually agreed upon target dates for key information that would allow for the timely completion of the Aviation Fund financial statements and therefore, earlier inclusion in the preliminary ACFR.

Recommendation: To improve the timeliness of its financial reporting, we continue to recommend that the Finance Office and the DOA work together to establish an earlier deadline for the completion of the Aviation Fund financial statements and the supporting compilation.

Views of the Responsible Officials: Thank you for acknowledging the year over year improvements in the timeline in which the DOA provided key financial statement data. While the lack of a schedule of deliverables, and no communication around target deadlines, contributed to the delay in issuing the FY21 financial statements and compilation, we are pleased that our submissions in FY21 were earlier than in the prior year. We would also like to highlight that for the past two years, due to the complex nature of certain calculations, my office was delayed in providing final balances for select accounts that were necessary for the DOA compilation calculations, thereby extending the timeline for our submission beyond mid-December. However, for the past two years, once the necessary finalized numbers were received from my office, within one business day, the DOA completed, reviewed, and submitted its financial statement compilation. To facilitate timely submissions, the DOA will work with my office to develop a schedule that is in line with the Controller’s Office target deadlines/submission dates. 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.

Late Receipt of Component Unit and Fiduciary Fund Financial Reports Again Delayed Preparation and Audit of ACFR

Condition: Over the last several years, we have reported that the late receipt of component unit financial reports continued to delay preparation and audit of the city’s ACFR. For the fiscal year ended June 30, 2021, four of the city’s 10 component units and one fiduciary fund did not submit their final reports by the due dates requested by Finance Office accountants. See Table 1 below.

Table 1: Late Submission of Financial Reports			
<u>COMPONENT UNIT</u>	<u>DUE DATE</u>	<u>DATE RECEIVED</u>	<u>DAYS LATE</u>
Philadelphia Municipal Authority	12/31/2021	1/5/2022	5
Philadelphia Authority for Industrial Development	10/31/2021	1/25/2022	86
Philadelphia Redevelopment Authority	1/15/2022	2/8/2022	24
School District of Philadelphia	1/15/2022	2/22/2022	38
<u>FIDUCIARY FUND</u>			
Fairmount Park Trust Funds	11/30/2021	2/10/2022	72

Note: Community Behavioral Health, Community College of Philadelphia, Pennsylvania Intergovernmental Cooperation Authority, Philadelphia Gas Works, Philadelphia Housing Authority, and Philadelphia Parking Authority submitted their financial reports timely.
Source: Prepared by the Office of the City Controller.

The submission of required financial reports very late in the audit process represents the greatest challenge to the timely completion of the ACFR, leaving Finance Office accountants and Controller’s Office auditors little time to ensure that the financial reports are accurately included in, or excluded from, the city’s ACFR. Component Units submitting very late reports include the Philadelphia Authority for Industrial Development, the Philadelphia Redevelopment Authority, and the School District of Philadelphia. These agencies submitted their reports on January 25, 2022, February 8, 2022, and February 22, 2022, respectively. Similarly, the financial report for the Fairmount Park Trust Funds (FPTF), an independently audited fiduciary fund, was not received by the Finance Office until February 10, 2022.

Additionally, the June 30, 2021, audited financial report for the Philadelphia Housing Development Corporation (PHDC), an excluded component unit³, was not received by the city’s Finance Office prior to the release of the city’s ACFR.⁴ Without a final audit report, Finance Office accountants could only use updated, but unaudited, versions of PHDC’s financial statements to support their initial materiality evaluation that excluded PHDC from being reported as a discretely presented component unit.

³ Per the city’s interpretation of GASB 14, paragraph 131, which is consistent with prior years, an organization that may otherwise qualify as a component unit (i.e. the city is financially accountable to the organization because it can impose its will or has a financial benefit or burden relationship with the organization) can be excluded from reporting requirements if the nature and significance of the organization’s relationship with the city is such that exclusion would NOT cause the city’s financial statements to be misleading or incomplete.

⁴ An audited report for PHDC was received on March 25, 2022, after the city issued the ACFR on February 25, 2022.

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' and FPTF's management 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 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' or FPTF's management 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 ACFR preparation process, Finance Office accountants solicit the assistance of the director of finance to secure the cooperation of component unit and FPTF management in the timely submission of their respective final financial reports to the city's Finance Office.

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. Finance continues to send initial requests for Component Unit financial statements and data in as early as May for all entities with a March 31 fiscal year end, with required responses no later than June 30. We also send requests for all other Component Units by the 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. As a result of our communication efforts, the total number of late submissions from Component Units decreased to four from five in the previous year.

The four Component Units and the fiduciary fund that did not provide submissions by the due dates are PMA (Philadelphia Municipal Authority), PAID (Philadelphia Authority for Industrial Development), PRA (Philadelphia Redevelopment Authority), SDP (School District of Philadelphia), and FPTF (Fairmount Park Trust Funds), respectively. Each provided valid reasons for their delay. A late legal judgement created the delay for PMA as additional time was needed to review the potential impact to the financial statements. PMA anticipates an early submission next year. PAID submitted their audited report late due to COVID-19 related staff and logistical challenges. PAID will work diligently towards and make every effort to meet the FY22 financial statements submission deadline. PRA audited financial statements were delayed due to staff shortages in their Finance unit. The SDP was delayed due to their audit. FPTF financial statements were submitted late due to unexpected early retirement of key personnel and staff turnover that delayed the completion of their audit. The Accounting Bureau will continue to work with the Component Units and the fiduciary fund management to ensure timely submission of audited financial statements; and will continue to engage me as needed.

Auditor’s Comments on Agency’s Response: In its response, management states the following with regard to the late receipt of School District of Philadelphia’s (SDP) financial report, “SDP was delayed due to their audit.”

According to SDP’s management, their financial report was delayed due to the pandemic and the implementation of their new accounting system.

Untimely Preparation of the SEFA May Result in the 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. As of the date of this report, the fiscal year ending June 30, 2021 SEFA has not been provided for audit.

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.⁵

Standard Accounting Procedure (SAP) No. G 3-1, *Expenditure Reconciliation*, instructs departments to complete the “FAMIS Expenditure Reconciliation” form for each billing event, and for GAAU to receive copies of those forms along with copies of the billings to grantor agencies, from departments.

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: GAAU uses the FAMIS expenditure reconciliations prepared by various city departments, to verify the accuracy of the SEFA and make necessary adjustments. For fiscal year 2021, GAAU sent requests for these reconciliations in November 2021, which was two months later than they sent the requests in the prior year. Multiple follow-ups, untimely, and inaccurate responses from the departments further delayed the preparation and submission of an accurate SEFA for audit. Additionally, the SAP does not provide enforcement measures to ensure compliance with the procedures.

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

⁵ OMB Memo 21-20 allows recipients to delay the completion and submission of the Single Audit reporting package to six months beyond the normal due date of March 31, 2022.

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, and the Controller’s Office needs to ensure its audits are completed more timely, Finance will utilize the September 30th, 2022, Single Audit deadline pursuant to OMB M-21-20. Since OMB has given the 6-month extension for the completion and submission of the Fiscal Year 2021 Single Audit reporting package past the normal due date (March 31, 2022), our responsible officials in the Grants Accounting Unit do not believe that the SEFA is late. Finance requests that the Controller’s Office works with Grants Accounting to determine an appropriate timeline for the FY21 SEFA submission in light of this extension, and in consideration of the remaining work to be completed for the FY20 Single Audit which is still underway as of the writing of this response.

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, management states, “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, and the Controller’s Office needs to ensure its audits are completed more timely, Finance will utilize the September 30th, 2022, Single Audit deadline pursuant to OMB M-21-20. Since OMB has given the 6-month extension for the completion and submission of the Fiscal Year 2021 Single Audit reporting package past the normal due date (March 31, 2022), our responsible officials in the Grants Accounting Unit do not believe that the SEFA is late. Finance requests that the Controller’s Office works with Grants Accounting to determine an appropriate timeline for the FY21 SEFA submission in light of this extension, and in consideration of the remaining work to be completed for the FY20 Single Audit which is still underway as of the writing of this response.”

The Controller’s Office has always worked with the Finance Office to provide a reasonable timeline to complete the Single Audit. However, the key obstacle to submitting the Single Audit reporting package (SAR) to the Federal Audit Clearinghouse (FAC) on time is the Finance Office’s untimely preparation and submission of a complete, accurate and final SEFA for audit and the inaccurate and untimely responses from grantor departments. While OMB memorandum M-21-20 has given a six-month extension for the submission of the fiscal year 2021 SAR to be uploaded to the FAC past the normal due date (March 31, 2022), the extension was not intended to give grant recipients more time past March 31st to prepare the SEFA. It was given to allow entities who have not yet filed their single audits with the FAC to delay the completion and submission of the SAR up to six (6) months beyond the normal due date. Additionally, the city is also considered to be a high-risk auditee requiring increased audit coverage of federal programs. As of the date of this writing, GAAU has

still not provided the fiscal year SEFA for audit. This is not a reasonable timeframe to plan and perform the audit, issue an opinion, and then allow the city to complete and submit the SAR to the FAC by the extended due date.

2021-002 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 2021 ACFR, we reviewed the OnePhilly team’s remediation efforts to address the remaining control deficiencies identified during a prior year evaluation⁶ 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 2020 have been corrected, multiple breakdowns remain with the functionality and application controls of the OnePhilly system. Our current year review noted that five out of nine previously reported unresolved conditions remained, and 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 Oracle Time and Labor is insufficient. The departments are now provided an Assumed Time Reconciliation report to retroactively reconcile all assumed time before the close of the next pay period or no later than the end of the three pay period reconciliation timeframe. While providing the Assumed Time Report has reduced the total amount of unreconciled assumed time, insufficient controls exist to ensure these retroactive changes occur at the department level in a timely manner.
- Employee timecards continue to show hours 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.
- 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.

⁶ 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.

- Formalized monitoring has been developed for files sent to various third parties including city employee unions, benefits providers, and insurance providers. However, these monitoring activities are not supported by a written policy. Additionally, during the period under audit, a vendor had to repeatedly contact the city to obtain a missing interface file.

Our current year review disclosed that the following previously reported conditions have been corrected. We found that changes made to employee timecards by the OnePhilly team or the Finance Office's Central Payroll Unit are now supported with documented authorization or approval. The OnePhilly team has reduced the overall number of issues causing inaccurate accrual of leave and corrected the outstanding accrual issue identified in 2019. While the Overpaid / Underpaid report continues to have known inaccuracies according to the OnePhilly team and still requires a full review each week, documentation of these corrections has improved. For 18 of 20 samples selected, over/underpayments were adequately explained, and documentation of the correction was available. Lastly, supervisory and executive approvals of payroll are no longer recorded and submitted on paper reports. These approvals are now submitted electronically.

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 ACFR to be materially misstated due to the breakdown of the above-noted controls. In addition, individual employee's 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.

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) Changes made to employee timecards by the OnePhilly team or Central Payroll Teams are supported with documented authorization or approval; 2) The OnePhilly team has reduced the overall number of issues causing inaccurate accrual of leave and corrected the outstanding accrual defect identified in 2019; 3) Overpayments and Underpayments in the Overpaid/Underpaid reports are adequately explained and documentation of

corrections are available; and 4) Supervisory and executive approvals are now performed electronically. These are just a few of the many enhancements implemented during FY21. 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 149 tickets open, with the majority (94 of these) being enhancements and not defects. This represents a 91% decline in defects and enhancements since Go-Live.

The City of Philadelphia maintains its commitment to ensure employees get paid on time. As previously communicated, Finance introduced the Assumed Time reconciliation controls to ensure that departments retroactively adjust time in the post payroll cycle. Detailed procedures for the Assumed Time Reconciliation process were provided to departments, with an emphasis on timely reconciliation. Thank you for acknowledging the effectiveness of the Assumed Time reconciliation process in reducing the total unreconciled assumed time. Finance will take steps to ensure that departments take ownership and timely perform these controls.

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 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. OnePhilly continues to make necessary improvements to the system so that time types can be restricted as much as programmatically possible. Even though the City has a complex workforce that makes it difficult to put hard restrictions on time type views within the system, system controls as well as reviews by timekeepers prevent selection of inaccurate time types and prevent employees from being inaccurately paid.

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.

We previously communicated that 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 that are not in their department. OnePhilly team continues to work with Oracle developers to restrict the Missing Timecard view of Timekeepers.

Thank you for acknowledging that formalized monitoring has been developed for files sent to various third parties, including city employee unions, benefits providers, and insurance providers. As discussed during the FY21 audit, the OnePhilly team has necessary controls in place to ensure the accuracy of each type of transmitted files. The vendor in question did obtain transmission of the interface file, however, the OnePhilly team confirms that the files were successfully sent, and therefore the issue was on the Vendor's end of reception.

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, management states the following with regard to employee timecards which continue to show hours types that are not appropriate for the employee's position:

“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 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. OnePhilly continues to make necessary improvements to the system so that time types can be restricted as much as programmatically possible. Even though the City has a complex workforce that makes it difficult to put hard restrictions on time type views within the system, system controls as well as reviews by timekeepers prevent selection of inaccurate time types and prevent employees from being inaccurately paid.”

While CUC specific hours types such as “Hazmat” and “Stress Pay” may be restricted to certain departments, other inappropriate time types remain available in the time sheet drop down menu for employees who would not be eligible. For example, shift differential continues to be available to employees in departments who are only authorized to work during the standard workday. While we acknowledge the roll that managers and timekeepers play in ensuring accurate reporting, system controls limiting these options are a stronger control mechanism to ensure that pay is accurate and appropriate.

- In its response, 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 previously communicated that 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 that are not in their department. OnePhilly team continues to work with Oracle developers to restrict the Missing Timecard view of Timekeepers.”

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 continue to work with Oracle developers to restrict the Missing Timecard view of Timekeepers.

Schedule of Findings and Questioned Costs

Section III - Financial Audit Significant Deficiencies

2021-003 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 applications⁷, which were identified during a prior year review⁸. Current year testing revealed that while OIT has made certain remediation efforts, the following conditions remain:

- OIT management again 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. Four OIT employees continued to have database administrator access as well as systems administrator access within FAMIS and ADPICS.
 2. Two OIT employees continued to have database administrator access as well as systems administrator access within Basis2.

In response to our recommendation, the OIT has appropriately corrected a segregation of duties deficiency reported in prior years, in which three OIT programmers continued to have development rights to Basis2 as well as database administrator access rights. OIT segregated these incompatible duties by removing the database administrator access for each of these programmers. We consider this condition to be resolved.

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. Additionally, with the combination of (a) systems administrator access

⁷ The key financial-related applications included in the review were FAMIS, Advanced Purchasing Inventory Control System (ADPICS), OnePhilly, Pension Payroll, Taxpayer Inquiry and Payment System (TIPS), and Basis2.

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 two 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.
- 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.
- 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.

Views of the Responsible Officials: Thank you for acknowledging the correction of one of the segregation of duties deficiencies reported in prior years, and the removal of incompatible database administrator access rights in Basis2 for three OIT programmers with development rights in Basis2. We are happy that this condition is resolved. OIT will assess the unresolved segregation of duties mentioned above and will separate the duties associated with each function 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.

2021-004 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). Our current year audit noted that deficiencies still existed in the Treasurer’s bank reconciliation procedures. Specifically, the following was noted:

- All 69 bank reconciliations selected for testing did not contain the signature of the City Treasurer, 1st Deputy City Treasurer, Deputy Treasurer or Assistant Treasurer as evidence that the reconciliations were approved by the administrative officials as required by the Treasurer’s *Bank Reconciliation Policy*.
- 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 69 bank reconciliations disclosed 50 reconciliations with long outstanding reconciling items. As shown in Table 2 below, as of June 30, 2021, there were 672 bank reconciling items over 90 days old with a net total dollar amount of \$12.8 million and 1,280 book reconciling items over 90 days old with a net total dollar amount of \$85.1 million.

Table 2: Reconciling Items Over 90 Days as of June 30, 2021

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 2019	82	\$3,261,039	97	(\$9,623,964)	179	(\$6,362,925)
FY 2019	23	586,031	70	(1,438,754)	93	(852,723)
FY 2020	34	15,914,373	222	(19,499,663)	256	(3,585,290)
FY 2021 ⁹	46	44,811,993	98	(46,807,537)	144	(1,995,544)
All Fiscal Years	<u>185</u>	<u>\$64,573,436</u>	<u>487</u>	<u>(\$77,369,918)</u>	<u>672</u>	<u>(\$12,796,482)</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 2019	227	\$ 107,597,760	169	(\$123,983,904)	396	(\$16,386,144)

⁹ Amounts for Fiscal 2021 include reconciling items through March 31, 2021.

Book Balance Reconciling Items (Continued)						
	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
FY 2019	124	60,438,242	101	(40,826,637)	225	19,611,605
FY 2020	197	126,099,316	109	(202,771,016)	306	(76,671,700)
FY 2021 ⁹	294	134,096,627	59	(145,715,518)	353	(11,618,891)
All Fiscal Years	842	\$428,231,945	438	(\$513,297,075)	1,280	(\$85,065,130)

Source: Prepared by the Office of the Controller based upon the June 30, 2021 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 and the variance has significantly increased. Previous audits have noted variances between DPH’s recorded collections and the amounts transferred daily to the consolidated cash account. As of June 30, 2021, there was a \$15.9 million variance between DPH’s recorded collections and actual transfers compared to \$7.9 million variance reported in the prior year. The Treasurer informed us that they implemented a revised process for handling DPH revenue receipts. However, the current year audit disclosed that the process had not been fully implemented.
- Our testing still noted noncompliance with the Pennsylvania escheat act. There remains \$10.8 million in outstanding vendor checks for calendar years 2013 to 2018 and \$1.5 million in outstanding payroll checks for calendar years 2016 through 2019 that have not been escheated to the state. Treasurer personnel informed us they have engaged an outside accounting firm to assist in addressing the legacy escheatment backlog.

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. Additionally, the City Treasurer, 1st Deputy City Treasurer, Deputy Treasurer or Assistant Treasurer’s signature on the bank reconciliation summary will confirm that the procedures have been followed, and that the reconciliation accurately embodies the status of the account at the bank, as well as, on the books.

Cause: Administrative Officials did not review the bank reconciliations and confirm whether the procedures have been followed by OTC. 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 did not fully implement the revised process for reconciliation of DPH revenue receipts. Regarding the long outstanding checks, Treasurer management has not completed the escheatment process.

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*.
- Implement the revised process for DPH revenue receipts to eliminate the problems with reconciling the DPH’s recorded collections to bank transfers.
- Ensure that all bank reconciliations are signed and approved by the appropriate official as required in the *Bank Reconciliation Policy*.

Lastly, the Treasurer and Finance Office management should work together to ensure that all escheatable amounts are reported and pay 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.

Views of the Responsible Officials: Thank you for again acknowledging the timely preparation of fiscal year-end bank reconciliations. We acknowledge the Controller’s finding regarding long outstanding unreconciled items. CTO continues to work to reconcile current year variances timely and to investigate and properly address older legacy variances. Additionally, the CTO Accounting Manager and Accounting staff understand that all reconciliations must be signed and approved by the appropriate supervisory leadership in CTO, and this issue has been corrected in FY22.

Also, in FY22, CTO worked with the Department of Revenue to revise the process by which Health revenue is identified and worked with the Department of Public Health to ensure revenue is properly deposited to improve reconciliations. Incoming revenue is now reported on the new daily consolidated report separately from other funding sources and Health is using the proper deposit codes. This change enabled CTO to adjust the bank account structure from a zero-balance account (ZBA) to regular manual transfers upon revenue being identified. Together, these changes prevent deposits from automatically being pushed via ZBA into the consolidated cash account without proper recognition. This prior practice resulted in reconciliation challenges for both the Department of Public Health and CTO.

To address the escheatment recommendation, CTO, in coordination with Finance, engaged an outside accounting firm to assist with the research necessary to address the legacy escheatment backlog. CTO staff and the consultant have completed their research and are preparing to notify recipients and update the outstanding check list. Upon conclusion of the required notification period, we expect to escheat eligible unclaimed payroll and vendor funds.

2021-005 FAILURE TO CLOSE OUT PRIOR YEAR GRANT ACTIVITY INCREASES RISK OF REPORTING ERRORS

Condition: The Finance Office along with city departments failed to timely identify and close out remaining balances for certain completed grants. Grants Accounting and Administrative Unit (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 grant reconciliations and closeouts provided by the departments responsible for grants. Specifically, our review of the six departments¹⁰ with the largest accounts receivable and advance balances on the fund schedule identified \$26.9 million in accounts receivable and \$45.7 million in advances for grants that had no current year activity and the grant award date expired three or more years ago, ranging from fiscal years 1998 to 2018.

Criteria: The city’s SAP No. G 1-1 – *Grant Closeouts* provides a uniform procedure for city departments and the Finance Office’s GAAU to follow for the purpose of closing the books and records on grants that have been completed or discontinued. SAP No. G 1-1 instructs city departments to notify GAAU when a grant is completed and send the final reimbursement request and/or closeout report to GAAU. SAP No. G 1-1 also requires GAAU to monitor grant expenditure activity in FAMIS at least twice a year to identify inactive grants for closeout.

Effect: Failure to timely close out remaining account balances for completed grants increases the risk of material reporting errors in the city’s ACFR.

Cause: While GAAU sends annual reminders to departments to identify grants with award dates that expired three years ago, to be written off to the General Fund or to return the unused funds to the grantor, the departments do not always properly respond and timely identify and close out completed grants. Additionally, GAAU does not follow up on these requests.

Recommendation: To ensure the accuracy of the city’s accounting records and reduce the risk of reporting errors, we recommend that Finance Office management:

- Instruct Finance Office accountants to complete the necessary adjustments to close out inactive grants in the Grants Revenue Fund.
- Reinforce SAP No. G 1-1 requirements with both city departments and GAAU. Management should remind city departments of the requirements to notify GAAU of completed grants and submit the grants’ final reports to GAAU. GAAU should monitor grant activity in FAMIS to identify and close out inactive grants in accordance with SAP No. G 1-1 requirements.

Views of the Responsible Officials: We agree with the finding. However, we must note that a significant portion of the total \$45.7 million Advance Revenue balance was related to the Child Support Enforcement program. Upon further review of the balance with officials from the First Judicial District of Pennsylvania

¹⁰ The six departments selected for testing based on the largest dollar amounts of outstanding accounts receivables and advance balances were the Department of Planning and Development, the Managing Director’s Office, Department of Public Health, Department of Behavioral Health and Intellectual disAbility Services, Office of Homeless Services, and First Judicial District of Pennsylvania.

(FJD), it was determined that a contributing factor to the deficiency was the result of a failure by FJD to accurately administer its allowable budgetary expenditures under the Child Support Enforcement program. This caused the Advance Revenue balance for the fiscal years tested to be significantly overstated. This is supported by Exhibit A-1 (d) in the SEFA for the fiscal years tested. The FJD will be submitting a reconciliation to the Accounting Bureau and the Budget Department for review, to determine if the excess revenue is eligible to spend under the Child Support Enforcement program. Moving forward, this reconciliation will be required to be submitted annually to avoid this issue.

For FY21, GAAU sent third quarter and year end reminders for departments to close out their grants. For future fiscal years, GAAU will continue to send multiple follow-up reminders to departments to close out their grants in compliance with SAP G-1-1 Grant Closeout.

2021-006 ACCOUNTS PAYABLE REPORTING STILL NEEDS IMPROVEMENT

Condition: During fiscal year 2021 audit testing, we detected understated accounts payable as a result of unrecorded liabilities amounting to \$67 million. This understatement of accounts payable occurred in the General Fund for \$11.6 million, HealthChoices Behavioral Health Fund for \$33.8 million, Grants Revenue Fund for 12.9 million, Aviation Operating Fund for 3.6 million, and Aviation Capital Fund for \$5.1 million. We proposed accounts payable adjustments on these above-mentioned funds. However, the Finance Office and the DOA management agreed to only correct the understated accounts payable in the Grants Revenue Fund, portions of HealthChoices Behavioral Health Fund and Aviation Capital Fund for the total amount of \$43.3 million.

Criteria: Generally accepted accounting principles (GAAP) require that governments report a liability in the period in which it is incurred.¹¹ Governmental entities must establish adequate control procedures over the computation of accounts payable to ensure that reported amounts are accurate and complete.

Effect: As a result of the unbooked adjustments, the city’s fiscal year 2021 ACFR contained understatements of accounts payable totaling \$23.7 million¹², as detailed below:

- A \$11.6 million understatement of both expenditures and accounts payable in the General Fund;
- A \$8.5 million misstatement in the HealthChoices Behavioral Health Fund where the beginning fund balance was overstated and the accounts payable was understated; and
- A \$3.6 million understatement of both expenses and account payable in the Aviation Operating Fund.

Cause: Our review of the Finance Office’s procedures for computing year-end accounts payable balances disclosed weaknesses that increased the risk for unrecorded payables. The Finance Office accountants reviewed payment vouchers posted to FAMIS during fiscal year 2022 on various reviewing dates for various funds up to the third week of September, to identify vouchers for goods or services received on or before June 30, 2021, but not paid until fiscal year 2022, which should be recorded as accounts payable for fiscal year 2021. The Finance Office then requested departments to provide a list of fiscal year 2021 invoices not yet vouchered or submitted to the Finance Office for processing as of September 3, 2021. The Finance Office management extended the cut-off date of accounts payable through early-September compared to prior year’s August 16 in accordance with the memorandum that Finance Office management sent out to departments. The Finance Office requested departments to submit accounts payable data and instructed them to respond no later than September 14, 2021, but the Finance Office did not provide departments with any instructions or procedures to document a basis for their expectation that departments would provide them with the fiscal year 2021 payables of which department personnel were aware of through October 2021 or beyond.

¹¹ There are exceptions to this standard for governmental funds, such as debt principal and interest which are recognized only when due. Also, certain specific accrued liabilities, such as pension benefits and other postemployment benefits, are recognized in governmental funds only to the extent that governments in general normally liquidate them with current financial resources.

¹² As part of our audit procedures, for each of these funds, we combined these proposed adjustments with other uncorrected ACFR errors and determined that the resulting total was immaterial to the city’s fiscal year 2021 financial statements.

Our audit testing for unrecorded liabilities – which involved reviewing fiscal year 2021 payment vouchers through December 31, 2021, to identify payments for goods or services received on June 30, 2021, or prior – found \$67 million of payables that the Finance Office accountants failed to include in accounts payable amounts (The amounts of \$43.3 million of accounts payable corrections booked by Finance Office were included). Table 3 below presents a breakdown of this \$67 million in unrecorded accounts payable, showing that most errors noted were posted to FAMIS after the Finance Office’s department Cut-Off date of September 3, 2021. Based upon our testing results, Finance Office’s cut-off date of September 3 was too early to detect all significant accounts payable. In fact, we found instances of large unrecorded payables pertaining to payment vouchers posted to FAMIS from late-September to October 2021.

Table 3: Unrecorded Accounts Payable by Fund and FAMIS Posting Date Before or After Finance Office’s Cut-Off Date

<u>FUND</u>	<u>FAMIS POSTING DATE FOR PAYABLES OCCURRED</u>		<u>TOTAL</u>
	<u>BEFORE CUT-OFF DATE†</u>	<u>AFTER CUT-OFF DATE†</u>	
General Fund	\$9,956,252	\$1,619,751	\$11,576,003
HealthChoices Behavioral Health Fund#	\$8,459,026	\$25,377,078	\$33,836,104
Grants Revenue Fund®	\$2,743,353	\$10,165,182	\$12,908,535
Aviation Operating Fund	\$(250,442)	\$3,841,670	\$3,591,228
Aviation Capital Fund®	\$33,850	\$5,064,259	\$5,098,109
Total	\$20,942,039	\$46,067,940	\$67,009,979

†= The Finance Office’s cut-off date for reviewing FAMIS postings to identify fiscal year 2021 accounts payable was September 3, 2021.

= The Finance Office agreed to correct portions of the accounts payable errors and the amount was partially booked in fiscal year 2021 ACFR.

®= The Finance Office agreed to correct the accounts payable errors and the amounts were booked in fiscal year 2021 ACFR.

It is apparent from the table that the departments’ reporting of payables to the Finance Office was incomplete. The departments with the largest share of unrecorded payables by fund were as follows: the Streets Department for the General Fund; Department of Behavioral Health and Intellectual Disabilities for the HealthChoices Behavioral Health Fund, Department of Human Services for the Grants Revenue Fund and DOA for the Aviation Operating and Aviation Capital Funds. Also, a very large portion of the unrecorded accounts payables were after the Finance Department’s cut-off as illustrated in Table 3.

Recommendation: To improve the Finance Office’s process for computing accounts payable and decrease the risk of unrecorded accounts payable, we recommend that Finance Office management:

- Extend the cut-off date in the memorandum to departments to review accounts payables in the subsequent fiscal year to an appropriate later date to enable them to more accurately and completely report accounts payable to the Finance Office.

- Collaborate with departments that face unique and substantial challenges to properly reporting accounts payables to the Finance Office to develop processes to ensure sufficient and appropriate reporting going forward. Reinforce the accounts payable reporting requirements to all departments as well as the importance of providing complete and accurate accounts payable information to the Finance Office for inclusion into the ACFR.

Views of the Responsible Officials: Thank you for highlighting the efforts made by Finance to improve the reporting of accounts payable through the extension of the accounts payable review from August to early September 2021. We agree with your recommendations. Since departments should be aware of the status of their outstanding obligations, ultimately, they are the ideal source for the status of services received but unpaid. Finance believes that a combination of better departmental reporting of payables and an extension of the timeline for the internal staff review of processed invoices would reduce the risk of unidentified payables to acceptable levels. We will continue to work with departments with unique challenges and will consider extending the cut-off period to the extent that the Charter-mandated AFR reporting process timeline would allow.

Auditor's Comments on Agency's Response: Regarding the finding on deficiencies in accounts payable reporting, in its response, management states, "We will continue to work with departments with unique challenges and will consider extending the cut-off period to the extent that the Charter-mandated AFR reporting process timeline would allow."

As we stated that the report, GAAP requires that governments report a liability in the period in which it is incurred. In testing accounts payable as of June 30th (the city's fiscal year-end), we search for unrecorded liabilities by examining invoices paid in the subsequent fiscal year to identify payments for goods or services received on or before June 30th that were not accrued as payables. We found that most errors noted were posted to FAMIS after the Finance Office's internally established September 3rd cut-off date resulting in a risk of significant unrecorded payables. Finance Office management should extend the cut-off period to a later date not limited to the reporting timeline for the unaudited Charter-mandated AFR.

2021-007 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 ACFR. 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 Charter¹³ 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 ACFR and causes extensive audit effort. For example, we continued to find discrepancies between the "Proof" file and FAMIS – a \$1.3 million discrepancy in the misclassification in Horticultural Equipment vehicle categories could cause errors in depreciation expense because of differing useful lives for two categories. Also, the address for one of the assets we sampled did not agree between FAMIS and the proof, thus making a physical inventory difficult to complete.

Cause: While Finance Office management agrees that it would be beneficial to have a comprehensive capital asset system, resources have not been identified to initially fund and continually maintain it.

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.

Views of the Responsible Officials: 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.

¹³ The Philadelphia Home Rule Charter, Section 6-501

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. In its response to last year’s report, Finance Office management stated it has been working with OIT’s Geographic Information System (GIS) unit with the objective of reconciling the fixed asset ledger to Integrated Workplace Asset Management System¹⁴ (IWAMS), no reconciliation has been provided.

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 Department of Public Property (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.
- 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.
- Work with OIT to perform to complete the 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.

¹⁴ 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.

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. During FY21, the GIS unit did a review of our FaProof, reconciling it to their database. The result was three items unreconciled that we will address this upcoming fiscal period. We will attempt a follow-up review prior to submission of the preliminary FY22 ACFR.

2021-008 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.

During fiscal year 2021, the Finance Office continued updating 26 SAPs with the most recent being an update of SAP- No. E – 4601 *Accounting for Proceeds from Disposition of Capital Assets Originally Acquired Through Loan Funds*, issued on December 2, 2021. During current year’s follow up, 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 for all SAPs by fiscal year 2026. We were informed that the director of compliance prioritized working meetings with Control Owners and reviewed old and long outdated SAP information to identify obsolete procedures and flag areas requiring updates. Finance Office management estimated that the update to the ninth and final grant SAP – No. G-6-1, *Budgeting for Revenue from Other Governments* – would be completed by April 30, 2022. Lastly, in response to the new OnePhilly payroll system implemented in March 2019, the Finance Office has a target timeline of December 30, 2022, for the completion of updates to payroll related SAPs.

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. 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. Also, we were informed that the Finance Office continue to experience operating and budgetary constraints.

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.

Views of the Responsible Officials: Thank you for acknowledging our efforts to update SAPs during FY21, including the prioritization of working meetings with Control Owners, and the strides we made to identify

SAPs that are obsolete. We agree with your recommendation to continue the update of the city's SAPs. We believe that the increased Citywide engagement with control and process owners is effective, and we will continue to have working meetings with stakeholders to facilitate the update of SAPs. Management will continue to prioritize this initiative.

Schedule of Findings and Questioned Costs

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

2021-009 SUBRECIPIENT MONITORING – MATERIAL WEAKNESS AND COMPLIANCE FINDING

Assistance Listing 21.023 Emergency Rental Assistance Program (ERAP)

Condition: For the two subawards selected for testing, we noted that 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. Additionally, there was no subrecipient monitoring performed. The funding source for this program is the U.S. Department of Treasury and the Pennsylvania Department of Human Services.

Criteria: 2 CFR section 200.332(b) states that a pass-through entity (the city) 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. In addition, 2 CFR section 200.332(d) states that a pass-through entity must monitor the activities of the subrecipient as necessary to ensure that the subaward is used for authorized purposes, in compliance with federal statutes, regulations, and the terms and conditions of the subaward; and that the subaward performance goals are achieved. Furthermore, 2 CFR section 200.332(e) states that the pass-through entity, depending upon the risk assessment conducted in accordance with 2 CFR section 200.332(b), should ensure proper accountability and compliance with program requirements and achievement of performance goals.

Effect: Failure to perform risk assessments, monitoring plans, and program monitoring increases the risk of noncompliance with federal statutes, regulations, and/or the terms and conditions of the federal award. Subawards may not have been used for authorized purposes or performance goals may have not been achieved, which can lead to payback of federal awards.

Cause: The Department of Planning & Development’s (DPD’s) Division of Housing and Community Development (DHCD) appropriated ERAP funding in response to the COVID-19 pandemic and due to the emergent nature of spending, the DPD’s DHCD failed in the operation of effectively designed controls over subrecipient monitoring.

Recommendations: We recommend that management ensure that evaluations of each subrecipient’s risk of noncompliance be performed prior to a subaward, and a monitoring plan be executed in a timely manner. In addition, documentation to support the subrecipient monitoring activities should be maintained.

Views of the Responsible Officials and Corrective Action Plan: DHCD has internal controls in place for both the ongoing and comprehensive monitoring of its nearly 100 subrecipient organizations. These policies and procedures are outlined in the Uniform Program Management Systems (UPMS) manual that was forwarded to you and your staff. As discussed, ongoing oversight is performed by DHCD's Fiscal and Contract Management units through the review/approval process of invoices and reports. In addition, DHCD's Monitoring Unit creates an Annual Monitoring Plan (AMP) at the beginning of each calendar year that includes list of subrecipients to undergo a comprehensive monitoring. The 2021 Annual Monitoring Plan was forwarded to you which included PHDC’s contract for \$11M in CDBG-CV funding. As discussed, DHCD received the first allocation of coronavirus resources through the Federal Department of Housing and Urban

CITY OF PHILADELPHIA

Federal and PA. Department of Human Services Findings and Questioned Costs – June 30, 2021

Development (HUD) CDBG-CV program in May 2020. DHCD contracted with PHDC to manage \$11M of CDBG-CV for the first phase of rental assistance launched in June 2020. The Monitoring Unit is finalizing that comprehensive review. It was noted that the City's fourth phase of rental assistance – U.S. Department of Treasury Emergency Rental Assistance Program (ERAP) funding through a DHCD contract with PHDC -- was launched in April 2021.

Summary of the monitoring and reporting activities of the ERAP program that DHCD, PHDC, and Office of Recovery and Grants (ORG) implemented starting in July 2021 (FY22).

Policies and procedures: PHDC developed ERAP policies and procedures (P&P) as the program began in April 2021. The Office of Recovery and Grants contracted with Tetra Tech to provide technical assistance, including to PHDC to ensure that the policies and procedures complied with state and federal award requirements. The policies and procedures document was updated throughout the program as it evolved and was provided to DHCD.

Reporting: PHDC has worked closely with the Office of Recovery and Grants to comply with all ERA reporting requirements. ORG submits all federal ERAP reports through Treasury's portal, as PHDC does not have access. For state ERAP reports, PHDC provides the data for review by ORG staff and then PHDC submits via email using the Excel templates provided by PA DHS. It should be noted when ERAP launched in Spring 2021, Treasury had not yet released reporting guidelines. Once reporting requirements were released by Treasury and PA DHS, PHDC worked together with DHCD and the Office of Recovery and Grants to review the reporting requirements, develop a plan for report review and submission. TetraTech, a City consultant, staff provided guidance and report review support during most of 2021 and the beginning of 2022. All of the reports were submitted, reviewed, and accepted by the PA DHS on their due dates.

Monitoring and Oversight

The ERAP program has been monitored at a variety of levels since its inception. In addition to DHCD monitoring, we received Emergency Rental Assistance Program Monitoring report from PHA DHS on January 16, 2023. Their monitoring report involved a review of: 1)PHDC and DHCD monitoring/compliance procedures and controls; and 2) a sampling of 60 applications. **They identified Philadelphia's monitoring and oversight as a program strength.**

At the end of FY22, PHDC contracted Mercadien to do an Agreed-Upon Procedures Report (AUP). They reviewed the Policy and Procedures document, sampled 100 applications, and reviewed them for consistency with the policies and procedures. The final report is forthcoming.

Finally, all of DHCD's contracts are vetted by a Contract Review Committee comprised of DHCD Legal, Monitoring/Audit and Contract Administration staff before a contract negotiation is completed. This Committee meets weekly to evaluate the subrecipients internal controls; past performance; open audit findings or issues; program delivery capacity; and quality/timeliness of submitting required reports. DHCD is creating a risk-assessment checklist to formally document that these areas were examined prior to finalizing the contract award.

CITY OF PHILADELPHIA

Federal and PA. Department of Human Services Findings and Questioned Costs – June 30, 2021

Auditor’s Comments on Agency’s Response: Regarding managements statements concerning the occurrence of subrecipient monitoring of the ERAP program, we have the following comment:

The Controller’s Office auditors requested supporting documentation evidencing subrecipient monitoring activities for FY 2021 for the two subrecipients tested, which accounted for over 98% of program expenditures, and no supporting documentation was provided for either of the two subawards selected for testing.

Contact Person: Melissa Long, Director, Division of Housing and Community Development (DHCD), 215-686-9789 & Paul Cesario, Deputy Director of Finance, Department of Planning & Development (DPD), 215-686-9735

2021-010 REPORTING – MATERIAL WEAKNESS AND COMPLIANCE FINDING

**Assistance Listing 93.268 Immunization Cooperative Agreements Grant Program
Assistance Listing 93.940 HIV Prevention Activities - Health Department Based**

Condition: The city’s Department Public Health (DPH) submitted special reports for the Federal Funding Accountability and Transparency Act (FFATA) that were inaccurate for both the Immunization Cooperative Agreements Grant Program (Assistance Listing 93.268) and the HIV Prevention Activities (Assistance Listing 93.940). Please see Tables 4 and 5 below for details:

Table 4: Assistance Listing 93.268 - Immunization Cooperative Agreements Grant Program				
Transactions Tested	Subaward Not Reported	Report Not Timely	Subaward Amount Incorrect	Subaward Missing Key Elements
<u>4</u>	<u>1</u>	<u>3</u>	<u>4</u>	<u>0</u>
Dollar Amount of Tested Transactions	Subaward Amount Not Reported	Report Amount Not Timely	Subaward Amount Incorrect	Subaward Missing Key Elements
\$14,453,103	\$500,000	\$13,953,103	(10,441,545)	0

Table 5 Assistance Listing 93.940 - HIV Prevention Activities - Health Department Based				
Transactions Tested	Subaward Not Reported	Report Not Timely	Subaward Amount Incorrect	Subaward Missing Key Elements
<u>14</u>	<u>2</u>	<u>12</u>	<u>12</u>	<u>0</u>
Dollar Amount of Tested Transactions	Subaward Amount Not Reported	Report Amount Not Timely	Subaward Amount Incorrect	Subaward Missing Key Elements
\$5,118,908	\$665,000	\$4,453,908	(\$613,320)	0

Criteria: 2 CFR Part 170 specifies that recipients of grants or cooperative agreements are required to report first-tier subawards of \$30,000 or more to the Federal Funding Accountability and Transparency Act Subaward Reporting System (FSRS).

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Effect: Federal grantors may not have complete and accurate information to make fiscal decisions on federal awards. The public will not have the information on federal awards (federal financial assistance and expenditures).

Cause: DPH did not have a systematic process in place to report subawards made under the federal program in accordance with FFATA. Consequently, the responsible employees were not properly trained how to complete the FFATA reports.

Recommendation: DPH should ensure that registration is completed as soon as possible, that written policies and procedures are developed so all the required filings are completed as required, and that its staff has proper training to prepare the FFATA reports.

Views of the Responsible Officials and Corrective Action: Plan: PDPH acknowledges the Controller's Office finding. The Philadelphia Department of Public Health will ensure Federal Funding and Transparency Act (FFATA) reporting is completed in the required timeframe. At the start of fiscal year 2023, Health Fiscal began to implement a systematic process to report subawards in accordance with FFATA. The department, with information provided by the Grants Accounting and Administration Unit, identifies and disseminates qualifying transactions by division. The division reporting administrator, who has received training through Health Fiscal, is responsible for completing the required filings. The division reporting administrator obtains the required data, including the UEI#, CFDA# and description of service and then files the required information in the FFATA reporting system. Health Fiscal will develop a written policy to reflect this procedure.

Contact Person: Ryan Taylor, Chief Operating Officer and Deputy Commissioner, Philadelphia Public Health Department (215) 686-5207

2021-011 SPECIAL TESTS AND PROVISIONS – MATERIAL WEAKNESS AND COMPLIANCE FINDING

Assistance Listing 93.268 Immunization Cooperative Agreements

Condition: The city’s DPH failed to provide oversight of program enrolled providers to ensure that proper control and accountability was maintained for vaccines, vaccines were properly safeguarded, and Vaccine for Children (VFC) program-eligibility screening was conducted for FY 2021. The funding for this program is U.S. Department of Health and Human Services.

Criteria: Per 2 CFR Part 200, Appendix XI Compliance Supplement, Assistance listing 93.268 Immunization Cooperative Agreements, specified effective control and accountability must be maintained for all vaccine under the VFC program. Vaccine must be adequately safeguarded and used solely for authorized purposes (42 USC 1396s). This includes administration only to VFC program-eligible children, as defined in 42 USC 1396s(b)(2)(A)(i) through (A)(iv), regardless of the child’s parent’s ability to pay (42 USC 1396s(c)(2)(C)(iii)). A record of vaccine administered shall be made in each person’s permanent medical record (or in a permanent office log or file to which a legal representative shall have access upon request) (42 USC 300aa-25).

Effect: Vaccines can be improperly safeguarded and wasted. Additionally, inappropriate records of vaccines administered can result in health issues to vaccine recipients.

Cause: According to DPH personnel, some doctor’s offices were closed, or would not allow outsiders in due to the Covid pandemic, and virtual visits were not available soon enough to conduct the mandated monitoring. Additionally, Licensed nurses were pulled from their normal daily activities to administer the COVID 19 vaccine around the city of Philadelphia at locations such as the Philadelphia Convention Center and Esperanza Community Vaccination Center.

Recommendation: We recommend that DPH develops alternate methods to ensure program compliance or request a waiver from the grantor should a similar event occur in the future.

Views of the Responsible Officials and Corrective Action Plan: The Philadelphia Department of Public Health (PDPH) acknowledges the Controller’s Office finding. As recommended by the Controller’s Office, should a similar event occur in the future, PDPH will develop alternate methods to oversee accountability for vaccine storage and safeguarding. Please note this compliance challenge occurred in the context of the COVID-19 pandemic, which necessitated an unprecedented response that focused on rapid and equitable distribution of life-saving vaccines.

Contact Person: Amber Tirmal, Immunization Program Manager, Division of Disease Control
Philadelphia Department of Public Health, 215-685-6650

2021-012 ACTIVITIES ALLOWED AND UNALLOWED & ALLOWABLE COSTS AND COST PRINCIPLES – SIGNIFICANT DEFICIENCY AND COMPLIANCE FINDING

Assistance Listing 14.231 Emergency Solutions Grant

Condition: The Office of Homeless Services (OHS) did not have an internal control system in place to track grant payroll distributions. During our testing of payroll expenditures, we noted that one of the two sampled employees worked on multiple programs, however, their entire fiscal year 2021 salary was charged to the Emergency Solutions Grant (ESG). OHS could only estimate the amount of time the employee may have worked on non-ESG program activities, resulting in questioned costs of \$66,516. This funding was received from the Department of Housing and Urban Development.

Criteria: 2 CFR 200.430(i)(1)(i) & (vii) state that charges to federal awards for salaries and wages must be based on records that accurately reflect the work performed. These records must be supported by a system of internal control which provides reasonable assurance that the charges are accurate, allowable, and properly allocated; and support the distribution of the employee’s salary or wages among specific activities or cost objectives if the employee works on more than one federal award, or a federal award and non-federal award.

Effect: Failure to adequately track grant payroll distributions can result in overstatement of payroll related expenditures and noncompliance with federal guidelines. Because of the lack of control procedures to accurately track grant payroll distributions, the employee’s payroll charged to the grant could not be substantiated and resulted in questioned costs of \$66,516.

Cause: OHS normally has staff work solely on their assigned grant. However, due to a decrease in funding in other grants, they had staff split time between their original assignments and the Emergency Solutions Grant and did not document the payroll distribution among the various activities.

Recommendations: We recommend that OHS design and implement a process to adequately document payroll distributions when employees are working on more than one grant.

Views of the Responsible Officials and Corrective Action Plan: OHS strives to not utilize the ESG funding source for OHS staff wages. This was a one off allocation due to the decrease of our traditional budget and the large influx of funds from the one time ESG-CV grant. If in the future OHS needs to apply an employee’s wages to a grant, we will be sure that employee only works on projects and assignments related to that funding source.

Contact Person: Jerome Hill, Director of Compliance (215) 520-3556, and Peter Curran, Deputy for Finance, Contract and Asset Management (215) 686-7197

**2021-013 SPECIAL TESTS AND PROVISIONS – PAYMENTS TO SUBRECIPIENTS IN 30 DAYS
- SIGNIFICANT DEFICIENCY AND COMPLIANCE FINDING**

Assistance Listing 14.231 - Emergency Solutions Grant Program

Condition: In our testing of the sampled expenditure population, we noted that the Office of Homeless Services (OHS) failed to pay 34 out of 53 subrecipient invoices within the required 30-day period. The funding for this program was received from the US Department of Housing and Urban Development and the PA Department of Community and Economic Development.

Criteria: 24 CFR 576.203(c) requires that the recipient pay each subrecipient for allowable costs within 30 days after receiving the subrecipient's complete payment request.

Effect: Failure to make timely payments to subrecipients could lead to noncompliance and affect program services at the subrecipient level.

Cause: Due to the pandemic and shift to remote work, OHS utilized their Mainstay system to receive payment requests from subrecipients during fiscal year 2021. Some subrecipients who were not yet utilizing the system to submit invoices were submitting them through email or the postal service. The combination of the shift in working environment, new procedures, and various methods of invoice receipt led to untimely payments.

Recommendations: We recommend that OHS management strengthen its current policies and procedures for processing the invoices to ensure that all subrecipient invoices are reviewed and paid timely.

Views of the Responsible Officials and Corrective Action Plan: Now that the response to the pandemic has become more stable in regard to staff levels and work conditions and with subrecipient participation in our new Mainstay invoicing system at nearly 99%, we will see a natural decline in late payments. In addition, OHS is creating an internal tracking system with reports to further mitigate late payments.

Contact Person: Jerome Hill, Director of Compliance (215) 520-3556 and Peter Curran Deputy for Finance, Contract and Asset Management (215) 686-7189

2021-014 REPORTING – SIGNIFICANT DEFICIENCY AND COMPLIANCE FINDING

- Assistance Listing 93.268 Immunization Grants**
- Assistance Listing 93.914 HIV Emergency Relief Project Grants**
- Assistance Listing 93.940 HIV Prevention Activities**
- Assistance Listing 93.224/93.527 Health Center Program Cluster**

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 6 were understated by \$12.2 million. GAAU concurred with our findings and corrected the amounts reported for subrecipient expenditures. This condition was reported as finding number 2020-013 in the prior year report.

Table 6: Summary of the Subrecipient Expenditure Variances by Major Program				
	Assistance Listing Number	Amount Per Auditee (\$)	Amount Per Auditor (\$)	Difference Overstated/ (Understated) (\$)
Immunization Grants	93.268	300,990	3,989,237	(3,688,247)
HIV Emergency Relief Project Grants	93.914	15,716,645	21,017,845	(5,301,200)
HIV Prevention Activities	93.940	2,471,402	4,564,714	(2,093,312)
Health Center Program Cluster	93.224/93.527	3,566	1,167,776	(1,164,210)
Total		18,492,603	30,739,572	(12,246,969)

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 can 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 GAAU 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 continue to 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 implemented 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. This new form will also provide additional support when preparing subrecipients expenditures for the SEFA.

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. 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 Grants, Health and Human Services cluster and other departments to improve reporting of subrecipients expenditures.

Contact Person: Shantae Thorpe, Accounting Manager, Finance (215) 686-5629

2021-015 SUBRECIPIENT MONITORING – SIGNIFICANT DEFICIENCY AND COMPLIANCE FINDING

Assistance Listing 21.019 Coronavirus Relief Fund

Condition: For the three subawards selected for testing, we noted that the information required by 2 CFR section 200.332(a) was not provided to subrecipients at the time of the subaward, and applicable federal regulations were not identified. 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. The funding source for this program is the U.S. Department of Treasury.

Criteria: 2 CFR section 200.332(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 the federal award is used in accordance with federal statutes, regulations and the terms and conditions of the federal award. In addition, 2 CFR section 200.332(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.

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 payback 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 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: As the finding notes, this issue was not related to normal operations, but only affected subrecipients of Coronavirus Relief Fund grant funds. This was due to the unprecedented nature of the pandemic and its impacts on every level of City operations. The public health emergency created the need for speedy response from the City on a wide variety of issues, with funds sometimes being released before a grant to reimburse the City was identified.

As the finding itself notes, as soon as the funding was identified to be from a Federal award, the City did reach out to impacted departments, which then performed the necessary subaward monitoring procedures on a regular basis.

Nonetheless, we recognize this as an opportunity to strengthen our internal processes and controls. To that end, we have taken and propose to take the following corrective actions:

- Re-staff the Office of Recovery and Grants (ORG) within the budget department and bring it back to full staffing. This will provide the capacity to assist departments in developing and enacting their subrecipient processes throughout the life cycle of applicable grants.
- ORG has developed and is offering recurring training sessions for operational departments and fiscal officers on subrecipient monitoring. So far this was presented to the HHS cluster and will be offered to more departments as ORG rebuilds its staff and re-establishes its calendar now that it has moved to Finance/Budget.
- ORG is working to develop a new process for identifying, evaluating, and monitoring subrecipients throughout the life cycle of a grant, including utilizing the CFR guidelines to develop a questionnaire for departments to aid them to determine if their grant will include subrecipients, and guide them through the overall subrecipient monitoring process.

Contact Person: Dan Gasiewski, Chief Grants Compliance Officer, Office of the Director of Finance

2021-016 PROCUREMENT – SIGNIFICANT DEFICIENCY AND COMPLIANCE FINDING

ASSISTANCE LISTING 93.940 HIV Prevention Activities Health Department Based

Condition: The Procurement Department failed to perform cost or price analyses before receiving bids or proposals for two out of four sampled contracts (170674, 1920133) and failed to negotiate profit for one sole source contract (208774). Funding for this program is from U.S. Department of Health and Human Services.

Criteria: Uniform Guidance 2CFR §200.324 states that, (a) the non-federal entity must perform a cost or price analysis in connection with every procurement action in excess of the Simplified Acquisition Threshold including contract modifications, and the non-federal entity must make independent estimates before receiving bids or proposals, and (b) The non-federal entity must negotiate profit as a separate element of the price for each contract in which there is no price competition and in all cases where cost analysis is performed.

Effect: Failure to perform the required costs analyses and profit negotiations could lead to noncompliance with post award procurement requirements and could result in the inefficient use of grant funds.

Cause: Procurement requirements may not be properly communicated to the employees responsible for performing them.

Recommendation: We recommend that management ensure that all procurement requirements are communicated to responsible employees so that cost or price analyses and profit negotiations are performed before receiving bids or proposals.

Views of the Responsible Officials and Corrective Action Plan: This finding is misplaced. City departments in receipt of federal grant funds are responsible for compliance with the conditions of the grant and the appropriate expenditure of funds to maintain grant eligibility. Those departments must complete cost and price analyses before requisitions for goods and services are forwarded to the City Procurement Department for any action. The Procurement Department follows the Philadelphia Home Rule Charter and Philadelphia Code in soliciting the market with contract opportunities. Competitively bid contracts are awarded to the lowest responsive and responsible bidder, in accordance with §8-200 of the Charter, while non-competitively bid contracts are awarded to the vendor that best satisfies the criteria established by the department utilizing the contract, in compliance with §17-1400 of the Philadelphia Code. The Procurement Department recommends that a record of compliance with grant requirements is retained by the responsible department(s) and will work with the Office of the Director of Finance and the Law Department to ensure that such requirements are re-communicated to the appropriate staff within those departments utilizing federal grant dollars.

Contact Person: LaShawnda N. Tompkins, Deputy Commissioner of Administration, City of Philadelphia Procurement Department 215-686-4760

2021-017 SEFA REPORTING – SIGNIFICANT DEFICIENCY

Assistance Listing 93.224 & 93.527 Health Center Program & Grants for New and Expanded Services under the Health Center Program Cluster

Assistance Listing 93.354 Public Health Emergency Response

Assistance Listing 93.914 HIV Emergency Relief Projects

Assistance Listing 93.940 HIV Prevention Activities

Condition: In our review of the fiscal year (FY) 2021 SEFA, we noted that GAAU improperly reported prior period expenditures for four grant programs in the current year SEFA. Specifically, we noted expenditures for the programs in Table 7 below, occurred in FY 2020, but were not included in the year end accounts payable accrual or reported in the FY 2020 SEFA. Instead, GAAU inappropriately reported those expenditures in the FY 2021 SEFA. The funding for those programs is received from the U.S. Department of Health and Human Services.

Table 7: Summary of Prior Period Expenditures by Major Program

Program Name	Assistance Listing #	Prior Period Expenditures Amount
Health Center Program & Grants for New and Expanded Services under the Health Center Program	93.224/93.527	\$249,813
Public Health Emergency Response	93.354	\$506,698
HIV Emergency Relief Projects	93.914	\$2,041,807
HIV Prevention Activities	93.940	\$432,947
Total		\$3,231,265

Source: Office of the Controller

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 2021 audit of the city’s ACFR, we noted that the city’s Finance Office (Finance) procedures for computing year-end accounts payable balances included weaknesses that increased the risk for unrecorded payables. Specifically, our review noted that Finance requested departments to provide them with a list of fiscal year 2021 invoices not yet vouchered or submitted for processing as of September 3, 2021. Based upon the results of our testing, it appears that Finance’s early-September cut-off date for the review and identification of payables was too early to detect all significant accounts payable. This condition also caused GAAU to improperly include expenditures for services provided in FY 2020 in the FY 2021 SEFA.

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

Views of the Responsible Officials and Corrective Action Plan: Although we agree that some expenditures related to the prior year were recorded in the FY21 SEFA, we do not believe the errors were material in relation to the basic financial statements. Further, we do not believe the inclusion of these expenditures had any effect on the major program determination, nor did they affect our compliance with any federal grant compliance requirements.

We agree that we prepare our financial statements in accordance with Generally Accepted Accounting Principles, and our financial statements, as presented, are materially accurate.

For FY 2022, we have extended our search for unrecorded liabilities to seven months after the fiscal year. Since the risk for unrecorded liabilities decreases as we move further away from the end of the fiscal year, we reviewed only transactions we believed may have a material effect on the financial statements.

Contact Person: Shantae Thorpe, Accounting Manager, Finance (215)-686-5629

2021-018 ACTIVITIES ALLOWED AND UNALLOWED & ALLOWABLE COSTS AND COST PRINCIPLES – COMPLIANCE FINDING

Assistance Listing 97.036 Disaster Grants Public Assistance

Condition: In our testing of the sampled expenditure population, we noted that five out of 115 invoices prepared by the Office of Recovery Grants inappropriately charged subcontractor markups (or cost-plus-percentage-of-cost) to the grant, totaling \$83,240. While the other goods and services on these invoices were allowable, the subcontractor markups are explicitly unallowable per FEMA guidance. The dollar amounts of the subcontractor markups as they relate to the city’s project worksheets are summarized in Table 8 below. The funding for this program was received from the Department of Homeland Security.

Table 8: Questioned Costs by Project Worksheet Number

Project Worksheet	City Index Code	Amount
4506DR-PA-PW#371	105975	\$34,326
4506DR-PA-PW#418	105976	\$48,914
Total		\$83,240

Source: Office of the Controller

Criteria: The FEMA Policy FP 104-009-2 states that FEMA does not reimburse the increased cost associated with the percentage on a cost-plus-percentage-of-cost calculation. This is based on 2 CFR 200.323(d), which states that cost plus a percentage of cost method of contracting must not be used.

Effect: The Office of Recovery Grants is out of compliance with FEMA guidelines and regulations. The oversight also resulted in questioned costs of \$83,240 being reported on the SEFA.

Cause: Expenditures charged to the grant, in most cases, originated from the Coronavirus Relief Fund and were later transferred when FEMA funding became available. Subcontractor mark-up charges were allowable under the Coronavirus Relief Fund, therefore, the Office of Recovery and Grants had to begin conducting reviews of the original invoices to detect unallowable costs after these expenditures were transferred. This is still an ongoing process.

Recommendations: We recommend that the Office of Recovery Grants improve their process for reviewing invoices in order to detect unallowable costs in a more timely manner.

Views of the Responsible Officials and Corrective Action Plan: The COVID Recovery Fund grant specifically lifted the CFR requirement that contractor fees be a flat fee, rather than “cost plus percentage.” Since this was the first grant awarded, many payments for costs which were eventually moved to FEMA grants (issued later) were made using the guidelines for CRF. Later payments were sometimes made directly to the FEMA index codes, sometimes including costs which were later removed.

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As part of our grant review process, TetraTech and the Office of Recovery and Grants are already reviewing the original invoices for all of the charges being made to FEMA grants. Some administrative and “cost plus percentage” markups were moved to CRF funding as we prepared our final report on that grant in October of 2022, and other ineligible costs, if any, discovered from that point on will be moved to the general fund.

Additionally, all FEMA projects remain open, as the federal government has not yet declared an end to the COVID emergency. Therefore, all of the costs as they appear on FEMA index codes at the end of FY21 should be viewed as representing a “point in time” and not as our final determination of grant eligibility. We have a process in place to look out for this and other potentially unallowable costs before final submission, so that we can have confidence that the costs we submit to FEMA in the final project submissions will be found eligible.

Contact Person: Dan Gasiewski, Chief Grants Compliance Officer, Office of the Director of Finance

2021-019 SUBRECIPIENT MONITORING – SIGNIFICANT DEFICIENCY AND COMPLIANCE FINDING

Assistance Listing 93.354 Public Health Emergency Response: Cooperative Agreement for Emergency Response: Public Health Crisis

Condition: One of two Department of Public Health (DPH) subrecipients sampled, did not have language in its contract that identified the award as a subaward nor did the contract specify the federal compliance requirements to ensure the subrecipient’s compliance with federal statutes, regulations, and the terms of the federal award. Funding for this program is from the U.S. Department of Health & Human Services.

Criteria: Per the OMB’s Uniform Guidance, the pass-through entity must clearly identify to the subrecipient the award as a subaward at the time of subaward (or subsequent subaward modification by providing the information described in 2 CFR section 200.332(a)(1), all requirements imposed by the pass-through entity on the subrecipient so that the federal award is used in accordance with federal statutes, regulations, and the terms and conditions of the award and any additional requirements that the pass-through entity imposes on the subrecipient in order for the PTE to meet its own responsibility for the federal award.

Effect: Subrecipient was not informed of its subaward leading to inaccurate reporting of federal expenditures by the subrecipient. In addition, there was a greater risk of non-compliance with the statutes, regulations, terms, and conditions of the federal award with the services performed by the subrecipient.

Cause: Failure to identify vendors as subrecipients during the procurement process.

Recommendations: As vendors are procured for a federal grant award, there should be an in-depth analysis to determine whether they are a subrecipient. Once designated as a subrecipient, the department should then ensure that the necessary federal compliance requirements are included in the subrecipient’s agreement.

Views of the Responsible Officials and Corrective Action Plan: The Philadelphia Department of Public Health (PDPH) acknowledges the Office of the City Controller’s finding. PDPH maintains a process to identify subrecipients during the contracting process. The individual responsible for the contract in question is no longer with PDPH and therefore unavailable to provide input regarding this finding. Contracts with subrecipients include all necessary federal compliance language.

Contact Person: Jessica Caum, Program Manager, Bioterrorism and Public Health Preparedness Program (215) 685-6731, William Marks, Budget Officer DPH (215) 685-5272

2021-020 REPORTING – SIGNIFICANT DEFICIENCY AND COMPLIANCE FINDING

Assistance Listing 93.136 Injury Prevention and Control Research and State Community Based Programs

Health Center Program Cluster: - Assistance Listing 93.224 Health Center Program (Community Health Centers, Migrant Health Centers, Health Care For The Homeless, and Public Housing Primary Care), and Assistance Listing 93.527 Grants For New and Expanded Services Under the Health Center Program

Condition: During our test for compliance with the Federal Funding Accountability and Transparency Act (FFATA), we noted that the city’s DPH did not have a process in place to report subawards made under the federal programs in accordance with the Federal Funding Accountability and Transparency Act (FFATA). Consequently, auditors could not test for reporting compliance for these grant programs. Funding for these programs is from the Department of health and Human Services.

Criteria: Per the OMB’s Uniform Guidance 2 CFR Part 170, the prime recipient of a federal award must report information regarding first-tier subawards of \$30,000 or more utilizing the FFATA Subaward Reporting System (FSRS), and states that the subawards reporting requirement applies to all types of first tier subawards.

Effect: Federal grantors may not have complete and accurate information to make fiscal decisions on federal awards. Additionally, there could be a lack of transparency and accountability to the public on how federal dollars are spent.

Cause: DPH did not have a systematic process in place to report subawards made under the Federal program in accordance with FFATA. Specifically, FFATA reports are not yet being submitted by Ambulatory Health Services (AHS). The unit is currently coordinating with the fiscal unit to register a designee under the Unique Entity ID number in FFATA to complete the yearly reporting for any qualifying awards.

Recommendation: DPH should ensure that registration is completed as soon as possible, that written policies and procedures are developed so all the required filings are completed as required, and that its staff has proper training to prepare the FFATA report.

Views of the Responsible Officials and Corrective Action Plan: PDPH acknowledges the Controller’s Office finding. The Philadelphia Department of Public Health will ensure Federal Funding and Transparency Act (FFATA) reporting is completed in the required timeframe. At the start of fiscal year 2023, Health Fiscal began to implement a systematic process to report subawards in accordance with FFATA. The Department, with information provided by the Grants Accounting and Administration Unit, identifies and disseminates qualifying transactions by division. The division reporting administrator, who has received training through Health Fiscal, is responsible for completing the required filings. The division reporting administrator obtains the required data, including the UEI#, CFDA# and description of service and then files the required information in the FFATA reporting system. Health Fiscal will develop a written policy to reflect this procedure.

CITY OF PHILADELPHIA

Federal and PA. Department of Human Services Findings and Questioned Costs – June 30, 2021

Contact Person: Yvonne Claudio, Sr. Admin/Clinical Informatics, HRSA Grants Project Director (215) 685-6769, William H. Marks, Budget Officer, PDH (215) 685-5272, Steven Benson, CFO Ambulatory Health Services (215) 685-6792, and Ryan Taylor, COO, Deputy Commissioner (215) 686-5207

2021-021 SUBRECIPIENT MONITORING – SIGNIFICANT DEFICIENCY AND COMPLIANCE FINDING

Assistance Listing 93.323 Epidemiology and Laboratory Capacity for Infectious Diseases

Condition: The Department of Public Health (DPH) failed to provide documentation evidencing program monitoring of its subrecipient agencies during fiscal year 2021. During the audit we obtained evidence that DPH identified the subaward and applicable requirements in the scope of work section of the contracts including requirements for quarterly narrative reports. However, no evidence of subrecipient monitoring was provided. This program is funded by the U.S. Department of Health and Human Services.

Criteria: Per 2 CFR section 200.332(d) of the OMB’s Uniform Guidance, the pass-through entity must monitor the activities of the subrecipient to ensure that the subaward is used for authorized purposes, complies with the terms and conditions of the subaward and the subaward performance goals are achieved. Pass -through entity monitoring must include:

- 1) Reviewing financial and performance reports required by the pass-through entity.
- 2) Following up and ensuring that the subrecipient takes timely and appropriate actions on all deficiencies pertaining to the federal award provided to the subrecipient from the pass-through entity detected through audits, on-site reviews, and other means.

Effect: DPH, as a pass-through entity, is responsible for oversight of subrecipient operations to assure that performance expectations are being achieved. The lack of monitoring of its subawards may result in subrecipients failing to comply with program requirements or meet performance goals without being detected.

Cause: DPH management did not respond to the auditor’s multiple requests for monitoring reports.

Recommendations: We recommend that DPH management ensure that subrecipients are properly monitored and records are maintained and made available for audit.

Views of the Responsible Officials and Corrective Action Plan: The auditor requested documentation of monitoring of three partner organizations. As detailed in the scope of work agreements, those organizations performed services including staffing, procuring supplies and equipment in an emergent situation, and creating vendor agreements. The following monitoring activities, as listed below, occurred for those services:

- o For staffing, PDPH directly supervised the staff.
- o For procurement, PDPH had access to the organization’s procurement system. Invoices were reconciled with supporting documentation.
- o For contracting, PDPH participated in the development and execution of the agreements.

After the auditor completed their review, PDPH identified detailed reports from one of the vendors from which documentation was requested. The narrative reports provide evidence of monitoring in alignment with the scope of work. Please see enclosed zip files for the documentation.

Auditor’s Comments on Agency’s Response: Regarding management’s statements concerning the failure to provide evidence of subrecipient monitoring for the Epidemiology and Laboratory Capacity for Infectious Diseases program, we have the following comments:

The zip file provided by Ryan Taylor addressed Dimagi, one of the three (3) subrecipients selected for testing. That subrecipient was identified by PDPH as a vendor. Finance reached out to PDPH for additional information but did not receive a response. Therefore, the decision was made to continue to include Dimagi as a subrecipient on the SEFA. The contract with Dimagi did not identify them as a subaward, but as a vendor to provide “Computer and Information Services: Implementation Services”. The documents in the zip file were implantation reports for the software module they were building for PDPH.

There was no information at all provided for the other two subrecipients selected for testing. Both programs were identified as subawards with specific program monitoring and reporting requirements on a quarterly basis. Despite repeated requests for evidence of the monitoring process and the quarterly reports, no documentation was provided.

Contact Person: William Marks, Budget Officer DPH (215) 685-5272, Sara Enes, Director Disease Control (215) 685-1810, Naomi Mirowitz, COVID Compliance Officer (215) 964-5050

Summary Schedule of Prior Years Audit Findings

**CITY OF PHILADELPHIA
SUMMARY SCHEDULE OF PRIOR YEAR AUDIT FINDINGS
FOR THE FISCAL YEAR ENDED JUNE 30, 2021**

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**City of Philadelphia
Summary Schedule of Prior Audit Findings
Fiscal Year Ended June 30, 2021**

Reference Number	Status	Questioned Costs
PA Department of Human Services		
Children and Youth Programs		
2019-014	Unresolved	\$1,201,065
<u>Condition:</u>	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.	
2021 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. This has been in practice in subsequent fiscal years.	
Contact:	Landuleni Shipanga, Controller, Department of Human Services (215) 683-6366	
2019-013	Unresolved	\$2,602,006
<u>Condition:</u>	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.	
2021 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:	Landuleni Shipanga, Controller, Department of Human Services (215) 683-6366	

**City of Philadelphia
Summary Schedule of Prior Audit Findings
Fiscal Year Ended June 30, 2021**

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).

2021 Update: DHS requests an Act 148 waiver when salaries of the county exceed the maximum allowable amount per the Commonwealth Compensation Plan.

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

**City of Philadelphia
Summary Schedule of Prior Audit Findings
Fiscal Year Ended June 30, 2021**

Reference Number	Status	Questioned Costs
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Children and Youth Programs

2016-011	Unresolved	\$0
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Condition:

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 *during-the-award monitoring* 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.

2021 Update:

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.

Contact:

Landuleni Shipanga, Controller, Department of Human Services (215) 683-6366

**City of Philadelphia
Summary Schedule of Prior Audit Findings
Fiscal Year Ended June 30, 2021**

Reference Number	Status	Questioned Costs
Children and Youth Programs		
2015-017	Unresolved	\$0

Condition: 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.

2021 Update: 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.

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

**City of Philadelphia
Summary Schedule of Prior Audit Findings
Fiscal Year Ended June 30, 2021**

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).

2021 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

**City of Philadelphia
Summary Schedule of Prior Audit Findings
Fiscal Year Ended June 30, 2021**

Reference Number	Status	Questioned Costs
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Children and Youth Programs

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).

2021 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: Landuleni Shipanga, Controller, Department of Human Services (215) 683-6366

Total PA Department of Human Services Questioned Costs:	\$ 4,169,520
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**City of Philadelphia
Summary Schedule of Prior Audit Findings
Fiscal Year Ended June 30, 2021**

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>	
2021 Update:	<p>The Health Fiscal grants unit continues to work with the division staff to monitor activity on each grant and to ensure that funds from federal programs are expensed, as stated in the award application. The use of expenditure transfers is closely monitored and receives several layers of review before approval to ensure that the services are applicable to the federal award. 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 (4) Correspond monthly to each DPH division on their cognizant grants <p>DPH continues to review audit letters to determine whether there are any unresolved issues. The AIDS Activity and Coordinating Office (AAO) 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. 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>William Marks, Budget Officer, Department of Health (215) 685-5342</p>	

**City of Philadelphia
Summary Schedule of Prior Audit Findings
Fiscal Year Ended June 30, 2021**

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>	
2021 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. In addition, each subsequent year the FFR has been submitted on time via PMS.</p>	
Contact:	<p>William Marks, Budget Officer, Department of Health (215) 685-5342</p>	

**City of Philadelphia
Summary Schedule of Prior Audit Findings
Fiscal Year Ended June 30, 2021**

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>	
2021 Update:	<p>In addition to the monitoring performed by the City’s HHS unit, as noted in prior year’s response, DBHIDS has provided the FY18 Audit Surveys and Final Reconciliation Letters as evidence of the financial review of the 11 subrecipient agencies paid out of the Social Services Block Grant that were selected for testing during the FY18 Single Audit. DHS will continue to monitor the unresolved findings through future Single Audit report submissions.</p>	
<u>Contact:</u>	<p>Raimundo Rosado, Fiscal Director, Department of Behavioral Health and Intellectual Disability Services</p>	
Total U.S. Department of Health and Human Services Questioned Costs: \$0		

**City of Philadelphia
Summary Schedule of Prior Audit Findings
Fiscal Year Ended June 30, 2021**

Reference Number	Status	Questioned Costs
U.S. Department of Justice		
Edward Byrne Memorial Competitive Grant Program		
2020-010	Unresolved	\$0
<u>Condition:</u>	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.	
2021 Update:	The material assertions of the original response from the PPD Grants Management Unit remain unchanged. Regarding corrective action items, the changes of policy and procedure specified have been implemented and are being followed as part of the standard operating procedures of the Grants Management Unit in the Philadelphia Police Department. The PPD submitted a corrective action plan to the grantor on 11/07/2022 and has not received any management letter from the grantor yet on this finding.	
Contact:	Stephen Murianka, Captain, Philadelphia Police Department (215) 683- 2846	
Total U.S. Department of Justice Questioned Costs:		\$0

**City of Philadelphia
Summary Schedule of Prior Audit Findings
Fiscal Year Ended June 30, 2021**

Reference Number	Status	Questioned Costs
U.S. Department of Homeland Security		
National Urban Search and Rescue (US&R) Response System		
2018-010	Resolved	\$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 “Cash Disbursements”, “Federal share of expenditures” and “Federal share of unliquidated obligations” 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 “Federal share of expenditures” and “Federal share of unliquidated obligations” 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 “Federal share of expenditures” 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>	
2021 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. In addition, we have submitted our corrective action plan to the grantor 11/17/2022 and the audit finding was resolved per the grantor 12/07/2022.</p>	
Contact:	<p>Cpt. Brian Booth, Grant Program Manager, Philadelphia Fire Department PA-Task Force 1, (215) 683-9245</p>	
Total U.S. Department of Homeland Security Questioned Costs:		\$0

**City of Philadelphia
Summary Schedule of Prior Audit Findings
Fiscal Year Ended June 30, 2021**

Reference Number	Status	Questioned Costs
U.S. Department of Treasury		
Coronavirus Relief Fund – CFDA 21.019		
2020-014	Unresolved	\$0

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.

2021 Update:

As the finding notes, this issue was not related to normal operations, but only affected subrecipients of Coronavirus Relief Fund grant funds. This was due to the unprecedented nature of the pandemic and its impacts on every level of City operations. The public health emergency created the need for speedy response from the City on a wide variety of issues, with funds sometimes being released before a grant to reimburse the City was identified.

As the finding itself notes, as soon as the funding was identified to be from a Federal award, the City did reach out to impacted departments, which then performed the necessary subaward monitoring procedures on a regular basis.

Nonetheless, we recognize this as an opportunity to strengthen our internal processes and controls. To that end, we have taken and propose to take the following corrective actions:

- Re-staff the Office of Recovery and Grants (ORG) within the budget department and bring it back to full staffing. This will provide the capacity to assist departments in developing and enacting their subrecipient processes throughout the life cycle of applicable grants.
- ORG has developed and is offering recurring training sessions for operational departments and fiscal officers on subrecipient monitoring. So far this was presented to the HHS cluster and will be offered to more departments as ORG rebuilds its staff and re-establishes its calendar now that it has moved to Finance/Budget.

City of Philadelphia
Summary Schedule of Prior Audit Findings
Fiscal Year Ended June 30, 2021

- ORG is working to develop a new process for identifying, evaluating, and monitoring subrecipients throughout the life cycle of a grant, including utilizing the CFR guidelines to develop a questionnaire for departments to aid them to determine if their grant will include subrecipients, and guide them through the overall subrecipient monitoring process.

Contact: Dan Gasiewski, Recovery Officer, Office of the Director of Finance

Total U.S. Department of Treasury Questioned Costs: **\$0**

**City of Philadelphia
Summary Schedule of Prior Audit Findings
Fiscal Year Ended June 30, 2021**

Reference Number	Status	Questioned Costs
Emergency Solutions Grants Program – CFDA 14.231		
Choice Neighborhood Implementation Grants – CFDA 14.889		

2020-011	Unresolved	\$0
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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 the 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.

2021 Update: We continue to reinforce with all departments the need to accurately determine the accounts payable as of fiscal year end. GAAU is enforcing existing municipal policies that require the tracking of year end encumbrances balances to determine whether expenditures were incurred during the fiscal award period. This effort involves the enforcement of standard contract terms imposed on the vendor that require them to provide the city with an invoice within 30 days after the services are rendered.

Contact: Shantae Thorpe, Accounting Manager, Finance (215) 686-5629

**City of Philadelphia
Summary Schedule of Prior Audit Findings
Fiscal Year Ended June 30, 2021**

Reference Number	Status	Questioned Costs
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Staffing for Adequate Fire and Emergency Responses

2020-012	Unresolved	\$0
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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).

2021 Update: The PFD submitted a corrective action plan to the grantor on 12/05/2022 and has not received any management letter from FEMA yet on this finding.

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

**City of Philadelphia
Summary Schedule of Prior Audit Findings
Fiscal Year Ended June 30, 2021**

Reference Number	Status	Questioned Costs
Community Development Block Grants/Entitlement Grants National Urban Search and Rescue (US&R) Response System		
2018-013	Unresolved	\$0
<u>Condition:</u>	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.	
2021 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:	Shantae Thorpe, Accounting Manager, Finance	(215) 686-5629

**City of Philadelphia
Summary Schedule of Prior Audit Findings
Fiscal Year Ended June 30, 2021**

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.

2021 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: Shantae Thorpe, Accounting Manager, Finance (215) 686-5629

**City of Philadelphia
Summary Schedule of Prior Audit Findings
Fiscal Year Ended June 30, 2021**

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

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.

2021 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:

Shantae Thorpe, Accounting Manager, Finance

(215) 686-5629

**City of Philadelphia
Summary Schedule of Prior Audit Findings
Fiscal Year Ended June 30, 2021**

Reference Number	Status	Questioned Costs
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**Emergency Solutions Grant Program – CFDA # 14.231
Home Investment Partnerships Program – CFDA # 14.239
Choice Neighborhoods Implementation Grants – CFDA # 14.889
Blocks Grants for Prevention and Treatment of Substance Abuse
CFDA # 93.959**

2020-013	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 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.

2021 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:	Shantae Thorpe, Accounting Manager, Finance	(215) 686-5629
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**City of Philadelphia
Summary Schedule of Prior Audit Findings
Fiscal Year Ended June 30, 2021**

Reference Number	Status	Questioned Costs
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Community Service Block Grant – CDFA 93.569

2020-015	Unresolved	\$0
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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).

2021 Update:

The CEO Risk Assessment Tool has been finalized and will be utilized across all CY contracts. The fiscal monitoring is currently underway as contract invoicing is still in the final stage of closing out. Monitoring documents will be completed with CSBG21 close-out. Covid-related revisions have been made to the Standard Operating Procedures.

Contact:

Megan Paszko, Deputy Executive Director of Operations, CEO (215) -685-3608

City of Philadelphia
Summary Schedule of Prior Year Audit Findings
Fiscal Year Ended June 30, 2021

Status of Prior Year Audit Findings – Financial Audit

2020-001 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 \$167 million were not detected by Finance Office accountants during preparation of the city’s fiscal year 2020 Annual Comprehensive Financial Report.

Late Submission of Aviation Fund Financial Statements Continues to delay Preparation and Audit of Annual Comprehensive Financial Report (ACFR)

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.

Late Receipt of Component Unit Financial Reports Again Delayed Preparation and Audit of ACFR

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 ACFR. Five 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 ACFR 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 ACFR before it was issued on February 25, 2021.

Status: In the FY 2021 Schedule of Findings and Questioned Costs, this finding is updated as 2021-001 and is deemed unresolved.

City of Philadelphia
Summary Schedule of Prior Year Audit Findings
Fiscal Year Ended June 30, 2021

Status of Prior Year Audit Findings – Financial Audit

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 deadline¹.

Status: In the FY 2021 Schedule of Findings and Questioned Costs, this finding is updated as 2021-001 and is deemed unresolved.

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 ACFR, we reviewed the OnePhilly team’s remediation efforts to address the control deficiencies identified during a prior year evaluation² 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:

¹ OBM’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.

² 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.

City of Philadelphia
Summary Schedule of Prior Year Audit Findings
Fiscal Year Ended June 30, 2021

Status of Prior Year Audit Findings – Financial Audit

- 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.
- Employees 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.

City of Philadelphia
Summary Schedule of Prior Year Audit Findings
Fiscal Year Ended June 30, 2021

Status of Prior Year Audit Findings – Financial Audit

- Supervisory and executive approvals of payroll continue to be recorded and submitted on paper report³.

Our current year review disclosed that the following previously reported conditions have been corrected. We found that the 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 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.

Status: In the FY 2021 Schedule of Findings and Questioned Costs, this finding is updated as 2021-002 and is deemed unresolved.

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

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 Segregation of Duties (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.

Status: In the FY 2021 Schedule of Findings and Questioned Costs, this finding is updated as 2021-011 and is downgraded from a significant deficiency to other conditions.

³ 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.

City of Philadelphia
Summary Schedule of Prior Year Audit Findings
Fiscal Year Ended June 30, 2021

Status of Prior Year Audit Findings – Financial Audit

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 applications⁴, which were identified during a prior year review⁵. 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 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.

Status: In the FY 2021 Schedule of Findings and Questioned Costs, this finding is updated as 2021-003 and is deemed unresolved.

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

⁴ 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.

⁵ The prior review also disclosed other findings with lesser impact. The remediation status of those other findings is discussed in Appendix II of this report.

City of Philadelphia
Summary Schedule of Prior Year Audit Findings
Fiscal Year Ended June 30, 2021

Status of Prior Year Audit Findings – Financial Audit

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 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.
- 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.
- 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.

Status: In the FY 2021 Schedule of Findings and Questioned Costs, this finding is updated as 2021-004 and is deemed unresolved.

City of Philadelphia
Summary Schedule of Prior Year Audit Findings
Fiscal Year Ended June 30, 2021

Status of Prior Year Audit Findings – Financial Audit

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 results⁶, 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.

Status: In the FY 2021 Schedule of Findings and Questioned Costs, this finding is updated as 2021-009 and is downgraded from a significant deficiency to other conditions.

2020-008 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 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 ACFR. Real property addresses are only available in FAMIS by user code, which is identified in an Excel file called the “Proof”.

⁶ 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.

City of Philadelphia
Summary Schedule of Prior Year Audit Findings
Fiscal Year Ended June 30, 2021

Status of Prior Year Audit Findings – Financial Audit

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 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.

Status: In the FY 2021 Schedule of Findings and Questioned Costs, this finding is updated as 2021-007 and is deemed unresolved.

2020-009 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.

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, 2020⁷ 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 June 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 payroll related SAPs.

⁷ 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*.

City of Philadelphia
Summary Schedule of Prior Year Audit Findings
Fiscal Year Ended June 30, 2021

Status of Prior Year Audit Findings – Financial Audit

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.

Status: In the FY 2021 Schedule of Findings and Questioned Costs, this finding is updated as 2021-008 and is deemed unresolved.



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, 2020 to June 30, 2021

<u>Pa. DHS Program</u> Project Title	City ID Number	Federal Assistance Listing	Contract Number	Grant Awards	Grant Expenditures	Federal Cash Received
<u>Mental Health/Intellectual Disabilities</u>						
ID - Community Services Service Fee(10255) FY19	150883	00.000	Allocation Letter	12,097,269	6,571	0
ID - Early Intervention (70170) FY21	150990	84.181	Allocation Letter	6,026,536	6,026,536	6,026,537
ID - Early Intervention Fee (10235) FY21	150996	00.000	Allocation Letter	19,487,136	19,487,136	0
ID - Program Income	150999	93.778	Allocation Letter	644,152	13,684	13,684
ID - SSBG (70177) FY20	150872	84.181	Allocation Letter	1	0	1
ID - TSM Admin (70175) FY20	150875	84.181	Allocation Letter	280,226	0	280,226
ID - Waiver - Admin (70175) FY21	150992	93.778	Allocation Letter	8,134,833	5,826,507	5,826,507
ID- Community Services (10255) FY21	150997	00.000	Allocation Letter	13,128,811	13,128,811	0
ID- Community Services Fee (10255) FY21	151000	00.000	Allocation Letter	7,702,755	7,702,755	0
ID- Early Intervention (10235) FY 21	151001	00.000	Allocation Letter	212,650	212,650	0
ID- SSBG (70177) FY21	150991	93.667	Allocation Letter	1,422,353	1,422,353	1,422,353
ID- TSM Admin Federal (70175) FY21	150994	93.778	Allocation Letter	404,736	285,648	285,648
ID Waiver EI (70184) FY21	150993	93.778	Allocation Letter	928,107	432,448	432,448
MH - CMHSBG (70167) FY21	150985	93.958	Allocation Letter	2,854,350	2,750,551	2,750,551
MH - Homeless Grant (70154) FY21	150984	93.15	Allocation Letter	438,674	438,674	438,674
MH - Program Income	150998	00.000	Allocation Letter	17,019,560	8,019,104	0
MH - Program Maintenance (10248) - Fee FY19	150869	00.000	Allocation Letter	2,744,350	2,744,350	0
MH - Program Maintenance (10248) Fee FY18	150824	00.000	Allocation Letter	6,018,056	1,131,535	0
MH - Program Maintenance (10248) FY18	150821	00.000	Allocation Letter	141,628,759	93,266	0
MH - Program Maintenance (10248) FY19	150866	00.000	Allocation Letter	88,568,696	402,650	0
MH - Ransom Moment of Time Study	150979	93.778	Allocation Letter	971,801	971,801	971,081
MH - SSBG (70135) FY21	150983	93.667	Allocation Letter	5,532,135	5,532,135	5,532,135
MH -988 Planning Initiative Funds	150959	93.243	Allocation Letter	1,000	1,000	1,000
MH- Program Maintenance (10248)	150806	00.000	Allocation Letter	1,000,000	268,346	0
MH- Program Maintenance (10248) FY21	150986	00.000	Allocation Letter	40,513,128	40,513,128	0
MH- Program Maintenance (102480 - Fee FY21	150989	00.000	Allocation Letter	99,576,722	99,576,722	0
Temp Money Follows the Person MFP FY21	150995	93.791	Allocation Letter	80,000	80,000	80,000
Total Mental Health/Intellectual Disabilities:				477,416,796	217,068,361	24,060,845

City of Philadelphia
Schedule of Expenditures of Pennsylvania Department of Human Services Awards
July 1, 2020 to June 30, 2021

<u>Pa. DHS Program</u> Project Title	City ID Number	Federal Assistance Listing	Contract Number	Grant Awards	Grant Expenditures	Federal Cash Received
<u>Children and Youth Program</u>						
Caseworker Visitation Grant	221486	93.556	Award Letter	217,734	217,734	0
Caseworker Visitation Grant	221488	93.556	Award Letter	214,429	0	214,429
Child & Youth Act 148- YDC Costs	229999	00.000	YDC Costs	6,037,230	6,037,230	0
Child Protective Services FY21	221781	93.667	Award Letter	2,888,308	1,506,684	2,888,308
Child Protective Services FY20	221780	93.667	Award Letter	2,888,308	242	0
Child Welfare Services - Act 148	221402	00.000	Award Letter	378,476,087	32,534	0
Child Welfare Services - Act 148	221832	00.000	Award Letter	343,459,981	112,486	0
Child Welfare Services - Act 148	221836	00.000	Award Letter	349,659,236	201,743	0
Children & Youth Act 148 FY20	221848	00.000	Award Letter	1,875,770	1,875,770	0
Children & Youth Act 148 FY21	221856	00.000	Award Letter	283,687,248	283,687,248	0
Children and Youth Act 148 FY18	221840	00.000	Award Letter	353,047,609	17,138	0
Children and Youth Act 148 FY19	221845	00.000	Award Letter	340,384,122	124,353	0
Family GRP Decision Making (FGDM) FY21	221646	00.000	Award Letter	427,975	427,975	0
Family Preservation Funds - Title XX FY21	150501	93.667	Allocation Letter	605,304	605,304	605,304
Temporary Assistance for Needy Families FY19	221662	93.558	Children & Youth Program	26,033,804	0	10,916,579
Temporary Assistant for Needy Families TANF FY20	221665	93.558	Award Letter	26,033,804	1,837,644	9,724,359
Temporary Assistant for Needy Families TANF FY21	221668	93.558	Award Letter	26,033,804	16,666,260	1,130,665
Title IV- E Indep Living Interest	222135	93.674	Award Letter	159	0	159
Title IV- E Medical Assistance (DIV44) FY20	222157	93.778	Award Letter	23,083	0	23,083
Title IV- E Medical Assistance (DIV44) FY21	222158	93.778	Award Letter	278,455	0	278,455
Title IV-E Adoption Assistance (Div 44) FY21	222070	93.659	Allocation Letter	44,200,982	32,479,461	17,260,413
Title IV-E Adoption Assistance FY19	222066	93.659	Award Letter	24,725,111	0	(32,408)
Title IV-E Adoption Assistance FY20	222068	93.659	Award Letter	14,754,574	0	14,754,574
Title IV-E Demonstration Project FY16	221440	93.648	Award Letter	62,432,121	44,090	0
Title IV-E Foster Care (Div 44) FY21	222043	93.658	Allocation Letter	100,486,657	100,486,657	21,712,516
Title IV-E Foster Care FY18	222025	93.658	Award Letter	2,861,878	657	411,654
Title IV-E Foster Care FY19	222030	93.658	Award Letter	88,495,964	0	3,756,444
Title IV-E Foster Care FY20	222037	93.658	Award Letter	57,942,059	95,342	59,452,925
Title IV-E Legal Custodian FY19	222224	93.09	Award Letter	5,423,723	0	6,049
Title IV-E Legal Custodian SPLC (Div 44) FY21	222231	93.09	Award Letter	6,592,164	3,875,398	2,969,645

City of Philadelphia
Schedule of Expenditures of Pennsylvania Department of Human Services Awards
July 1, 2020 to June 30, 2021

<u>Pa. DHS Program</u> Project Title	City ID Number	Federal Assistance Listing	Contract Number	Grant Awards	Grant Expenditures	Federal Cash Received
Title IV-E Legal Custodian SPLC FY20	222229	93.09	Award Letter	2,346,515	0	2,346,515
Title IV-E Program Income	229995	93.658	Child Support SSI	1,678,232	1,678,232	0
Title IV-E SPLC	222219	93.09	Award Letter	4,653,732	0	9,683
Young Violence (YV) Lifeset FY21	221596	00.000	Award Letter	544,287	544,287	0
Total Children and Youth Program:				2,559,410,449	452,554,470	148,429,351
<u>Combined Homeless Assistance</u>						
COVID-19 - HAP - Cares Act Covid FY20	241359	93.667	Allocation Letter	1,870,000	1,870,000	1,870,000
HAP - Bridge Housing (Pennfree) FY20	241362	93.959	Allocation Letter	1,040,991	4,211	0
HAP - Bridge Housing FY20	241361	93.667	Allocation Letter	2,610,380	15,268	0
HAP - Case Management (F) FY21	241369	93.667	Allocation Letter	1,477,126	1,477,126	0
HAP - Case Management (F) FY21	241370	93.667	Allocation Letter	437,921	437,921	4,183,000
HAP - Case Management (S) FY21	241373	00.000	Allocation Letter	1,966,994	1,966,994	0
HAP - Case Management FY20	241364	93.667	Allocation Letter	1,175,529	96,182	0
HAP - Program Income FY19	241274	93.667	Allocation Letter	19,865	0	469
HAP - Program Income - Pennfree FY19	241273	93.959	Allocation Letter	5,975	0	55
HAP - Program Income (F) FY20	241276	93.667	Allocation Letter	815	0	815
HAP - Program Income (S)FY19	241275	00.000	Allocation Letter	19,395	16,430	0
HAP - Program Income FY18	241188	93.667	Allocation Letter	11,859	0	29
HAP- Bridge Housing (F) FY21	241368	93.667	Allocation Letter	1,921,755	1,921,755	0
HAP- Bridge Housing (Pennfree) FY21	241371	93.959	Allocation Letter	1,386,702	1,251,800	1,040,503
HAP- Emergency Rental Assistance Program (ERAP)	351376	21.023	Notification Letter	56,984,128	34,669,838	56,984,128
HAP- Program Income - PennFree FY18	241187	93.959	Allocation Letter	3,839	0	4
HAP Program Income - Pennfree FY20	241377	93.959	Allocation Letter	0	0	6,644
HAP Program Income (F) FY21	241387	93.667	Allocation Letter	0	0	181
HAP Program Income FY17	241178	93.667	Program Income	6,514	0	16
Total Combined Homeless Assistance:				70,939,786	43,727,524	64,085,846
<u>Human Services Development Fund</u>						
HSDf - AHS Translation Service FY21	146010	00.000	Allocation Letter	299,939	299,939	0
HSDf - Case Management FY21	241348	00.000	Allocation Letter	1,092,177	1,092,177	0
HSDf - Children & Youth FY21	225087	00.000	Allocation Letter	220,000	220,000	0

City of Philadelphia
Schedule of Expenditures of Pennsylvania Department of Human Services Awards
July 1, 2020 to June 30, 2021

<u>Pa. DHS Program</u> Project Title	City ID Number	Federal Assistance Listing	Contract Number	Grant Awards	Grant Expenditures	Federal Cash Received
HSDF - DBHIDS FY21	150519	00.000	Allocation Letter	58,620	58,620	0
HSDF - Lead Abatement FY20	144386	00.000	Allocation Letter	15,476	15,476	0
HSDF - Lead Abatement FY21	146011	00.000	Allocation Letter	241,326	241,326	0
HSDF - Violence Reduction FY20	160675	00.000	Allocation Letter	413,000	78,000	0
HSDF- AACO FY21	146013	00.000	Allocation Letter	700,000	700,000	0
HSDF- Financial Administration FY21	146012	00.000	Allocation Letter	180,000	180,000	0
Human Services Development Fund FY20	100717	00.000	Allocation Letter	553,285	2,213	0
Human Services Development Fund FY21	80344	00.000	Allocation Letter	100,000	100,000	0
Human Services Development Fund Grant - HSDF FY21	100743	00.000	Allocation Letter	316,822	316,822	0
Total Human Services Development Fund:				4,190,645	3,304,573	0
<u>Child Support Enforcement</u>						
Child Support - Program Income	841023	93.563	Program Income	100,612	0	1,271
Child Support - Program Income FY17	841025	93.563	Program Income	92,287	0	2,923
Child Support - Program Income FY17	841027	93.563	Revenue Based	95,992	0	4,582
Child Support - Program Income FY19	841029	93.563	Revenue Based	73,040	0	10,547
Child Support Enforcement FY20	690485	93.563	Title IV-D Program	1,017,843	0	1,017,843
Child Support Enforcement FY21	690486	93.563	Receipts	1,444,921	1,051,548	398,373
Child Support Program FY20	841030	93.563	Title IV-D Program	21,684,662	0	21,684,662
Child Support Program FY21	841032	93.563	Revenue Based	23,639,309	15,369,419	7,347,465
Child Support Program Income FY21	841033	93.563	Title IV-D Program	55,248	0	55,248
Domestic Relations Division (DRD) FY18	842645	00.000	Revenue Based	7,900,000	4,076,585	0
Total Child Support Enforcement:				56,103,914	20,497,552	30,522,916
<u>Other PaDHS Assistance</u>						
Act 152 (APP 120) FY21	151022	00.000	Allocation Letter	773,437	773,437	0
Act 1992 -24 Reimbursement Lawyer Fees	840774	00.000	receipts	78,490	78,490	0
Additional Sil Services (State Funds) FY21	222133	00.000	Award Letter	2,607,812	2,607,812	0
Assessment & Residential Treatment Svcs	151020	00.000	Award Letter	545,971	545,971	0
Behavioral Health Services/ IGT (173) FY18	150525	00.000	Allocation Letter	9,169,723	5,445	0
Behavioral Health Services/ IGT (183) FY21	150692	00.000	Allocation Letter	7,681,936	7,681,936	0

City of Philadelphia
Schedule of Expenditures of Pennsylvania Department of Human Services Awards
July 1, 2020 to June 30, 2021

<u>Pa. DHS Program</u> Project Title	City ID Number	Federal Assistance Listing	Contract Number	Grant Awards	Grant Expenditures	Federal Cash Received
Behavioral Health Services/IGT(173)FY19	150527	00.000	Allocation Letter	9,169,723	126,452	0
BHS/MRS Administration FY21	151003	00.000	Allocation Letter	776,006,633	7,760,066	0
COVID-19 - CEO Cares Act Small Business Assistan	420369	21.019	PA-0645 L3 T00 1301	1,100,000	1,080,000	0
Digital Career Exposure Exportation PYN	80538	93.558	21136/SY009	37,500	6,450	0
Gambling Addiction Assessment & Treatment Funds	151019	00.000	Annual Sch of Funding	620,986	620,986	0
Health Enterprise Zone (HEZ)	144160	00.000	4100078789	1,500,000	60,159	0
Housing Initiative FY20	221575	00.000	Award Letter	15,807	15,807	0
Housing Initiative FY21	221577	00.000	Award Letter	1,969,199	1,969,199	0
Information Technology (ITG) FY20	222256	00.000	Award Letter	9,169,007	1,250,764	0
Information Technology (ITG) FY20	222257	93.658	Award Letter	10,338,275	97,962	0
Information Technology Grant (ITG) FY21	222258	93.658	Allocation Letter	12,806,591	3,084,733	0
Information Technology Grant (ITG) FY21	222259	00.000	Award Letter	8,649,722	8,649,722	0
Medicare Part D - Retirees	350443	93.778	receipts	4,046	4,046	4,046
Medicare Part D - Retirees	350457	93.778	receipts	49,562	49,562	49,562
Navigation & Housing Services - Individual w/Opioid	150622	93.788	Allocation Letter	1,744,818	1,131,904	1,383,897
Opioid Use Disorder (OUD) (10262) FY21	150693	00.000	Allocation Letter	2,294,541	2,294,541	0
Philadelphia Works FY21	80355	93.558	LETTER OF INTENT	200,000	113,058	95,986
Supported Work Prog (Workwise) - F FY21	80350	93.558	4100083793	17,781,992	10,829,061	5,464,558
Supported Work Program (Workwise) FY20	80326	93.558	4100083793	7,546,034	304	1,731,583
Supported Work Program (Workwise) SNAP FY20	80327	10.561	4100083793	375,000	0	56,266
Time Limited Family Reunification FY21	221498	00.000	Award Letter	173,042	173,042	0
Title IV State Match (Div 49) FY21	221686	00.000	Award Letter	686,872	481,088	0
Title IV-B FY20	221684	93.645	Award Letter	2,575,773	10,472	32,417,210
Title IV-B FY21	221685	93.645	Award Letter	2,575,773	1,912,439	2,575,773
Title IV-B State Mach FY20	222685	00.000	Award Letter	2,792	2,792	0
Title IV-E Independent Living FY21	222134	93.674	Allocation Letter	393,076	310,456	2,274,035
Title IV-E Independent Living-Interest	222047	93.674	Award Letter	645	0	645
Total Other PaDHS Assistance:				888,644,779	53,728,158	46,053,561
Total Schedule of Expenditures of PaDHS Awards:				4,056,706,369	790,880,638	313,152,518

**CITY OF PHILADELPHIA
NOTES TO THE SCHEDULE OF EXPENDITURES OF PENNSYLVANIA
DEPARTMENT OF HUMAN SERVICES AWARDS
FOR THE FISCAL YEAR ENDED JUNE 30, 2021**

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**:

Social Services Block Grant
Coronavirus Relief Fund
Emergency Rental Assistance

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		\$177,402,204
State – DHS Behavioral Health Services Initiative		9,169,723
State – DHS Children and Youth Program		150,088,900
State - DHS Combined Homeless Assistance Programs		2,357,957
Total Pa. DHS Awards to Subrecipients:		\$339,018,784



CITY OF PHILADELPHIA

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

CHARLES EDACHERIL
Acting 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 required by the DHS Single Audit Supplement as of June 30, 2021, except for the Exhibit II Schedule of Revenues and Expenditures for the Navigation & Housing Services for Individuals with Opioid Use Disorder program, which are reported for the 22-month period ended June 30, 2021. The City of Philadelphia, Pennsylvania's management is responsible for the financial schedules and exhibits.

The City of Philadelphia, Pennsylvania management and the Commonwealth of Pennsylvania, Department of Human Services (DHS) have agreed to and acknowledged that the procedures performed are appropriate for their intended purpose. 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, 2021, except for the Exhibit II Schedule of Revenues and Expenditures for the Navigation & Housing Services for Individuals with Opioid Use Disorder program, which are reported for the 22-month period ended June 30, 2021, have been accurately compiled and reflect the audited books

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and records of the City of Philadelphia, Pennsylvania. We also compared the example schedules in the DHS Single Audit Supplement to these schedules, except for Exhibit II Schedule of Revenues and Expenditures for the Navigation & Housing Services for Individuals with Opioid Use Disorder program and Exhibit II Schedule of Revenues and Expenditures for the Work Ready Program, for which we compared the example schedule in their grant agreements 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 or the grant agreement pertaining to this period.

<u>Program Name</u>	<u>Number</u>	<u>Referenced Schedule/Exhibit</u>
Child Support Enforcement	A-1 (a)	Summary of Expenditures
	A-1 (c)	Summary of Incentives
	A-1 (d)	Summary of Title IV-D Account
Navigation & Housing Services for Individuals with Opioid Use Disorder	II	Schedule of Revenues and Expenditures
Work Ready Program	II	Schedule of Revenues and Expenditures
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 amount recalculated for *Incentive Paid Costs-Salaries* (\$1,989,524.65) and *Other Salaries and Fringes* (\$18,283,231.98) as a result of performing the procedure was \$20,272,756.63 (*Reported Title IV-D Account*), which did not agree with the amount of \$26,558,985.87 (*Reported Title IV-D Account*) on the Exhibit A-1(d) Summary of Title IV-D Account.

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2. The county report submitted to DHS for the Combined Homeless Assistance Program did not agree with the City of Philadelphia, Pennsylvania’s 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.

Table 1: Combined Homeless Assistance Program				
Lines from Exhibit XIX (a) NBG	Administration Over/(Under) Stated	Bridge Housing Over/(Under) Stated	Case Management Over/(Under) Stated	Total Over/(Under) Stated
Personnel	\$ -	\$ -	\$ (100)	\$ (100)
Purchased Services	\$ -	\$ 358,719	\$ 559,002	\$917,721
Total Expenditure	\$ -	\$ 358,719	\$559,802	\$ 917,621
Earned Interest	\$ (265)	\$ 0	\$ 0	\$ (265)
Total Revenue	\$(265)	\$ 0	\$ 0	\$(265)

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

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.

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 two 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. Diversified Community Services, Inc.
 - b. Dixon Day Care Center
 - 2) The Table 2 below lists the providers with information in Columns C through I that did not agree to the CCYA monitoring records for In-Home Purchased Services Providers:

PROVIDER NAME	COLUMN EXCEPTION	EXCEPTION (COMMENT)
Cornerstone	E	Exceptions noted during current year monitoring. Do not agree to CCYA monitoring records.
IDAAY (DFDITH & ISP)	E	Exceptions noted during current year monitoring. Do not agree to CCYA monitoring records.
Juvenile Justice Center of Philadelphia	C	The monitoring date per Exhibit XXI does not agree to the monitoring date per the monitoring report.
Northeast Treatment Centers, Inc.	E	Exceptions noted during current year monitoring. Do not agree to CCYA monitoring records.
Urban Affairs Coalition (Teenshop)	H	The follow-up monitoring date per Exhibit XXI does not agree to the follow-up date on the monitoring report.

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

Youth Advocate Program	E	Exceptions noted during current year monitoring. Do not agree to CCYA monitoring records.
Carson Valley Children’s Aid	E	Exceptions noted during current year monitoring. Do not agree to CCYA monitoring records.
Congreso De Latinos Unidos Incorporated (FEC)	E	Exceptions noted during current year monitoring. Do not agree to CCYA monitoring records.
Philadelphia Mural Arts Advocates	H	The follow-up monitoring date per Exhibit XXI does not agree to the follow-up date on the monitoring report.
Philadelphia Youth Network, Inc. (ADMIN)	C, E	C. The monitoring date per Exhibit XXI does not agree to the monitoring date per the monitoring report. E. Exceptions noted during current year monitoring. Do not agree to CCYA monitoring records.
Somerset Academy Early Learning Center	H	The follow-up monitoring date per Exhibit XXI does not agree to the follow-up date on the monitoring report.

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 or the grant agreement. 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.

Charles Edacheril

CHARLES EDACHERIL, CPA
Acting City Controller
Philadelphia, Pennsylvania
February 27, 2023

CITY OF PHILADELPHIA
SUMMARY OF EXPENDITURES
TITLE IV-D CHILD SUPPORT PROGRAM
FYE JUNE 30, 2021

EXHIBIT A-1(A)

COMPARISON OF CHILD SUPPORT PROGRAM INDEX NO. 841032 & 842641 SINGLE AUDIT EXPENDITURES WITH THE REPORTED EXPENDITURES

County: Philadelphia		Year Ended:				Fiscal Year 2021									
Single Audit Expenditures		Reported Expenditures				Single Audit Over/Under Reported									
Quarter Ending: 09/30/20	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	7,386,449.00	383,277.00	(926,603.00)	6,076,569.00	4,010,536.00	7,386,449.00	383,277.00	(926,603.00)	6,076,569.00	4,010,536.00	0.00	0.00	0.00	0.00	0.00
2. Fee/Costs	24.00	0.00	0.00	24.00	16.00	24.00	0.00	0.00	24.00	16.00	0.00	0.00	0.00	0.00	0.00
3. Interest & Program Income	6,081.00	88.00	0.00	5,993.00	3,955.00	6,081.00	88.00	0.00	5,993.00	3,955.00	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	1,910.00	0.00	0.00	1,910.00	1,261.00	1,910.00	0.00	0.00	1,910.00	1,261.00	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)	7,382,254.00	383,189.00	(926,603.00)	6,072,462.00	4,007,826.00	7,382,254.00	383,189.00	(926,603.00)	6,072,462.00	4,007,826.00	0.00	0.00	0.00	0.00	0.00
Quarter Ending: 12/31/20	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	8,510,014.00	510,455.00	(536,616.00)	7,462,943.00	4,925,542.00	8,510,014.00	510,455.00	(536,616.00)	7,462,943.00	4,925,542.00	0.00	0.00	0.00	0.00	0.00
2. Fee/Costs	18.00	0.00	0.00	18.00	12.00	18.00	0.00	0.00	18.00	12.00	0.00	0.00	0.00	0.00	0.00
3. Interest & Program Income	6,545.00	103.00	0.00	6,442.00	4,252.00	6,545.00	103.00	0.00	6,442.00	4,252.00	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	10,394.00	0.00	0.00	10,394.00	6,860.00	10,394.00	0.00	0.00	10,394.00	6,860.00	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)	8,513,845.00	510,352.00	(536,616.00)	7,466,877.00	4,928,138.00	8,513,845.00	510,352.00	(536,616.00)	7,466,877.00	4,928,138.00	0.00	0.00	0.00	0.00	0.00
Quarter Ending: 03/31/21	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	7,883,560.00	437,751.00	(526,306.00)	6,919,503.00	4,566,872.00	7,883,560.00	437,751.00	(526,306.00)	6,919,503.00	4,566,872.00	0.00	0.00	0.00	0.00	0.00
2. Fee/Costs	21.00	0.00	0.00	21.00	14.00	21.00	0.00	0.00	21.00	14.00	0.00	0.00	0.00	0.00	0.00
3. Interest & Program Income	10,303.00	131.00	0.00	10,172.00	6,714.00	10,303.00	131.00	0.00	10,172.00	6,714.00	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	5,832.00	0.00	0.00	5,832.00	3,849.00	5,832.00	0.00	0.00	5,832.00	3,849.00	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)	7,879,068.00	437,620.00	(526,306.00)	6,915,142.00	4,563,993.00	7,879,068.00	437,620.00	(526,306.00)	6,915,142.00	4,563,993.00	0.00	0.00	0.00	0.00	0.00
Quarter Ending: 06/30/21	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	8,490,106.00	443,088.00	(2,295,767.00)	5,751,253.00	3,795,827.00	8,490,106.00	443,088.00	(2,295,767.00)	5,751,253.00	3,795,827.00	0.00	0.00	0.00	0.00	0.00
2. Fee/Costs	25.00	0.00	0.00	25.00	17.00	25.00	0.00	0.00	25.00	17.00	0.00	0.00	0.00	0.00	0.00
3. Interest & Program Income	10,271.00	119.00	0.00	10,152.00	6,700.00	10,271.00	119.00	0.00	10,152.00	6,700.00	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	19,248.00	0.00	0.00	19,248.00	12,704.00	19,248.00	0.00	0.00	19,248.00	12,704.00	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)	8,499,060.00	442,969.00	(2,295,767.00)	5,760,324.00	3,801,814.00	8,499,060.00	442,969.00	(2,295,767.00)	5,760,324.00	3,801,814.00	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, 2021

EXHIBIT A-1(a)

COMPARISON OF CHILD SUPPORT PROGRAM INDEX NO. 841032 & 842641 SINGLE AUDIT EXPENDITURES WITH THE REPORTED EXPENDITURES - SUPPLEMENTALS

County: Philadelphia					Year Ended: Fiscal Year 2021										
Single Audit Expenditures					Reported Expenditures					Single Audit Over/Under Reported					
Quarter Ending: 09/30/18	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	(139.00)	0.00	0.00	139.00	0.00	(139.00)	0.00	0.00	139.00	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	(139.00)	0.00	0.00	139.00	0.00	(139.00)	0.00	0.00	139.00	0.00	0.00	0.00	0.00	0.00
Quarter Ending: 12/31/18	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: 3/31/19	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	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: 6/30/19	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	1,421,534.00	13,505.00	0.00	1,408,029.00	929,299.00	1,421,534.00	13,505.00	0.00	1,408,029.00	929,299.00	1,421,534.00	13,505.00	0.00	1,408,029.00	929,299.00
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)	1,421,534.00	13,505.00	0.00	1,408,029.00	929,299.00	1,421,534.00	13,505.00	0.00	1,408,029.00	929,299.00	1,421,534.00	13,505.00	0.00	1,408,029.00	929,299.00

CITY OF PHILADELPHIA
SUMMARY OF EXPENDITURES
TITLE IV-D CHILD SUPPORT PROGRAM
FYE JUNE 30, 2021

EXHIBIT A-1(a)

COMPARISON OF CHILD SUPPORT PROGRAM INDEX NO. 841032 & 842641 SINGLE AUDIT EXPENDITURES WITH THE REPORTED EXPENDITURES - SUPPLEMENTALS

County: Philadelphia				Year Ended:				Fiscal Year 2021				Single Audit Over/Under Reported			
Single Audit Expenditures				Reported Expenditures				Single Audit Over/Under Reported				Single Audit Over/Under Reported			
Quarter Ending:	Total	Unallowable	Incentive Paid Costs	Net	Amt Paid	Total	Unallowable	Incentive Paid Costs	Net	Amt Paid	Total	Unallowable	Incentive Paid Costs	Net	Amt Paid
09/30/19															
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
12/31/19															
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
3/31/20															
1. Salary/Overhead	99,323.00	0.00	0.00	99,323.00	65,553.00	99,323.00	0.00	0.00	99,323.00	65,553.00	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)	99,323.00	0.00	0.00	99,323.00	65,553.00	99,323.00	0.00	0.00	99,323.00	65,553.00	0.00	0.00	0.00	0.00	0.00
6/30/20															
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

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

EXHIBIT A-1 (c)

County - Philadelphia

Fiscal Year Ended - June 30, 2021

Month	MSE Incentive Paid Cost Worksheet Ending Incentive Balance	Audited Title IV-D Account Incentive Balance	Type of Account Structure
July 1, 2020	\$0.00	\$0.00	<input checked="" type="checkbox"/> Separate Bank Account <input type="checkbox"/> Restricted Fund - General Ledger <input type="checkbox"/> Other: _____
September 30, 2020	\$0.00	\$0.00	
December 31, 2020	\$0.00	\$0.00	
March 31, 2021	\$0.00	\$0.00	
June 30, 2021	\$496,492.57	\$496,492.57	

EXHIBIT A-1 (d)

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

County - Philadelphia

Fiscal Year Ended - June 30, 2021

	Single Audit TITLE IV-d Account	Reported TITLE IV-d Account	Single Audit Over/(Under) Reported	
Balance at July 1, 2020	\$ 52,507,495.56	\$ 52,507,495.56	\$ -	
Receipts:				
Reimbursements	\$ 5,357,453.95	\$ 17,140,538.00	\$ (11,783,084.05)	a
Incentives	\$ 1,989,524.65	\$ 4,781,784.60	\$ (2,792,259.95)	a
Title XIX Incentives	\$ 349.05	\$ 492.00	\$ (142.95)	a
Interest	\$ 616.41	\$ 7,846.62	\$ (7,230.21)	a
Program Income	\$ 55,248.00	\$ 55,248.00	\$ -	
Genetic Testing Costs	\$ -	\$ -	\$ -	
Maintenance of Effort (MOE)	\$ 2,316,966.00	\$ 2,316,966.00	\$ -	
Other State Grant	\$ -	\$ 7,900,000.00	\$ (7,900,000.00)	a
Miscellaneous	\$ 1,100.00	\$ 1,100.00	\$ -	
General Fund for DA	\$ 496,283.00	\$ 496,283.00	\$ -	
DA's Reimbursement	\$ 398,373.00	\$ 1,156,173.00	\$ (757,800.00)	a
Total Receipts	\$ 10,615,914.06	\$ 33,856,431.22	\$ (23,240,517.16)	
Intra-fund Transfers - In	\$ -	\$ -	\$ -	
Funds Available	\$ 63,123,409.62	\$ 86,363,926.78	\$ (23,240,517.16)	
Disbursements:				
Incentive Paid Costs - Salaries	\$ 1,989,524.65	\$ 4,285,292.03	\$ (2,295,767.38)	a
Transfers to General Fund	\$ -	\$ -	\$ -	
Vendor Payments	\$ 767,417.07	\$ 767,417.07	\$ -	
Bank Charges	\$ 5,682.66	\$ 5,682.66	\$ -	
Other Salaries and Fringes	\$ 18,283,231.98	\$ 22,273,693.84	\$ (3,990,461.86)	a
Indirect Costs (MOE)	\$ -	\$ -	\$ -	
Vendor Payments DA	\$ 310,870.00	\$ 310,870.00	\$ -	
Salaries and Fringes DA	\$ 1,049,163.21	\$ 1,341,586.00	\$ (292,422.79)	a
Unfunded MOE	\$ -	\$ -	\$ -	
Indirect Costs DA	\$ -	\$ -	\$ -	
Total Disbursements	\$ 22,405,889.57	\$ 28,984,541.60	\$ (6,578,652.03)	
Intra-fund Transfers - Out	\$ -	\$ -	\$ -	
Balance at June 30, 2021	\$ 40,717,520.05	\$ 57,379,385.18	\$ (16,661,865.13)	

The Title IV-D account consists of **3 accounts**.

The Title IV-D account is comprised of **1 checking, 0 savings, 0 CD, and 2 trust fund accounts**.

a: Represents a timing difference

b: Includes FY20 expenditures of \$4,796,016.04

Philadelphia Single County Authority
Schedule of Revenues and Expenditures
Navigation and Housing Services
For Period September 2019 - June 2021

EXHIBIT II

	BUDGET PERIOD	PRIOR PERIOD	CURRENT ACTUAL PERIOD
	SEPT 2019 - JUNE 2021	SEPT 2019 - SEPT 2020	OCT 2020 - JUNE 2021
EXPENDITURES			
I. PERSONNEL			
Wages	241,588	113,205	87,285
Benefits @ 36%	68,611	27,262	31,422
I. TOTAL PERSONNEL	310,199	140,467	118,707
II OPERATING COSTS			
Other - Emergency Financial Assistance	367,104	306,663	21,904
Other- Rental Assistance	455,730	306,153	95,730
Partnership - PHMC - 15 Reentry Master Lease (ML) (PHMC-15 Beds)	320,174	118,812	33,300
Other - Emergency Financial Assistance	12,788	-	8,288
Other - Financial Empowerment	15,000	1,500	-
Other - CRS Certification Training	28,880	28,800	-
Partnership - Pathways to Housing	47,040	47,040	-
Partnership - PMHCC	110,190	-	110,190
Partnership - Thomas Jefferson University Hospital	80,821	44,469	32,498
Partnership - Prevention Point	81,870	34,780	31,369
Partnership - Project Home	322,173	48,578	128,109
Partnership - Temple	278,778	106,988	97,513
II TOTAL OPERATING COSTS	2,120,548	1,043,783	558,900
ADMINISTRATION COST	52,185	-	52,185
III TOTAL ADMINISTRATION	52,185	-	52,185
IV. SUBCONTRACTOR	-	-	-
TOTAL SUBCONTRACTOR	-	-	-
TOTAL EXPENDITURES	2,482,932	1,184,250	729,792

Philadelphia County
Schedule of Revenues and Expenditures
Work Ready Program (080350)
July 1,2020 - June 30, 2021

	BUDGET	ACTUAL
EXPENDITURES		
I. TOTAL PERSONNEL	1,005,526	730,759
II EQUIPMENT & SUPPLIES		
Consumable Supplies	22,000	849
Equipment Purchases	23,000	-
TOTAL EQUIPMENT & SUPPLIES	45,000	849
III. OPERATIONS		
Computer Equipment & Software	100,000	12,755
Staff Training	15,446	-
Maintenance	12,611	-
Rent	157,251	166,258
Office Furniture	-	-
Travel	2,000	-
Operations - Other	14,158	56,293
TOTAL OPERATIONS	301,466	235,307
TOTAL	1,351,992	966,914
IV. SUBCONTRACTOR		
Technical Training for JEVS	30,000	
JEVS HUMAN SERVICES	16,400,000	9,862,148
TOTAL SUBCONTRACTOR	16,430,000	9,862,148
TOTAL EXPENDITURES	17,781,992	10,829,062

Commonwealth of Pennsylvania
DHS - Bureau of Financial Operations
County Mental Health Report of Income and Expenditures
MH15 - Mental Health Services
Fiscal Year 2020 - 2021
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	\$816,258	\$139,702,735	\$140,518,993	\$139,813,981	\$705,012	\$0	\$705,012
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	\$18,709	\$2,750,551	\$2,769,260	\$2,718,462	\$50,798	\$0	\$50,798
E.	OTHER FEDERAL FUNDS								
1	PATH Homeless Grant (Federal)	70154	\$0	\$438,674	\$438,674	\$438,674	\$0	\$0	\$0
2	988 Planning Initiative	70851	\$0	\$1,000	\$1,000	\$0	\$1,000	\$0	\$1,000
3	State Capacity Building Initiative - Lifeline	70651	\$0	\$0	\$0	\$0	\$0	\$0	\$0
4	Youth Suicide Prevention	71022	\$0	\$0	\$0	\$0	\$0	\$0	\$0
5	Reserved	00002	\$0	\$0	\$0	\$0	\$0	\$0	\$0
6	Reserved	00003	\$0	\$0	\$0	\$0	\$0	\$0	\$0
	Subtotal Other Federal Funds		\$0	\$439,674	\$439,674	\$438,674	\$1,000	\$0	\$1,000
F.	TOTAL		\$834,967	\$153,371,926	\$154,206,893	\$153,450,083	\$756,810	\$0	\$756,810

**PHILADELPHIA COUNTY
INTELECTUAL DISABILITIES SERVICES
REPORT OF INCOME AND EXPENDITURES
FOR THE TWELVE MONTH PERIOD ENDED JUNE 30, 2021**

Exhibit IV-(b) NBG

	Total
I. TOTAL ALLOCATION	\$154,206,893
II. TOTAL EXPENDITURES	\$173,269,558
III. COSTS OVER ALLOCATION	
A. County Funded Eligible	\$0
B. County Funded Ineligible	\$1,581,023
C. Other Eligible	\$6,024,939
D. Other Ineligible	\$0
Subtotal Costs over Allocation	\$7,605,962
IV. REVENUES	
A. Program Service Fees	\$570,782
B. Private Insurance	\$1,537,678
C. Medical Assistance	\$65,354
D. Medical Assistance - Admin Claims	\$1,275,191
E. Room and Board	\$218,108
F. Earned Interest	\$218,471
G. Other	\$4,133,520
Subtotal Revenues	\$8,019,104
V. DHS REIMBURSEMENT	
A. Base Allocation 90%	\$35,302,068
B. Base Allocation 100%	\$19,015,028
C. DHS Categorical Funding 90%	\$2,447,637
D. DHS Categorical Funding 100%	\$88,434,753
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	\$514,631
Subtotal DHS Reimbursement	\$153,450,083
VI. COUNTY MATCH	
10% County Match	\$4,194,409
Subtotal County Match	\$4,194,409
VII. TOTAL DHS REIMB & COUNTY MATCH	\$157,644,492
VIII. TOTAL CARRYOVER	\$756,810

PHILADELPHIA COUNTY
 SCHEDULE OF REVENUES, EXPENDITURES AND CARRYOVER FUNDS
 INTELLECTUAL DISABILITIES SERVICES
 FOR THE TWELVE MONTH PERIOD ENDED June 30, 2021

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	\$16,527,459	\$16,527,459	\$13,596,319	\$2,931,140	\$0	\$2,931,140
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	\$17,949,812	\$17,949,812	\$15,018,672	\$2,931,140	\$0	\$2,931,140
B. Medicaid Administration								
1. Medicaid Administration - State	10255/70175	\$0	\$7,650,001	\$7,650,001	\$7,650,001	\$0	\$0	\$0
2. Medicaid Administration - Federal (HCQU Lead Counties Only)	00002	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Subtotal Medicaid Administration		\$0	\$7,650,001	\$7,650,001	\$7,650,001	\$0	\$0	\$0
C. Other								
1. Temporary MFP Federal Funding	70175	\$26,666	\$53,334	\$80,000	\$38,667	\$41,333	\$0	\$41,333
Subtotal Other		\$26,666	\$53,334	\$80,000	\$38,667	\$41,333	\$0	\$41,333
D. TOTAL		\$26,666	\$25,653,147	\$25,679,813	\$22,707,340	\$2,972,473	\$0	\$2,972,473

**PHILADELPHIA COUNTY
INTELLECTUAL DISABILITIES SERVICES
REPORT OF INCOME AND EXPENDITURES
FOR TWELVE MONTH PERIOD ENDED JUNE 30.2021**

EXHIBIT IV-(D) ID NBG

	Total
I. TOTAL ALLOCATION	\$25,679,813
II. TOTAL EXPENDITURES	\$34,725,194
III. COSTS OVER ALLOCATION	
A. County Funded Eligible	\$279,821
B. County Funded Ineligible	\$2,333,058
C. Other Eligible	\$0
D. Other Ineligible	\$0
Subtotal Costs over Allocation	\$2,612,879
IV. REVENUES	
A. Program Service Fees	\$12,685
B. Private Insurance	\$0
C. Medical Assistance	\$0
D. Medical Assistance - Admin Claims	\$8,539,569
E. Room and Board	\$0
F. Earned Interest	\$0
G. Other	\$1,000
Subtotal Revenues	\$8,553,254
V. DHS REIMBURSEMENT	
A. Base Allocation 90%	\$6,753,446
B. Base Allocation 100%	\$5,930,828
C. DHS Categorical Funding 90%	\$912,045
D. DHS Categorical Funding 100%	\$7,688,668
E. SSBG 90%	\$0
F. SSBG 100%	\$1,422,353
Subtotal DHS Reimbursement	\$22,707,340
VI. COUNTY MATCH	
10% County Match	\$851,721
Subtotal County Match	\$851,721
VII. TOTAL DHS REIMB & COUNTY MATCH	\$23,559,061
VIII. TOTAL CARRYOVER	\$2,972,473

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	\$499,614	\$16,864,091	\$17,363,705	\$11,334,265	\$6,029,440	(\$1,231)	\$6,028,209
2. Early Intervention Training	10235	\$0	\$281,772	\$281,772	\$235,412	\$46,360	\$0	\$46,360
3. Early Intervention Administration	10235	\$0	\$1,680,603	\$1,680,603	\$1,512,658	\$167,945	\$0	\$167,945
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	\$6,664	\$921,443	\$928,107	\$928,107	\$0	\$0	\$0
6. Reserved	00001	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Total Early Intervention Services		\$506,278	\$25,774,445	\$26,280,723	\$20,036,978	\$6,243,745	(\$1,231)	\$6,242,514

EARLY INTERVENTION SERVICES

	Admin Office	Early Intervention	Service Coordination	Total
I. TOTAL ALLOCATION				\$26,280,723
II. TOTAL EXPENDITURES	\$4,124,757	\$17,105,976	\$2,445,372	\$23,767,232
III. COSTS OVER ALLOCATION				
A. County Funded Eligible	\$0	\$0	\$0	\$0
B. County Funded Ineligible	\$587,939	\$0	\$0	\$587,939
C. Other Eligible	\$0	\$0	\$0	\$0
D. Other Ineligible	\$0	\$0	\$0	\$0
Subtotal Costs Over Allocation	\$587,939	\$0	\$0	\$587,939
IV. REVENUES				
A. Program Service Fees	\$0	\$0	\$0	\$0
B. Private Insurance	\$0	\$0	\$0	\$0
C. Medical Assistance	\$928,107	\$0	\$0	\$928,107
D. Earned Interest	\$0	\$0	\$0	\$0
E. Other	\$0	\$0	\$0	\$0
Subtotal Revenues	\$928,107	\$0	\$0	\$928,107
V. DHS REIMBURSEMENT				
A. DHS Categorical Funding 90%	\$1,512,658	\$15,395,378	\$2,200,835	\$19,108,871
B. DHS Categorical Funding 100%	\$928,107	\$0	\$0	\$928,107
Subtotal DHS Reimbursement	\$2,440,765	\$15,395,378	\$2,200,835	\$20,036,978
VI. COUNTY MATCH				
10% County Match	\$168,073	\$1,710,598	\$244,537	\$2,123,208
Subtotal County Match	\$168,073	\$1,710,598	\$244,537	\$2,123,208
VII. TOTAL DHS REIMB & COUNTY MATCH	\$2,608,838	\$17,105,976	\$2,445,372	\$22,160,186
VIII. TOTAL CARRYOVER				\$6,243,745

Commonwealth of Pennsylvania DHS - Bureau of Financial Operations
 County Report of Income and Expenditures Fiscal Year 2020 - 2021
 PHILADELPHIA County Homeless Assistance Services

EXHIBIT XIX(a) NBG

	Administration	Bridge Housing	Case Management	Rental Assistance	Emergency Shelter	Innovative Supportive Housing Services	Total
I. TOTAL ALLOCATION (Including Reallocated Funds)							\$7,974,393
II. TOTAL EXPENDITURES							
A. Personnel	\$0	\$0	\$256,728	\$0	\$0	\$0	\$256,728
B. Operating	\$0	\$0	\$0	\$0	\$0	\$0	\$0
C. Purchased Services	\$0	\$3,574,666	\$4,142,999	\$0	\$0	\$0	\$7,717,665
D. Reserved	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Subtotal of Total Expenditures	\$0	\$3,574,666	\$4,399,727	\$0	\$0	\$0	\$7,974,393
III. REVENUES							
A. Client Fees	\$0	\$0	\$0	\$0	\$0	\$0	\$0
B. Other	\$0	\$0	\$0	\$0	\$0	\$0	\$0
C. Earned Interest	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Subtotal Revenues	\$0	\$0	\$0	\$0	\$0	\$0	\$0
IV. DHS REIMBURSEMENT							
A. State HAP Funding	\$0	\$42,392	\$2,497,201	\$0	\$0	\$0	\$2,539,593
B. SSBG	\$0	\$2,280,474	\$1,902,526	\$0	\$0	\$0	\$4,183,000
C. SABG	\$0	\$1,251,800	\$0	\$0	\$0	\$0	\$1,251,800
Subtotal DHS Reimbursement	\$0	\$3,574,666	\$4,399,727	\$0	\$0	\$0	\$7,974,393
V. UNSPENT ALLOCATION							\$0

CITY OF PHILADELPHIA
 Year Ended June 30, 2021
 Supplemental Schedule
 RECONCILIATION
 Federal Awards Passed through the Pennsylvania Department of Human Services
 Expenditures per the SEFA to Revenue Received Per PA Confirm Report

FEDA Name	Federal Assistance Listing Number	Federal Expenditures per the SEFA	Federal Awards Received per the PA Dept. of Human Services	Difference	Percentage Difference	Detailed Explanation of the Difference
Coronavirus Relief Fund	21.019	\$ 1,080,000	\$ 1,870,000	\$ (790,000)	(42.2%)	Dff FY21 \$1,080,000.00 Expenditures \$0.00 Revenues - Timing Difference. Dff FY20 \$0.00 Expenditures \$1,870,000.00 Revenues - Timing Difference. Net Dff Difference \$790,000.00 Confirmed.
Emergency Rental Assistance Program	21.023	\$ 34,669,838	\$ 56,984,128	\$ (22,314,290)	(39.2%)	Dff FY 21 \$34,669,838.00 Expenditures \$56,984,128.38 Revenues - Timing Difference. Net Dff Difference \$22,314,290.00 Confirmed.
Special Education-Grants for Infants and Families	84.181	\$ 6,026,536	\$ 5,916,536	\$ 110,000	1.9%	Dff FY 21 \$6,026,536.00 Expenditures \$5,916,536.00 Revenues - Timing Difference. Dff FY Unknown \$0 Expenditures \$(110,000.00) Revenues. Net Dff Difference \$110,000.00 Confirmed.
Guardianship Assistance	93.090	\$ 3,875,398	\$ 4,262,849	\$ (387,451)	(9.1%)	Dff FY 21 \$3,875,398.00 Expenditures \$2,968,461.57 Revenues - Timing Difference. Dff FY 20 \$0.00 Expenditures \$1,285,544.78 Revenues - Timing Difference. Dff FY 19 \$0.00 Expenditures \$8,842.39 Revenues. Net Dff Difference \$(387,451.00) Confirmed.
Projects for Assistance in Transition from Homelessness (PATH)	93.150	\$ 438,674	\$ 438,674	\$ -	0.0%	Dff FY 21 \$438,674.00 Expenditures \$438,674.00 Revenues - Net Dff Difference \$(0.00) Confirmed.
Substance Abuse and Mental Health Services - Projects	93.243	\$ 1,000	\$ 6,000	\$ (5,000)	(83.3%)	Dff FY 21 \$1,000.00 Expenditures \$1,000.00 Revenues - Timing Difference. Dff FY Unknown \$0 Expenditures \$5,000.00 Revenues. Net Dff Difference \$(5,000.00) Confirmed.
Promoting Safe and Stable Families	93.556	\$ 217,734	\$ 395,661	\$ (177,927)	(45.0%)	Dff FY 21 \$217,734.00 Expenditures \$297,399.00 Revenues - Timing Difference. Dff FY 20 \$0 Expenditures \$98,262.00 Revenues - Timing Difference Net Dff Difference \$(177,927.00)
Temporary Assistance for Needy Families	93.558	\$ 29,452,777	\$ 29,046,456	\$ 406,321	1.4%	Dff FY 21 \$27,608,379.00 Expenditures \$6,659,128.66 Revenues - Timing Difference. Dff FY 20 \$1,844,398.00 Expenditures \$8,788,467.25 Revenues - Timing Difference. Dff FY 19 \$0.00 Expenditures \$10,916,579.06 Revenues - Timing Difference. Dff FY unknown \$0 Expenditures \$2,682,280.56 Revenues. Net Dff Difference \$406,321.00 Confirmed.
Child Support Enforcement	93.563	\$ 16,420,067	\$ 23,784,036	\$ (7,363,969)	(31.0%)	Dff FY 21 \$16,420,067.00 Expenditures \$13,234,866.00 Revenues - Timing Difference. Dff FY 20 \$0 Expenditures \$6,838,884.00 Revenues - Timing Difference. Dff FY 19 \$0 Expenditures \$929,391.00 Revenues - Timing Difference. Dff FY Unknown \$0 Expenditures \$2,780,894.78 Revenues - Timing Difference Net Dff Difference \$7,363,969.00 Confirmed.
Stephanie Tubbs Jones Child Welfare Services Program	93.645	\$ 1,922,911	\$ 2,575,773	\$ (652,862)	(25.3%)	Dff FY 21 \$1,912,439.00 Expenditures \$2,575,773.00 Revenues Dff FY 20 \$10,472.00 Expenditures \$0.00 Revenues Net Dff Difference \$(652,862.00) Confirmed.
Foster Care Title IV-E	93.658	\$ 105,443,583	\$ 76,700,326	\$ 28,743,257	37.5%	Dff FY 21 \$103,571,390.00 Expenditures \$11,593,339.12 Revenues - Timing Difference. Dff FY 20 \$193,304.00 Expenditures \$61,373,245.35 Revenues - Timing Difference. Dff FY 19 \$0.00 Expenditures \$3,722,311.61 Revenues - Timing Difference Dff FY 18 \$657.00 Expenditures \$(23,383.77) Revenues - Timing Difference Dff FY Unknown \$1,678,232.00 Expenditures \$34,813.69 Revenues - Timing Difference Net Dff Difference \$28,743,257.00 Confirmed.
Adoption Assistance	93.659	\$ 32,479,461	\$ 38,256,819	\$ (5,777,358)	(15.1%)	Dff FY 21 \$32,479,461.00 Expenditures \$22,611,750.62 Revenues - Timing Difference. Dff FY 20 \$0 Expenditures \$15,594,657.73 Revenues - Timing Difference Dff FY 19 \$0.00 Expenditures \$50,410.85 Revenues - Timing Difference Net Dff Difference \$(5,777,358.00) Confirmed.
Social Services Block Grant	93.667	\$ 14,884,970	\$ 14,631,101	\$ 253,869	1.7%	Dff FY 21 \$12,903,278.00 Expenditures \$14,631,100.00 Revenues - Timing Difference. Dff FY 20 \$1,981,692.00 Expenditures \$1.00 Revenues - Timing Difference Net Dff Difference \$253,869.00 Confirmed.
Chafe Foster Care Independence Program	93.674	\$ 310,456	\$ 324,707	\$ (14,251)	(4.4%)	Dff FY 21 \$310,456.00 Expenditures \$196,537.92 Revenues - Timing Difference. Dff FY 20 \$0 Expenditures \$128,169.23 Revenues - Timing Difference. Net Dff Difference \$(14,251.00) Confirmed.
Medical Assistance Program	93.778	\$ 7,583,696	\$ 8,068,134	\$ (484,438)	(6.0%)	Dff FY 21 \$7,579,650.00 Expenditures \$8,068,076.13 Revenues - Timing Difference. Dff FY 20 \$4,046.00 Expenditures \$141,685.82 Revenues - Timing Difference. FY Unknown \$0 Expenditures \$(141,627.50) Revenues. Net Dff Difference \$(484,438.00) Confirmed.
Opioid STR	93.788	\$ 1,131,004	\$ 938,973	\$ 192,931	20.5%	Dff FY 21 \$1,131,004.00 Expenditures \$191,711.38 Revenues - Timing Difference. Dff FY 20 \$0.00 Expenditures \$747,261.9 Revenues - Timing Difference. Net Dff Difference \$192,931.00 Confirmed.
Money Follows the person Rebalancing Demonstration	93.791	\$ 80,000	\$ 80,000	\$ -	0.0%	Dff FY 21 \$80,000.00 Expenditures \$80,000.00 Revenues. Net Dff Difference \$0.00 Confirmed.
Block Grants for Community Mental Health Services	93.958	\$ 2,750,551	\$ 2,749,303	\$ 1,248	0.0%	Dff FY 21 \$2,750,551.00 Expenditures \$2,750,551.00 Revenues - Timing Difference. Dff FY 20 \$0 Expenditures \$0.00 Revenues - Timing Difference. Dff FY Unknown \$0 Expenditures \$(1,248.00) Revenues. Net Dff Difference \$1,248.00 Confirmed.
Block Grants for Prevention and Treatment of Substance Abuse	93.959	\$ 1,250,011	\$ 1,251,800	\$ (1,789)	0.3%	Dff FY 21 \$1,251,800.00 Expenditures \$1,251,800.00 Revenues - Timing Difference Dff FY 20 \$4,211.00 Expenditures \$0 Revenues - Timing Difference Net Dff Difference \$4,211.00 Confirmed

COUNTY: Philadelphia (51)

PERIOD ENDED: 6/30/2021
IF COLUMN D IS YES:

(E) (A)	(F) (B)	(G) (C)	(H) (D)	(I)	(J)	(K)	(L)	(M)	(N)	(O)
Provider Name	Does Provider Contract Include CPSI Requirements (YES)	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 CCVA	Date Follow-up Was Done On Prior Year Monitoring	Has Provider Implemented The CAP		
HEATHER L. GABOR, ESQUIRE										
JAY H. GINSBURG, ESQUIRE										
LEMON, MARK										
MARTIN, JAMES W.										
MOSHINSKI LAW, P.C.										
PHILIPS, MARGARET H.										
REBECCA BATDORF STONE										
YOUNG NICHOLAS, SUSAN										
BRIDGE THERAPEUTIC CENTER AT FOX CHASE										
CATHOLIC SOCIAL SERVICES										
COURT OF CALVARY COMMUNITY DEV. CORP.										
CORA SERVICES INCORPORATED	YES	*Family Advocacy (FA)- 11/3/2020 *Intensive Prevention Service (IPS)- 12/17/2020 *Truancy (TIPS)- 3/9/2021	Yes	0		YES	* Family Advocacy (FA)-10/8/21 * Intensive Prevention (IPS)- 11/22/21 *Truancy(TIPS)-PENDING			
CORNERSTONE	YES	*Reintegration - 1/11-18/2021 *In Home Detention (IHD) 3/29-4/7/2021	Yes	0			*Reintegration- 2/11-18/22 *In Home Detention (IHD)-11/30-12/6/21			
District Attorney's Office (DAO)- Q1-4										
DIVERSIFIED COMMUNITY SERVICES INC	YES	* Intensive Prevention Service (IPS) 12/31/2020	Yes	2	YES	YES	* Intensive Prevention Service (IPS)-11/15/2021	Y		
GIRLS INC OF GREATER PHILADELPHIA										
Global Positioning Q1-4										
GOOD SHEPHERD CORPORATION										
IDAY	YES	*Violence Prevention (VP) 5/3/2021 *Intensive Prevention Service(IPS) 5/5/2021	Yes	0			*Violence Prevention-4/25-26/2022 *Intensive Prevention Service (IPS)-3/11-22/2022			
JJC	YES	In Home Detention (IHD)-4/19-23/2021	Yes	0			In Home Detention (IHD)11/15-18/2021			
JOSEPH J PETERS INSTITUTE	YES	5/20-28/2021	Yes	0			4/13-20/2022			
JUVENILE JUSTICE CENTER OF PHILADELPHIA	YES	* Intensive Prevention Service (IPS)- 1/5/21 *Truancy (TIPS)- 4/21/21	Yes	0			*Intensive Prevention Service IPS-12/1/21 *Truancy TIPS-PENDING			
LITTLE RED PEREZ BOXING GYM, INC.										
NET TREATMENT SYS. INC.										
NORRIS SQUARE COMMUNITY ALLIANCE	YES	Intensive Prevention Service (IPS)-1/8/2021	Yes	0			Intensive Prevention Service (IPS)-11/4/2021			
NORTHEAST TREATMENT CENTERS INC.	YES	In Home Detention (IHD)-3/12-28/2021	Yes	0			In Home Detention (IHD)10/29-11/8/2021			
NORTHERN CHILDREN'S SERVICES	YES	Housing-11/6/20	Yes	0			Housing-11/7/2021			
PENNSYLVANIA HOSPITAL										
REINTEGRATION/AFTERCARE										
ST GABRIEL AFFICARE BEHAV.										
Student Transition Center (formerly RETI-WRAP) Q1-4										
URBAN AFFAIRS COALITION	YES	* CHOP AI-N/A * Grand Central (GC)- 10/8/20 * TEENSHOP (TS)-12/9/20 * Together as adoptive parents(TAP)-5/5/21 * Covenant House (CH) 3/4/21 * Galae(GL)-3/2/21	* CHOP-N * GC-Y * TS-Y * TAP-Y * CH-Y * GL-Y	* GC-0 * TS-0 * TAP-0 * CH-4 * GL-3	* CH-Y * GL-Y	* CH-Y * GL-Y	* CHOP AI-1/27/77 * GC9/22/21 * TS-2/8/22 * TAP-5/26/22 * CH-3/20/22 * GL-2/16/22	* CH-Y * GL-Y		
VISION QUEST	YES	Reintegration -1/27-2/4/2021	Yes	0			No FY22 contract			
WEST PHILA COMMUNITY MENTAL HEALTH										
YOUTH ADVOCATE PROGRAM	YES	* In Home Detention(IHD)-2/9-19/2021 * Day Treatment (DT)-2/26-4/3/2021	Yes	0			*In Home Detention (IHD)-12/30/21-1/6/22 *Day Treatment (DT)-10/6-21/2022			
YOUTH ADVOCATE PROGRAM INCORPORATED										
A CHILD'S DREAM WORLD ACADEMY LLC										
A SECOND CHANCE, INC.										
ACADEMIC WONDERS INC.										
ADLER'S PHARMACY LLC, INC.										
ALISON ELIZABETH RADWICK										
ALPHABEST EDUCATION INC.										
APM - Q1-4										
APRIL WILSON										
ARCELLA WALKER										
ARNETTE GREEN										
ARNOLD D. SILVERMAN, D.D.S.										
BARBARA CHEATHAM										
BEECHFIELD UNITED METHODIST CHURCH										
Bethania - Q1-4										
BIG BROTHERS BIG SISTERS ASSOCIATION	YES	2/26/2021	Y	0			3/27/2022			
C.B. COMMUNITY SCHOOLS	YES	3/19/2021	Y	2	Y	Y	2/24/2022	Y		
CAMP NEEDA FOUNDATION										
CAPITAL HEALTH SYSTEMS INC.										
CARSON VALLEY CHILDREN'S AID	YES	* Rapid Service Response (RSR) 2/12/2021 * Truancy (TIPS) 4/21/21	Y	0			*RSR 5/11/22 * TIPS PENDING			
CASA OF PHILADELPHIA	YES	10/16/2020	Y	0			9/24/8/9/27/21			
Catholic Community Services - Q1-4										
CATHOLIC SOCIAL SERVICES										
CDI ORTHODONTICS LLC.										
CHILDREN OF AMERICA										
CHILDREN'S CHOICE INCORPORATED										
CHILDREN'S HOME OF YORK										
CONGRESO DE LATINOS UNIDOS INCORPORATED	YES	*Truancy(TIPS)- 3/15/21 *Rapid Rehousing(RR)- 4/6/21 *Domestic violence (DV)- 3/17/21 *FEC-5/13/21	Y	*TIPS-2 *RR-1 *DV-0 *FEC-0	*TIPS-Y *RR-Y	*TIPS-Y *RR-Y	*TIPS-PENDING *RR-12/7/21 *FEC-pending *DV-10/13/21	Y		
CORA SERVICES INCORPORATED										
COUNTY OF DELAWARE										
COURDEA CENTER INCORPORATED	YES	2/8/2021	Y	3	Y	Y	11/3/2021	Y		
CSRD LLC										
DANIELLE BOONE										
DEAF HEARING COMMUNICATION CENTRE INC.										
DEBORAH'S LITTLE SHEPHERDS CHILDCARE INC.										
DEVEREUX FOUNDATION										
DONNETTA HILL-HOOKS FAMILY										
EDWARD MCGINLEY										
ELWYN OF PENNSYLVANIA AND DELAWARE	YES	FES-12/3/20	Y	0			FES PENDING			
EMERGENCY MEDICAL ASSOCIATES CPIS, LLC										
ERIKIA E. WILLIAMS										
FORENSIC MENTAL HEALTH SERVICES, LLC										
GETNER GIVNISH INC.										
GENEVA WORLDWIDE INC.										
GEORGETTE S. WHITE										
GERALDINE STEVENSON										
GLOBO LANGUAGE SOLUTIONS LLC.										
GRACE NEIGHBORHOOD DEVELOPMENT CORP										
GRAFTON SCHOOL INCORPORATED										
GREATER PHILADELPHIA YMCA	YES	*Roxborough-7/26-7/27-21 *Christian Street 7/26/21-7/27/2021	Yes	0			*Roxborough-4/4/22 *Christian Street -4/4/22			
HAMILTON SQUARE EMERGENCY MEDICAL ASSOCI										
HEALTH FEDERATION OF PHILADELPHIA	YES	3/29/2021	Yes	0			4/23 84/25/22			
ISHA BAIL										
INTERCULTURAL FAMILY SERVICES INC.	YES	*FES-10/28/2020 *TIPS -3/19/21	Yes	*FES-0 *TIPS-1	Y	Y	PENDING	Y		

ARDMORE								
BASES								
CHRISTIAN STREET_ELC								
DEBORAH'S LITTLE SHEP TOO								
DISCOVERY PLACE FOR LITTLE								
DIYON DAY CARE CENTER	YES	No DHS contracted youth FY21	N				3/31/2022	
DONETTA HILL HOOKS FAMILY								
HYLTON BOYS & GIRLS CLUB								
I.A. OAKLEY LEARNING CTR								
JOHNSON CHILD CARE CENTER								
JOLLY TODDLERS								
JUST CHILDREN								
JUST CHILDREN MAINLINE								
KHANA EDDUC PROG								
KIDDIE ACADEMY DAY CARE								
KIDDIE ACADEMY OF FONTANA								
KIDDIE ACADEMY OF RUNNEME								
KATONTA GODBOLD								
LITTLE IS FIRST START								
LITTLE ACHEIVERS INC								
LORRANE MATTHEWS FCCH								
MEE MOMS QUALITY PLUS CH								
MEMORABLE MOMENTS LEARNIN								
MISS MARTY'S PRE-SCHOOL	YES	No DHS contracted youth FY21	N				5/12/2022	
MRS CONNIES FAMILY CHILD								
MUNCHKINLAND DAY CARE								
NORTHEAST ELC								
PAST YOUR BEDTIME CHILD								
PEE WEE PREP LEARNING CTR	YES	2/5/2021	Yes		0		2/10/2022	
PORTER'S DAY CARE	YES	5/11/2021	Yes		0	NO CONTRACT FY22		
PRATT STREET LEARNING CEN								
PRODRY LEARNING CENTER								
ROYBOROUGH ELC								
SMART BEGINNINGS ELC								
SOMERSET ACADEMY EARLY								
ST STEPHENS DAY CARE CENT								
SUNSHINE LEARNING ACADEMY								
SWEET DREAMS AND FAIRY TA								
T.Y.L. II, INC.								
TEACHING TOTS LEARNING AC								
THE CHILDREN'S PLACE PRE								
THE LEARNING EXPERIENCE-H								
THE WORD OF LIFE CHRISTIA								
TOP NOTCH TOTS CHILD CARE								
TOWNSHIP OF WESTAMPTON								
TUTOR TIME CHILD CARE LEA								
YA-YAS PLACE FAMILY DAY C								
YOUNG SCHOLARS DAYCARE								
YOUR CHILD IN MINE DC								
DELASALLE VOCATNL IST GAB								
FAMILY SCHOOL	YES	12/18/2020	Yes		0		1/27/2022	
MODS								
MOTHER GOOSE COTTAGE								



CITY OF PHILADELPHIA

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CHARLES EDACHERIL
Acting 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, 2021. The City of Philadelphia, Pennsylvania's management is responsible for the financial schedule.

The management of the City of Philadelphia, Pennsylvania and DCED have agreed to and acknowledged that the procedures performed are appropriate to meet the intended purpose of comparing the financial schedule to 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, 2021 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, 2021. 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.

Charles Edacheril

CHARLES EDACHERIL, CPA
Acting City Controller
Philadelphia, Pennsylvania
February 27, 2023

City of Philadelphia
Schedule of Federal Cash Receipts Passed Through the Pennsylvania
Department of Community and Economic Development
July 1, 2020 to June 30, 2021

<u>Grantor Agency/</u> Project Title	City ID Number	Federal Assistance Listing	Contract Number	Federal Awards	Federal Receipts
<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	300,000	108,028
Subtotal: Emergency Solutions Grant Program				300,000	108,028
Total U.S. Department of Housing & Urban Development:				300,000	108,028
<u>U.S. Department of Education</u>					
Pass- Through - PA Department of Community & Economic Development:					
Prosper	80545	84.215	Subgrant #830003	175,000	1,890
West Philly Neighborhood Drexel	80546	84.215	Subgrant #830003	124,782	53,997
Subtotal: Fund for the Improvement of Education				299,782	55,887
Total U.S. Department of Education:				299,782	55,887
<u>U.S. Department of Health & Human Services</u>					
Pass- Through - PA Department of Community & Economic Development:					
CSBG - Administration FY19	80332	93.569	C000066926	5,330,531	888,629
CSBG - Administration FY20	80334	93.569	C000066926	5,354,476	2,239,826
CSBG Covid 19 Cares Act FY 20 Part 1	80337	93.569	C000066926	7,571,466	502,475
Subtotal: Community Services Block Grant				18,256,473	3,630,930
Total U.S. Department of Health & Human Services:				18,256,473	3,630,930
Total Federal Cash Receipts Passed Through PaDCED:				18,756,255	3,794,845



CITY OF PHILADELPHIA

OFFICE OF THE DIRECTOR OF FINANCE

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Federal Grantor & Pass Thru Agencies
Federal Audit Clearinghouse
Govs.fac.ides@census.gov

Josefine Arevalo
Director of Accounting

CORRECTIVE ACTION PLAN FY 2021 SINGLE AUDIT REPORT (“SAR”)

Section II - Financial Audit Material Weaknesses:

2021-001 INADEQUATE STAFFING LEVELS, LACK OF TECHNOLOGICAL INVESTMENT AND INSUFFICIENT OVERSIGHT LED TO UNDETECTED MATERIAL MISSTATEMENTS AND UNTIMELY PREPERATION OF SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS

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

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.

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, which includes 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.

The Community College of Philadelphia (CCP) failed to report accurately in their reformatted financial statements the newly formed discretely presented component unit, CCP Development, LLC. A revised reformatted financial statement report was submitted by CCP to the Accounting Bureau to correct the error. CCP will ensure that accurate reformatted statements will be submitted moving forward.

The Accounting Bureau already made changes to the accounts payable process over the last few fiscal years to minimize

the risk of unrecorded account payable, however, there are still a lot of challenges in departments whose vendors were unable to provide them with invoices in a timely manner. If invoices are not timely submitted, payments are delayed, and the accounts payable accrual for the reporting year may be understated. The Accounting Bureau will continue to work with the Departments with unique challenges to ensure that accurate accounts payable are submitted within the cut-off period.

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 41 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 above 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 ACFR to us for audit, accounting management should perform a review of those financial statements for accuracy and completeness. The \$229 million of ACFR errors cited on the report occurred because the city's controls over the financial reporting process failed to prevent or detect and timely correct the misstatements. The errors were identified after the Finance Office should have already completed its financial statement review procedures and finalized the statements.

Late Submission of Aviation Fund Financial Statements Continues to Delay Preparation and Audit of ACFR

Views of the Responsible Officials: Thank you for acknowledging the year over year improvements in the timeline in which the DOA provided key financial statement data. While the lack of a schedule of deliverables, and no communication around target deadlines, contributed to the delay in issuing the FY21 financial statements and compilation, we are pleased that our submissions in FY21 were earlier than in the prior year. We would also like to highlight that for the past two years, due to the complex nature of certain calculations, my office was delayed in providing final balances for select accounts that were necessary for the DOA compilation calculations, thereby extending the timeline for our submission beyond mid-December. However, for the past two years, once the necessary finalized numbers were received from my office, within one business day, the DOA completed, reviewed, and submitted its financial statement compilation. To facilitate timely submissions, the DOA will work with my office to develop a schedule that is in line with the Controller's Office target deadlines/submission dates. 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.

Late Receipt of Component Unit Financial Reports Still Delayed Preparation and Audit of CAFR

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. Finance continues to send initial requests for Component Unit financial statements and data in as early as May for all entities with a March 31 fiscal year end, with required responses no later than June 30. We also send requests for all other Component Units by the 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. As a result of our communication efforts, the total number of late submissions from Component Units decreased to four from five in the previous year.

The four Component Units and the fiduciary fund that did not provide submissions by the due dates are PMA (Philadelphia Municipal Authority), PAID (Philadelphia Authority for Industrial Development), PRA (Philadelphia Redevelopment Authority), SDP (School District of Philadelphia), and FPTF (Fairmount Park Trust Funds), respectively. Each provided valid reasons for their delay. A late legal judgement created the delay for PMA as additional time was needed to review the potential impact to the financial statements. PMA anticipates an early submission next year. PAID submitted their audited report late due to COVID-19 related staff and logistical challenges. PAID will work diligently towards and make every effort to meet the FY22 financial statements submission deadline. PRA audited financial statements were delayed due to staff shortages in their Finance unit. The SDP was delayed due to their audit. FPTF financial statements were submitted late due to unexpected early retirement of key personnel and staff turnover that delayed the completion of their audit. The Accounting Bureau will continue to work with the Component Units and the fiduciary fund management to ensure timely submission of audited financial statements; and will continue to engage me as needed.

Auditor's Comments on Agency's Response: In above response, management states the following with regard to the late receipt of School District of Philadelphia's (SDP) financial report, "SDP was delayed due to their audit." According to SDP's management, their financial report was delayed due to the pandemic and the implementation of their new accounting system.

UNTIMELY PREPARATION OF SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS RESULTED 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, and the Controller's Office needs to ensure its audits are completed more timely, Finance will utilize the September 30, 2022, Single Audit deadline pursuant to OMB M-21-20. Since OMB has given the 6-month extension for the completion and submission of the Fiscal Year 2021 Single Audit reporting package past the normal due date (March 31, 2022), our responsible officials in the Grants Accounting Unit do not believe that the SEFA is late. Finance requests that the Controller's Office works with Grants Accounting to determine an appropriate timeline for the FY21 SEFA submission in light of this extension, and in consideration of the remaining work to be completed for the FY20 Single Audit which is still underway as of the writing of this response.

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, management states, "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, and the Controller's Office needs to ensure its audits are completed more timely, Finance will utilize the September 30th, 2022, Single Audit deadline pursuant to OMB M-21-20. Since OMB has given the 6-month extension for the completion and submission of the Fiscal Year 2021 Single Audit reporting package past the normal due date (March 31, 2022), our responsible officials in the Grants Accounting Unit do not believe that the SEFA is late. Finance requests that the Controller's Office works with Grants Accounting to determine an appropriate timeline for the FY21 SEFA submission in light of this extension, and in consideration of the remaining work to be completed for the FY20 Single Audit which is still underway as of the writing of this response.

The Controller's Office has always worked with the Finance Office to provide a reasonable timeline to complete the Single Audit. However, the key obstacle to submitting the Single Audit reporting package (SAR) to the Federal

Audit Clearinghouse (FAC) on time is the Finance Office's untimely preparation and submission of a complete, accurate and final SEFA for audit and the inaccurate and untimely responses from grantor departments. While OMB memorandum M-21-20 has given a six-month extension for the submission of the fiscal year 2021 SAR to be uploaded to the FAC past the normal due date (March 31, 2022), the extension was not intended to give grant recipients more time past March 31st to prepare the SEFA. It was given to allow entities who have not yet filed their single audits with the FAC to delay the completion and submission of the SAR up to six (6) months beyond the normal due date. Additionally, the city is also considered to be a high- risk auditee requiring increased audit coverage of federal programs. As of the date of this writing, GAAU has still not provided the fiscal year SEFA for audit. This is not a reasonable timeframe to plan and perform the audit, issue an opinion, and then allow the city to complete and submit the SAR to the FAC by the extended due date.

2021-002 BREAKDOWN IN THE FUNCTIONALTY AND APPLICATION IT CONTROLS OF 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 findings resolved in this report and from the conditions noted as corrected, including: 1) Changes made to employee timecards by the OnePhilly team or Central Payroll Teams are supported with documented authorization or approval; 2) The OnePhilly team has reduced the overall number of issues causing inaccurate accrual of leave and corrected the outstanding accrual defect identified in 2019; 3) Overpayments and Underpayments in the Overpaid/Underpaid reports are adequately explained and documentation of corrections are available; and 4) Supervisory and executive approvals are now performed electronically. These are just a few of the many enhancements implemented during FY21. 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 149 tickets open, with the majority (94 of these) being enhancements and not defects. This represents a 91% decline in defects and enhancements since Go-Live.

The City of Philadelphia maintains its commitment to ensure employees get paid on time. As previously communicated, Finance introduced the Assumed Time reconciliation controls to ensure that departments retroactively adjust time in the post payroll cycle. Detailed procedures for the Assumed Time Reconciliation process were provided to departments, with an emphasis on timely reconciliation. Thank you for acknowledging the effectiveness of the Assumed Time reconciliation process in reducing the total unreconciled assumed time. Finance will take steps to ensure that departments take ownership and timely perform these controls.

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 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. OnePhilly continues to make necessary improvements to the system so that time types can be restricted as much as programmatically possible. Even though the City has a complex workforce that makes it difficult to put hard restrictions on time type views within the system, system controls as well as reviews by timekeepers prevent selection of inaccurate time types and prevent employees from being inaccurately paid.

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.

We previously communicated that 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 that are not in their department. OnePhilly team continues to work with Oracle developers to restrict the Missing Timecard view of Timekeepers.

Thank you for acknowledging that formalized monitoring has been developed for files sent to various third parties, including city employee unions, benefits providers, and insurance providers. As discussed during the FY21 audit, the OnePhilly team has necessary controls in place to ensure the accuracy of each type of transmitted files. The vendor in question did obtain transmission of the interface file, however, the OnePhilly team confirms that the files were successfully sent, and therefore the issue was on the Vendor's end of reception.

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

In its response, management states the following with regard to employee timecards which continue to show hours types that are not appropriate for the employee's position:

"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 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. OnePhilly continues to make necessary improvements to the system so that time types can be restricted as much as programmatically possible. Even though the City has a complex workforce that makes it difficult to put hard restrictions on time type views within the system, system controls as well as reviews by timekeepers prevent selection of inaccurate time types and prevent employees from being inaccurately paid."

While CUC specific hours types such as "Hazmat" and "Stress Pay" may be restricted to certain departments, other inappropriate time types remain available in the time sheet drop down menu for employees who would not be eligible. For example, shift differential continues to be available to employees in departments who are only authorized to work during the standard workday. While we acknowledge the roll that managers and timekeepers play in ensuring accurate reporting, system controls limiting these options are a stronger control mechanism to ensure that pay is accurate and appropriate.

In its response, 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 previously communicated that 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 that are not in their department. OnePhilly team continues to work with Oracle developers to restrict the Missing Timecard view of Timekeepers."

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 continue to work with Oracle developers to restrict the Missing Timecard view of Timekeepers.

Section III - Financial Audit Significant Deficiencies:

2021-003 OIT'S IT GENERAL CONTROLS CONTINUE TO REQUIRE STRENGTHENING

Views of the Responsible Officials: Thank you for acknowledging the correction of one of the segregation of duties deficiencies reported in prior years, and the removal of incompatible database administrator access rights in Basis2 for three OIT programmers with development rights in Basis2. We are happy that this condition is resolved. OIT will assess the unresolved segregation of duties mentioned above and will separate the duties associated with each function 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.

2021-004 TREASURER'S BANK RECONCILIATION PROCEDURES STILL REQUIRE IMPROVEMENT

Views of the Responsible Officials: Thank you for again acknowledging the timely preparation of fiscal year-end bank reconciliations. We acknowledge the Controller's finding regarding long outstanding unreconciled items. CTO continues to work to reconcile current year variances timely and to investigate and properly address older legacy variances. Additionally, the CTO Accounting Manager and Accounting staff understand that all reconciliations must be signed and approved by the appropriate supervisory leadership in CTO, and this issue has been corrected in FY22.

Also, in FY22, CTO worked with the Department of Revenue to revise the process by which Health revenue is identified and worked with the Department of Public Health to ensure revenue is properly deposited to improve reconciliations. Incoming revenue is now reported on the new daily consolidated report separately from other funding sources and Health is using the proper deposit codes. This change enabled CTO to adjust the bank account structure from a zero-balance account (ZBA) to regular manual transfers upon revenue being identified. Together, these changes prevent deposits from automatically being pushed via ZBA into the consolidated cash account without proper recognition. This prior practice resulted in reconciliation challenges for both the Department of Public Health and CTO.

To address the escheatment recommendation, CTO, in coordination with Finance, engaged an outside accounting firm to assist with the research necessary to address the legacy escheatment backlog. CTO staff and the consultant have completed their research and are preparing to notify recipients and update the outstanding check list. Upon conclusion of the required notification period, we expect to escheat eligible unclaimed payroll and vendor funds.

2021-005 FAILURE TO CLOSE OUT PRIOR YEAR GRANT ACTIVITY INCREASES RISK OF REPORTING ERRORS

Views of the Responsible Officials: We agree with the finding. However, we must note that a significant portion of the total \$45.7 million Advance Revenue balance was related to the Child Support Enforcement program. Upon further review of the balance with officials from the First Judicial District of Pennsylvania (FJD), it was determined that a contributing factor to the deficiency was the result of a failure by FJD to accurately administer its allowable budgetary expenditures under the Child Support Enforcement program. This caused the Advance Revenue balance for the fiscal years tested to be significantly overstated. This is supported by Exhibit A-1 (d) in the SEFA for the fiscal years tested. The FJD will be submitting a reconciliation to the Accounting Bureau and the Budget Department for review, to determine if the excess revenue is eligible to spend under the Child Support Enforcement program. Moving forward, this reconciliation will be required to be submitted annually to avoid this issue. For FY21, GAAU sent third quarter and year end reminders for departments to close out their grants. For future fiscal years, GAAU will continue to send multiple follow-up reminders to departments to close out their grants in compliance with SAP G-1-1 Grant Closeout.

2021-006 ACCOUNTS PAYABLE REPORTING STILL NEEDS IMPROVEMENT

Views of the Responsible Officials: Thank you for highlighting the efforts made by Finance to improve the reporting of accounts payable through the extension of the accounts payable review from August to early September 2021. We agree with your recommendations. Since departments should be aware of the status of their outstanding obligations, ultimately, they are the ideal source for the status of services received but unpaid. Finance believes that a combination of better

departmental reporting of payables and an extension of the timeline for the internal staff review of processed invoices would reduce the risk of unidentified payables to acceptable levels. We will continue to work with departments with unique challenges and will consider extending the cut-off period to the extent that the Charter-mandated AFR reporting process timeline would allow.

Auditor's Comments on Agency's Response: Regarding the finding on deficiencies in accounts payable reporting, in its response, management states, "We will continue to work with departments with unique challenges and will consider extending the cut-off period to the extent that the Charter-mandated AFR reporting process timeline would allow."

As we stated on the report, GAAP requires that governments report a liability in the period in which it is incurred. In testing accounts payable as of June 30th (the city's fiscal year-end), we search for unrecorded liabilities by examining invoices paid in the subsequent fiscal year to identify payments for goods or services received on or before June 30th that were not accrued as payables. We found that most errors noted were posted to FAMIS after the Finance Office's internally established September 3rd cut-off date resulting in a risk of significant unrecorded payables. Finance Office management should extend the cut-off period to a later date not limited to the reporting timeline for the unaudited Charter-mandated AFR.

2021-007 CAPITAL ASSET CONTROL DEFICIENCIES INCREASE RISK OF REPORTING ERRORS

Lack of a Comprehensive Capital Asset System Hampered Reporting Process

Views of the Responsible Officials: 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. During FY21, the GIS unit did a review of our FaProof, reconciling it to their database. The result was three items unreconciled that we will address this upcoming fiscal period. We will attempt a follow-up review prior to submission of the preliminary FY22 ACFR.

2021-008 SAPs REQUIRE UPDATING TO ENSURE ACCURATE AND CONSISTENT APPLICATION OF ACCOUNTING RULES AND REGULATIONS

Views of the Responsible Officials: Thank you for acknowledging our efforts to update SAPs during FY21, including the prioritization of working meetings with Control Owners, and the strides we made to identify SAPs that are obsolete. We agree with your recommendation to continue the update of the city's SAPs. We believe that the increased Citywide engagement with control and process owners is effective, and we will continue to have working meetings with stakeholders to facilitate the update of SAPs. Management will continue to prioritize this initiative.

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

2021-009 SUBRECIPIENT MONITORING – MATERIAL WEAKNESS AND COMPLIANCE FINDING

Assistance Listing 21.023 Emergency Rental Assistance Program (ERAP)

Views of the Responsible Officials: DHCD has internal controls in place for both the ongoing and comprehensive monitoring of its nearly 100 subrecipient organizations. These policies and procedures are outlined in the Uniform Program Management Systems (UPMS) manual that was forwarded to you and your staff. As discussed, ongoing oversight is performed by DHCD's Fiscal and Contract Management units through the review/approval process of invoices and reports. In addition, DHCD's Monitoring Unit creates an Annual Monitoring Plan (AMP) at the beginning of each calendar year that includes list of subrecipients to undergo a comprehensive monitoring. The 2021 Annual Monitoring Plan was forwarded to you which included PHDC's contract for \$11M in CDBG-CV funding. As discussed, DHCD received the first allocation of coronavirus resources through the Federal Department of Housing and Urban Development (HUD) CDBG-CV program in May 2020. DHCD contracted with PHDC to manage \$11M of CDBG-CV

for the first phase of rental assistance launched in June 2020. The Monitoring Unit is finalizing that comprehensive review. It was noted that the City's fourth phase of rental assistance – U.S. Department of Treasury Emergency Rental Assistance Program (ERAP) funding through a DHCD contract with PHDC -- was launched in April 2021.

Summary of the monitoring and reporting activities of the ERAP program that DHCD, PHDC, and Office of Recovery and Grants (ORG) implemented starting in July 2021 (FY22).

Policies and procedures: PHDC developed ERAP policies and procedures (P&P) as the program began in April 2021. The Office of Recovery and Grants contracted with Tetra Tech to provide technical assistance, including to PHDC to ensure that the policies and procedures complied with state and federal award requirements. The policies and procedures document was updated throughout the program as it evolved and was provided to DHCD.

Reporting: PHDC has worked closely with the Office of Recovery and Grants to comply with all ERA reporting requirements. ORG submits all federal ERAP reports through Treasury's portal, as PHDC does not have access. For state ERAP reports, PHDC provides the data for review by ORG staff and then PHDC submits via email using the Excel templates provided by PA DHS. It should be noted when ERAP launched in Spring 2021, Treasury had not yet released reporting guidelines. Once reporting requirements were released by Treasury and PA DHS, PHDC worked together with DHCD and the Office of Recovery and Grants to review the reporting requirements, develop a plan for report review and submission. TetraTech, a City consultant, staff provided guidance and report review support during most of 2021 and the beginning of 2022. All of the reports were submitted, reviewed, and accepted by the PA DHS on their due dates.

Monitoring and Oversight: The ERAP program has been monitored at a variety of levels since its inception. In addition to DHCD monitoring, we received Emergency Rental Assistance Program Monitoring report from PHA DHS on January 16, 2023. Their monitoring report involved a review of: 1)PHDC and DHCD monitoring/compliance procedures and controls; and 2) a sampling of 60 applications. They identified Philadelphia's monitoring and oversight as a program strength.

At the end of FY22, PHDC contracted Mercadien to do an Agreed-Upon Procedures Report (AUP). They reviewed the Policy and Procedures document, sampled 100 applications, and reviewed them for consistency with the policies and procedures. The final report is forthcoming.

Finally, all DHCD's contracts are vetted by a Contract Review Committee comprised of DHCD Legal, Monitoring/Audit and Contract Administration staff before a contract negotiation is completed. This Committee meets weekly to evaluate the subrecipients internal controls; past performance; open audit findings or issues; program delivery capacity; and quality/timeliness of submitting required reports. DHCD is creating a risk-assessment checklist to formally document that these areas were examined prior to finalizing the contract award.

Auditor's Comments on Agency's Response: Regarding managements statements concerning the occurrence of subrecipient monitoring of the ERAP program, we have the following comment:

The Controller's Office auditors requested supporting documentation evidencing subrecipient monitoring activities for FY 2021 for the two subrecipients tested, which accounted for over 98% of program expenditures, and no supporting documentation was provided for either of the two subawards selected for testing.

Contact Person: Melissa Long, Director, Division of Housing and Community Development (DHCD), 215- 686-9789 & Paul Cesario, Deputy Director of Finance, Department of Planning & Development (DPD), 215- 686-9735

2021-010 REPORTING – MATERIAL WEAKNESS AND COMPLIANCE FINDING

Assistance Listing 93.268 Immunization Cooperative Agreements Grant Program Assistance Listing 93.940 HIV Prevention Activities - Health Department Based

Views of the Responsible Officials: Plan: PDPH acknowledges the Controller’s Office finding. The Philadelphia Department of Public Health will ensure Federal Funding and Transparency Act (FFATA) reporting is completed in the required timeframe. At the start of fiscal year 2023, Health Fiscal began to implement a systematic process to report subawards in accordance with FFATA. The department, with information provided by the Grants Accounting and Administration Unit, identifies and disseminates qualifying transactions by division. The division reporting administrator, who has received training through Health Fiscal, is responsible for completing the required filings. The division reporting administrator obtains the required data, including the UEI#, CFDA# and description of service and then files the required information in the FFATA reporting system. Health Fiscal will develop a written policy to reflect this procedure.

Contact Person: Ryan Taylor, Chief Operating Officer and Deputy Commissioner, Philadelphia Public Health Department (215) 686-5207

2021-011 SPECIAL TESTS AND PROVISIONS – MATERIAL WEAKNESS AND COMPLIANCE FINDING

Assistance Listing 93.268 Immunization Cooperative Agreements

Views of the Responsible Officials: The Philadelphia Department of Public Health (PDPH) acknowledges the Controller’s Office finding. As recommended by the Controller’s Office, should a similar event occur in the future, PDPH will develop alternate methods to oversee accountability for vaccine storage and safeguarding. Please note this compliance challenge occurred in the context of the COVID-19 pandemic, which necessitated an unprecedented response that focused on rapid and equitable distribution of life-saving vaccines.

Contact Person: Amber Tirmal, Immunization Program Manager, Division of Disease Control Philadelphia Department of Public Health, 215-685-6650

2021-012 ACTIVITIES ALLOWED AND UNALLOWED & ALLOWABLE COSTS AND COST PRINCIPLES – SIGNIFICANT DEFICIENCY AND COMPLIANCE FINDING

Assistance Listing 14.231 Emergency Solutions Grant

Views of the Responsible Officials: OHS strives to not utilize the ESG funding source for OHS staff wages. This was a one off allocation due to the decrease of our traditional budget and the large influx of funds from the one time ESG-CV grant. If in the future OHS needs to apply an employee’s wages to a grant, we will be sure that employee only works on projects and assignments related to that funding source.

Contact Person: Jerome Hill, Director of Compliance (215) 520-3556, and Peter Curran, Deputy for Finance, Contract and Asset Management (215) 686-7197

2021-013 SPECIAL TESTS AND PROVISIONS – PAYMENTS TO SUBRECIPIENTS IN 30 DAYS- SIGNIFICANT DEFICIENCY AND COMPLIANCE FINDING

Assistance Listing 14.231 - Emergency Solutions Grant Program

Views of the Responsible Officials: Now that the response to the pandemic has become more stable in regard to staff levels and work conditions and with subrecipient participation in our new Mainstay invoicing system at nearly 99%, we will see a natural decline in late payments. In addition, OHS is creating an internal tracking system with reports to further mitigate late payments.

Contact Person: Jerome Hill, Director of Compliance (215) 520-3556 and Peter Curran Deputy for Finance, Contract and Asset Management (215) 686-7189

2021-014 REPORTING – SIGNIFICANT DEFICIENCY AND COMPLIANCE FINDING

Assistance Listing 93.268 Immunization Grants

Assistance Listing 93.914 HIV Emergency Relief Project Grants

Assistance Listing 93.940 HIV Prevention Activities

Assistance Listing 93.224/93.527 Health Center Program Cluster

Views of the Responsible Officials: GAAU will continue to 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 implemented 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. This new form will also provide additional support when preparing subrecipients expenditures for the SEFA.

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. 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 Grants, Health and Human Services cluster and other departments to improve reporting of subrecipients expenditures.

Contact Person: Shantae Thorpe, Accounting Manager, Finance (215) 686-5629

2021-015 SUBRECIPIENT MONITORING – SIGNIFICANT DEFICIENCY AND COMPLIANCE FINDING

Assistance Listing 21.019 Coronavirus Relief Fund

Views of the Responsible Officials: As the finding notes, this issue was not related to normal operations, but only affected subrecipients of Coronavirus Relief Fund grant funds. This was due to the unprecedented nature of the pandemic and its impacts on every level of City operations. The public health emergency created the need for speedy response from the City on a wide variety of issues, with funds sometimes being released before a grant to reimburse the City was identified.

As the finding itself notes, as soon as the funding was identified to be from a Federal award, the City did reach out to impacted departments, which then performed the necessary subaward monitoring procedures on a regular basis. Nonetheless, we recognize this as an opportunity to strengthen our internal processes and controls. To that end, we have taken and propose to take the following corrective actions:

- Re-staff the Office of Recovery and Grants (ORG) within the budget department and bring it back to full staffing. This will provide the capacity to assist departments in developing and enacting their subrecipient processes throughout the life cycle of applicable grants.
- ORG has developed and is offering recurring training sessions for operational departments and fiscal officers on subrecipient monitoring. So far this was presented to the HHS cluster and will be offered to more departments as ORG rebuilds its staff and re-establishes its calendar now that it has moved to Finance/Budget.

- ORG is working to develop a new process for identifying, evaluating, and monitoring subrecipients throughout the life cycle of a grant, including utilizing the CFR guidelines to develop a questionnaire for departments to aid them to determine if their grant will include subrecipients, and guide them through the overall subrecipient monitoring process.

Contact Person: Dan Gasiewski, Chief Grants Compliance Officer, Office of the Director of Finance

2021-016 PROCUREMENT – SIGNIFICANT DEFICIENCY AND COMPLIANCE FINDING

ASSISTANCE LISTING 93.940 HIV Prevention Activities Health Department Based

Views of the Responsible Official: This finding is misplaced. City departments in receipt of federal grant funds are responsible for compliance with the conditions of the grant and the appropriate expenditure of funds to maintain grant eligibility. Those departments must complete cost and price analyses before requisitions for goods and services are forwarded to the City Procurement Department for any action. The Procurement Department follows the Philadelphia Home Rule Charter and Philadelphia Code in soliciting the market with contract opportunities. Competitively bid contracts are awarded to the lowest responsive and responsible bidder, in accordance with §8-200 of the Charter, while non-competitively bid contracts are awarded to the vendor that best satisfies the criteria established by the department utilizing the contract, in compliance with §17-1400 of the Philadelphia Code. The Procurement Department recommends that a record of compliance with grant requirements is retained by the responsible department(s) and will work with the Office of the Director of Finance and the Law Department to ensure that such requirements are re-communicated to the appropriate staff within those departments utilizing federal grant dollars.

Contact Person: LaShawnda N. Tompkins, Deputy Commissioner of Administration, City of Philadelphia Procurement Department 215-686-4760

2021-017 SEFA REPORTING – SIGNIFICANT DEFICIENCY

Assistance Listing 93.224 & 93.527 Health Center Program & Grants for New and Expanded Services under the Health Center Program Cluster

Assistance Listing 93.354 Public Health Emergency Response

Assistance Listing 93.914 HIV Emergency Relief Projects

Assistance Listing 93.940 HIV Prevention Activities

Views of the Responsible Official: Although we agree that some expenditures related to the prior year were recorded in the FY21 SEFA, we do not believe the errors were material in relation to the basic financial statements. Further, we do not believe the inclusion of these expenditures had any effect on the major program determination, nor did they affect our compliance with any federal grant compliance requirements.

We agree that we prepare our financial statements in accordance with Generally Accepted Accounting Principles, and our financial statements, as presented, are materially accurate.

For FY 2022, we have extended our search for unrecorded liabilities to seven months after the fiscal year. Since the risk for unrecorded liabilities decreases as we move further away from the end of the fiscal year, we reviewed only transactions we believed may have a material effect on the financial statements.

Contact Person: Shantae Thorpe, Accounting Manager, Finance (215)-686-5629

2021-018 ACTIVITIES ALLOWED AND UNALLOWED & ALLOWABLE COSTS AND COST PRINCIPLES – COMPLIANCE FINDING

Assistance Listing 97.036 Disaster Grants Public Assistance

Views of the Responsible Official: The COVID Recovery Fund grant specifically lifted the CFR requirement that contractor fees be a flat fee, rather than “cost plus percentage.” Since this was the first grant awarded, many payments for costs which were eventually moved to FEMA grants (issued later) were made using the guidelines for CRF. Later payments were sometimes made directly to the FEMA index codes, sometimes including costs which were later removed. As part of our grant review process, TetraTech and the Office of Recovery and Grants are already reviewing the original invoices for all of the charges being made to FEMA grants. Some administrative and “cost plus percentage” markups were moved to CRF funding as we prepared our final report on that grant in October of 2022, and other ineligible costs, if any, discovered from that point on will be moved to the general fund.

Additionally, all FEMA projects remain open, as the federal government has not yet declared an end to the COVID emergency. Therefore, all of the costs as they appear on FEMA index codes at the end of FY21 should be viewed as representing a “point in time” and not as our final determination of grant eligibility. We have a process in place to look out for this and other potentially unallowable costs before final submission, so that we can have confidence that the costs we submit to FEMA in the final project submissions will be found eligible.

Contact Person: Dan Gasiewski, Chief Grants Compliance Officer, Office of the Director of Finance

2021-019 SUBRECIPIENT MONITORING – SIGNIFICANT DEFICIENCY AND COMPLIANCE FINDING

Assistance Listing 93.354 Public Health Emergency Response: Cooperative Agreement for Emergency Response: Public Health Crisis

Views of the Responsible Official: The Philadelphia Department of Public Health (PDPH) acknowledges the Office of the City Controller’s finding. PDPH maintains a process to identify subrecipients during the contracting process. The individual responsible for the contract in question is no longer with PDPH and therefore unavailable to provide input regarding this finding. Contracts with subrecipients include all necessary federal compliance language.

Contact Person: Jessica Caum, Program Manager, Bioterrorism and Public Health Preparedness Program (215) 685-6731, William Marks, Budget Officer DPH (215) 685-5272

2021-020 REPORTING – SIGNIFICANT DEFICIENCY AND COMPLIANCE FINDING

Assistance Listing 93.136 Injury Prevention and Control Research and State Community Based Programs

Health Center Program Cluster: - Assistance Listing 93.224 Health Center Program (Community Health Centers, Migrant Health Centers, Health Care For The Homeless, and Public Housing Primary Care), and Assistance Listing 93.527 Grants For New and Expanded Services Under the Health Center Program

Views of the Responsible Official: PDPH acknowledges the Controller’s Office finding. The Philadelphia Department of Public Health will ensure Federal Funding and Transparency Act (FFATA) reporting is completed in the required timeframe. At the start of fiscal year 2023, Health Fiscal began to implement a systematic process to report subawards in accordance with FFATA. The Department, with information provided by the Grants Accounting and Administration Unit, identifies and disseminates qualifying transactions by division. The division reporting administrator, who has received training through Health Fiscal, is responsible for completing the required filings. The division reporting administrator

obtains the required data, including the UEI#, CFDA# and description of service and then files the required information in the FFATA reporting system. Health Fiscal will develop a written policy to reflect this procedure.

Contact Person: Yvonne Claudio, Sr. Admin/Clinical Informatics, HRSA Grants Project Director (215) 685-6769, William H. Marks, Budget Officer, PDH (215) 685-5272, Steven Benson, CFO Ambulatory Health Services (215) 685-6792, and Ryan Taylor, COO, Deputy Commissioner (215) 686-5207

2021-021 SUBRECIPIENT MONITORING – SIGNIFICANT DEFICIENCY AND COMPLIANCE FINDING

Assistance Listing 93.323 Epidemiology and Laboratory Capacity for Infectious Diseases

Views of the Responsible Official: The auditor requested documentation of monitoring of three partner organizations. As detailed in the scope of work agreements, those organizations performed services including staffing, procuring supplies and equipment in an emergent situation, and creating vendor agreements. The following monitoring activities, as listed below, occurred for those services:

- For staffing, PDPH directly supervised the staff.
- For procurement, PDPH had access to the organization’s procurement system. Invoices were reconciled with supporting documentation.
- For contracting, PDPH participated in the development and execution of the agreements.

After the auditor completed their review, PDPH identified detailed reports from one of the vendors from which documentation was requested. The narrative reports provide evidence of monitoring in alignment with the scope of work. Please see enclosed zip files for the documentation.

Auditor’s Comments on Agency’s Response: Regarding management’s statements concerning the failure to provide evidence of subrecipient monitoring for the Epidemiology and Laboratory Capacity for Infectious Diseases program, we have the following comments:

The zip file provided by Ryan Taylor addressed Dimagi, one of the three (3) subrecipients selected for testing. That subrecipient was identified by PDPH as a vendor. Finance reached out to PDPH for additional information but did not receive a response. Therefore, the decision was made to continue to include Dimagi as a subrecipient on the SEFA. The contract with Dimagi did not identify them as a subaward, but as a vendor to provide “Computer and Information Services: Implementation Services”. The documents in the zip file were implantation reports for the software module they were building for PDPH.

There was no information at all provided for the other two subrecipients selected for testing. Both programs were identified as subawards with specific program monitoring and reporting requirements on a quarterly basis. Despite repeated requests for evidence of the monitoring process and the quarterly reports, no documentation was provided.

Contact Person: William Marks, Budget Officer DPH (215) 685-5272, Sara Enes, Director Disease Control (215) 685-1810, Naomi Mirowitz, COVID Compliance Officer (215) 964-5050