

Frequent Federal Programs and Section III Findings

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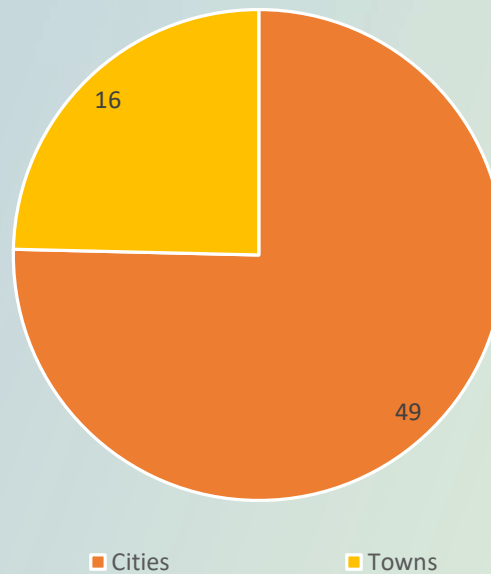
Audit Period

- ❖ Period covered by the financial statement being audited
- ❖ Cities and towns audited annually, if federal
 - ❖ Current: January 1, 2023 to December 31, 2023
 - ❖ Most recent: January 1, 2022 to December 31, 2022



2022 Annual Federal Audits

Federal Audits



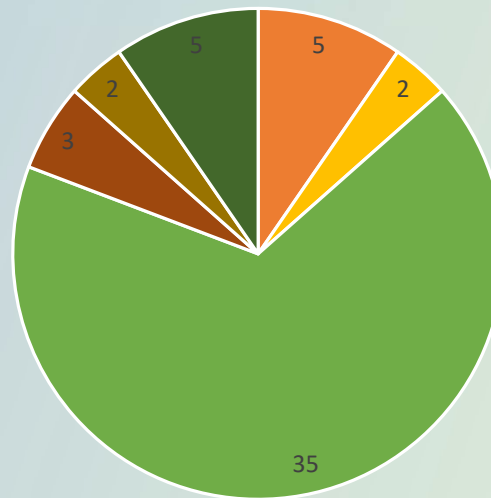
Frequently Audited Federal Programs

- ❖ COVID-19 – State and Local Fiscal Recovery Funds (21.027)
- ❖ Community Development and Block Grants – Entitlement Grants (14.218)
- ❖ Community Development and Block Grants – Non-Entitlement Grants (14.228)
- ❖ Highway Planning and Construction (20.205)
- ❖ Formula Grants for Rural Areas (20.509)



Findings Per Program: January 1, 2022 to December 31, 2022

Findings per Program



- CDBG - Entitlement
- COVID-19 - SLFRF
- Highway
- CDBG - Non-Entitlement
- Formula Grants
- Other



COVID-19 – State and Local Fiscal Recovery Funds (21.027)

- ❖ 35 total findings (most of any program)
- ❖ Two most frequent findings were:
 - ❖ Procurement and Suspension and Debarment (18 findings)
 - ❖ Reporting (12 findings)



Procurement

Three Procurement Methods:

- ❖ Micro-Purchase: \$0 - \$10,000
 - ❖ Follow established purchasing procedures
- ❖ Small Purchase: \$10,000 - \$150,000
 - ❖ Obtain adequate quotes (unless documented single source provider)
- ❖ Exceeds Simplified Acquisition: \$150,000
 - ❖ Required to be obtained through a formal bid process



Procurement

Internal Controls:

- ❖ Must be established over each threshold
- ❖ May look different depending on the procurement process
 - ❖ Small Purchase quotes vs. Sealed Bid review and approvals



Suspension and Debarment

31 CFR 19.300

When you enter into a covered transaction with another person at the next lower tier, you must verify that the person with whom you intend to do business is not excluded or disqualified.



Suspension and Debarment

Ways to Verify

Exclusion List

Collecting a
Certification

Adding a Clause or
Condition to the
Covered
Transaction

Suspension and Debarment

Exclusions List

- Sam.gov
- Must have a login – Click Sign In and follow steps to create account



The screenshot shows the SAM.GOV website homepage. At the top, there is a navigation bar with links for Home, Search, Data Bank, Data Services, and Help. Below the navigation bar is the SAM.GOV logo, which features a stylized American flag. The main content area is titled "The Official U.S. Government System for:" and lists several key services: Contract Opportunities, Contract Data (Reports ONLY from fpds.gov), Wage Determinations, Federal Hierarchy (Departments and Subtiers), Assistance Listings, Entity Information (Entities, Disaster Response Registry, Exclusions, and Responsibility/Qualification (was fapiis.gov) with a NEW tag), and Entity Reporting (SCR and Bio-Preferred Reporting). At the bottom of the page, there is a search bar with the text "Already know what you want to find?" and a search input field containing "Entity Information" and "e.g. 1606N020Q02". A search button with a magnifying glass icon is located to the right of the input field.



Suspension and Debarment

Select Domain Entity Information +

Showing 1 - 15 of 15 results

Sort by Relevance

DLZ CORP ● ID Assigned

Unique Entity ID JMGYV1VKRAX3	Physical Address 6121 HUNTLEY RD, COLUMBUS, OH 43229 USA	Assigned Date Apr 6, 2022
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Entity

DLZ KENTUCKY, INC. ● Active Registration

DLZ KENTUCKY, INC. ● Active Registration

Unique Entity ID MGZERNUNJ2A1	CAGE Code 3XXU2	Physical Address 1950 HAGGARD CT, LEXINGTON, KY 40505 USA
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Entity

Expiration Date
Dec 22, 2023

Purpose of Registration
All Awards

DLZ CORP



This entity record has been validated as unique and existing, but is not registered in SAM.

Physical Address
6121 HUNTLEY RD
COLUMBUS, OHIO, 43229-1003
USA

Unique Entity ID
JMGYV1VKRAX3

Download Follow

DLZ KENTUCKY, INC.

Unique Entity ID
MGZERNUNJ2A1

Registration Status

Expiration Date

● Active Registration

Dec 22, 2023

CAGE/NCAGE
3XXU2

Purpose of Registration
All Awards

Physical Address
1950 Haggard CT
Lexington, Kentucky
40505-1534, United States

Mailing Address
1950 Haggard Court
Lexington, Kentucky
40505-3717, United States

Version Current Record



Suspension and Debarment

Certification

Contract Clause

C. The Contractor certifies, warrants, and represents that it has no current, pending, or outstanding criminal, civil, or enforcement actions initiated by the State of Indiana or the County, and that neither it nor its principal(s) is/are presently debarred, suspended, proposed for debarment, declared ineligible, or voluntarily excluded from entering into this Contract by any federal agency or by any department, agency, or political subdivision of the State of Indiana, or the County. The Contractor agrees that it will immediately notify the County and the Department of any such actions and during the term of such actions, the County or the Department may delay, withhold, or deny work under any supplement, amendment, change order, or other contractual device issued pursuant to this Contract.



**Certification Regarding
Debarment, Suspension, and Other Responsibility Matters
Primary Covered Transactions**

This certification is required by the regulations implementing Executive Order 12549, Debarment and Suspension, 13 CFR Part 145. The regulations were published as Part VII of the May 26, 1988 Federal Register (pages 19160-19211). Copies of the regulations are available from local offices of the U.S. Small Business Administration.

(BEFORE COMPLETING CERTIFICATION, READ INSTRUCTIONS ON REVERSE)

- (1) The prospective primary participant certifies to the best of its knowledge and belief that it and its principals:
- (a) Are not presently debarred, suspended, proposed for debarment, declared ineligible, or voluntarily excluded from covered transactions by any Federal department or agency;
 - (b) Have not within a three-year period preceding this application been convicted of or had a civil judgment rendered against them for commission of fraud or a criminal offense in connection with obtaining, attempting to obtain, or performing a public (Federal, State, or local) transaction or contract under a public transaction; violation of Federal or State antitrust statutes or commission of embezzlement, theft, forgery, bribery, falsification or destruction of records, making false statements, or receiving stolen property;
 - (c) Are not presently indicted for or otherwise criminally or civilly charged by a governmental entity (Federal, State, or local) with commission of any of the offenses enumerated in paragraph (1)(b) of this certification; and
 - (d) Have not within a three-year period preceding this application had one or more public transactions (Federal, State, or local) terminated for cause or default.
- (2) Where the prospective primary participant is unable to certify to any of the statements in this certification, such prospective primary participant shall attach an explanation to this proposal.

Business Name _____

Date _____ By _____

Name and Title of Authorized Representative

Signature of Authorized Representative



Suspension and Debarment

Internal Controls:

- ❖ Establish procedures to verify entity is not suspended or debarred
- ❖ Procedures should include the review and approval process
 - ❖ If using Sam.gov, have a review in place
 - ❖ Clause or Certification should be signed by the reviewer



Reporting

Project and Expenditure (P&E) Report:

Report on financial data, projects funded, expenditures, and contracts and subawards over \$50,000, and other information

- ❖ Information in the P&E Report not supported by records
 - ❖ Ordinance/Resolution for budget and use categories
 - ❖ Ledger detail or other supporting data
- ❖ No controls
 - ❖ Report submitted without oversight or review process



In Conclusion...

- ❖ Be aware of Grant Requirements
- ❖ Retain all Necessary Documentation
- ❖ Establish Internal Controls

