



## CITY OF NORMAN, OK STAFF REPORT

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**MEETING DATE:** 07/27/2021

**REQUESTER:** Clint Mercer, Chief Accountant

**PRESENTER:** Anthony Francisco, Director of Finance

**ITEM TITLE:** SUBMISSION AND ACKNOWLEDGING RECEIPT OF REPORTS ENTITLED "COMPREHENSIVE ANNUAL FINANCIAL REPORT FOR FISCAL YEAR ENDED JUNE 30, 2020" AND "THE CITY OF NORMAN SINGLE AUDIT REPORT FOR THE YEAR ENDED JUNE 30, 2020," AS PREPARED BY THE CITY OF NORMAN FINANCE DEPARTMENT AND AUDITED BY THE FIRM OF BKD, LLP, FOR THE CITY OF NORMAN, OKLAHOMA, NORMAN UTILITIES AUTHORITY, NORMAN MUNICIPAL AUTHORITY, NORMAN ECONOMIC DEVELOPMENT AUTHORITY AND NORMAN TAX INCREMENT FINANCE AUTHORITY.

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### **BACKGROUND:**

Many of the federal and state grants that the City receives require an audit report to be reviewed by independent accountants, as directed by the Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Award. The "Single Audit" report is included to meet those requirements.

On May 8, 2018, the Council accepted the proposal of BKD, LLP, (RFP 1718-55), to provide independent auditing services for the City of Norman, the Norman Municipal Authority, Norman Utilities Authority, Norman Tax Increment Finance Authority and related entities for a period of three fiscal years with an option to extend the services for an additional two fiscal years.

### **DISCUSSION:**

The audited financial statements of both the City and its Trusts were received by City Council on December 8, 2021. The Single Audit was not complete at that time due to a delay by the Federal Government in issuing auditing standards for CARES Act funding.

The City received an unmodified ("clean") opinion from BKD, LLP that the Single Audit fairly represents the City's grant operations as of June 30, 2021, in all material respects.

Under separate cover, the Council Audit/Finance Committee may receive a "management letter" from the City's external auditor. The management letter may discuss findings during the audit review that are not considered material to the overall operations of the City, future audit and accounting standards to be considered, or other items that would impact on the fair

representation of the City's financial position.

**RECOMMENDATION:**

It is recommended that the Fiscal Year 2020-2021 Single Audit Report be accepted. All documents are available for review in the City Clerk's Office.