

City of Norman, Oklahoma

Single Audit Reports

June 30, 2022



City of Norman, Oklahoma

June 30, 2022

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City of Norman, Oklahoma
Schedule of Expenditures of Federal Awards
Year Ended June 30, 2022

Federal Grantor/Pass-Through Grantor/ Program or Cluster Title	Federal Assistance Listing Number	Pass-Through Entity Identifying Number	Grant or Other Identifying Number	Passed Through to Subrecipients	Total Federal Expenditures
U.S. Department of Housing and Urban Development					
<i>CDBG – Entitlement Cluster</i>					
Community Development Block Grants/Entitlement Grants	14.218	None	#B-14 MC-40-0002	\$ -	\$ 50,134
Community Development Block Grants/Entitlement Grants		None	#B-15 MC-40-0002	-	13,051
Community Development Block Grants/Entitlement Grants		None	#B-17 MC-40-0002	-	9,200
Community Development Block Grants/Entitlement Grants		None	#B-18 MC-40-0002	-	186,330
Community Development Block Grants/Entitlement Grants		None	#B-19 MC-40-0002	-	100,000
Community Development Block Grants/Entitlement Grants		None	#B-20 MC-40-0002	-	328,542
Community Development Block Grants/Entitlement Grants		None	#B-21 MC-40-0002	-	580,615
COVID-19 – Entitlement Grants		None	#B-20 MW-40-0002 (CARES)	-	205,257
<i>Total CDBG – Entitlement Cluster</i>				-	<u>1,473,129</u>
HOME Investment Partnerships Program	14.239	None	#M-17 MC-40-0204	-	200
HOME Investment Partnerships Program		None	#M-18 MC-40-0204	-	96,735
HOME Investment Partnerships Program		None	#M-19 MC-40-0204	-	14,085
HOME Investment Partnerships Program		None	#M-20 MC-40-0204	-	17,340
HOME Investment Partnerships Program		None	#M-21 MC-40-0204	-	15,000
<i>Subtotal 14.239</i>				-	<u>143,360</u>
<i>Pass-Through City of Oklahoma City</i>					
Continuum of Care (CoC) Program	14.267	OK0166L61042000	None	-	12,415
<i>Pass-Through Oklahoma Department of Commerce</i>					
Community Development Block Grants/State's program and Non-Entitlement Grants in Hawaii	14.228	None	None	-	42,123
COVID-19 – Community Development Block Grants/State's Program and Non-Entitlement Grants in Hawaii		18221 CDBGCR20	None	-	19,110
<i>Subtotal 14.228</i>				-	<u>61,233</u>
<i>Pass-Through Oklahoma Department of Commerce</i>					
Emergency Solutions Grant – ESG-CR	14.231	17924 EGCR 20	None	-	1,955
Emergency Solutions Grant – ESG-CR		18276 ESGCR 20	None	-	317,613
Emergency Solutions Grant		18083 ESG 20	None	-	31,477
<i>Subtotal 14.231</i>				-	<u>351,045</u>
Total U.S. Department of Housing and Urban Development				-	2,041,182
U.S. Department of Interior					
Title XVI Water Reclamation and Reuse	15.504	None	R21AP10110-00	-	700,109
Cooperative Watershed Management	15.554	None	R19AP00241 – Lake Thunderbird	-	10,977
<i>Pass-Through Oklahoma State Historic Preservation Office</i>					
Historic Preservation Fund Grants-in-Aid	15.904	21-612	None	-	10,750
Total U.S. Department of Interior				-	721,836
U.S. Department of Justice					
COVID-19 – Coronavirus Emergency Supplemental Funding Program	16.034	None	2020-VD-BX-0127	-	37,804
Edward Byrne Memorial Justice Assistance Grant (JAG)	16.738	None	2020-DJ-BX-0669	-	26,226
Edward Byrne Memorial Justice Assistance Grant (JAG)		None	15PBJA-21-GG-01749-JAGX	-	15,566
<i>Subtotal 16.738</i>				-	<u>41,792</u>
Equitable Sharing Program	16.922	None	None	-	55,747
Total U.S. Department of Justice				-	135,343

City of Norman, Oklahoma
Schedule of Expenditures of Federal Awards, continued
Year Ended June 30, 2022

Federal Grantor/Pass-Through Grantor/ Program or Cluster Title	Federal Assistance Listing Number	Pass-Through Entity Identifying Number	Grant or Other Identifying Number	Passed Through to Subrecipients	Total Federal Expenditures
U.S. Department of Transportation					
<i>Highway Planning and Construction Cluster</i>					
<i>Pass-Through Association of Central Oklahoma Governments</i>					
Highway Planning and Construction	20.205	J/P 11767(36)	None	\$ -	\$ 1,035
Highway Planning and Construction		R1-2020-City of Norman	None	-	84,148
Highway Planning and Construction		R1-2021-City of Norman	None	-	89,600
<i>Total Highway Planning and Construction Cluster</i>				-	<u>174,783</u>
<i>Highway Safety Cluster</i>					
<i>Pass-Through Oklahoma State Highway Safety Office</i>					
State and Community Highway Safety	20.600	PT-21-03-19-13	None	-	13,969
State and Community Highway Safety		PT-22-03-19-14	None	-	34,697
<i>Total Highway Safety Cluster</i>				-	<u>48,666</u>
<i>Federal Transit Cluster</i>					
Federal Transit – Formula Grants	20.507	None	OK-2020-005-00	-	19,462
Federal Transit – Formula Grants		None	OK-2020-026-00	-	18,807
COVID-19 – Federal Transit – Formula Grants		None	OK-2020-031-00	-	3,245,969
Federal Transit – Formula Grants		None	OK-2022-010-00	-	1,787,894
<i>Total Federal Transit Cluster</i>				-	<u>5,072,132</u>
Total U.S. Department of Transportation				-	5,295,581
U.S. Department of Homeland Security					
<i>Pass-Through Oklahoma Office of Homeland Security</i>					
Homeland Security Grant Program	97.067	1130.051	None	-	30,090
Homeland Security Grant Program		1160.054	None	-	8,524
<i>Subtotal 97.067</i>				-	<u>38,614</u>
Total U.S. Department of Homeland Security				-	38,614
U.S. Department of Treasury					
COVID-19 – Coronavirus State and Local Recovery Funds	21.027	None	None	-	182,564
Total U.S. Department of Treasury				-	182,564
U.S. Department of Federal Emergency Management					
<i>Pass-Through Oklahoma Department of Emergency Management</i>					
Disaster Grant – Public Assistance	97.036	FEMA 4575 DR OK	None	-	3,878,114
Total U.S. Department of Federal Emergency Management				-	3,878,114
U.S. Department of Health and Human Services					
<i>Pass-Through National Association of County and City Health Officials</i>					
Medical Reserve Corps Small Grant Program	93.008	MRC 20-0333	None	-	2,136
Medical Reserve Corps Small Grant Program		MRC 22-0333	None	-	8,314
Medical Reserve Corps Small Grant Program		MRC RISE 22-0333	None	-	9,066
<i>Subtotal 93.008</i>				-	<u>19,516</u>
Total U.S. Department of Health and Human Services				-	19,516
Total Expenditures of Federal Awards				\$ -	\$ 12,312,750

City of Norman, Oklahoma
Notes to Schedule of Expenditures of Federal Awards
Year Ended June 30, 2022

Note 1: Basis of Presentation

The accompanying schedule of expenditures of federal awards (the Schedule) includes the federal award activity of the City of Norman, Oklahoma (the City) under programs of the federal government for the year ended June 30, 2022. The information in this Schedule is presented in accordance with the requirements of Title 2 U.S. *Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance). Because the Schedule presents only a selected portion of the operations of the City, it is not intended to and does not present the financial position, changes in net position, or cash flows of the City.

Note 2: Summary of Significant Accounting Policies

Expenditures reported on the Schedule are reported on the modified accrual basis of accounting. Such expenditures are recognized following the cost principles contained in the Uniform Guidance or other regulatory requirements, wherein certain types of expenditures are not allowable or are limited as to reimbursement. Negative amounts shown on the Schedule represent adjustments or credits made in the normal course of business to amounts reported as expenditures in prior years.

Note 3: Indirect Cost Rate

The City has elected not to use the 10 percent de minimis indirect cost rate allowed under the Uniform Guidance.

Note 4: Expenditures Incurred Prior to 2022

Federal Assistance Listing Number 14.228 includes \$42,123 of expenditures incurred during the year ended June 30, 2020. However, because the financial assistance was not included in the City's schedule of expenditures of federal awards for that year, the expenditures are included in the current year schedule of expenditures of federal awards as requested by the pass-through agency. There was no material impact as a result.

Federal Assistance Listing Number 97.036 includes \$3,878,114 of expenditures incurred during the year ended June 30, 2021 as the project worksheet was not approved by the Federal Emergency Management Agency (FEMA) until the fiscal year ended 2022.

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

Independent Auditor's Report

Honorable Mayor and City Council
City of Norman, Oklahoma
Norman, Oklahoma

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 (*Government Auditing Standards*), the financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the City of Norman, Oklahoma (the City), as of and for the year ended June 30, 2022, and the related notes to the financial statements, which collectively comprise the City's basic financial statements, and have issued our report thereon dated December 8, 2022.

Internal Control over Financial Reporting

In planning and performing our audit of the financial statements, we considered the City's internal control over financial reporting (internal control) as a basis for designing audit procedures that are appropriate in the circumstances for the purpose of expressing our opinion on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the City's internal control. Accordingly, we do not express an opinion on the effectiveness of the City's internal control.

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

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. However, material weaknesses or significant deficiencies may exist that were not identified.

Report on Compliance and Other Matters

As part of obtaining reasonable assurance about whether the City's financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations,

Honorable Mayor and City Council
City of Norman, Oklahoma

contracts, and grant agreements, noncompliance with which could have a direct and material effect on the City's financial statements. However, providing an opinion on compliance with those provisions was not an objective of our audit and, accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

Purpose of This Report

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the 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.

FORVIS, LLP

Oklahoma City, Oklahoma
December 8, 2022

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

Independent Auditor's Report

Honorable Mayor and City Council
City of Norman, Oklahoma
Norman, Oklahoma

Report on Compliance for Each Major Federal Program

We have audited the City of Norman, Oklahoma's (the City) compliance with the types of compliance requirements identified as subject to audit in the *OMB Compliance Supplement* that could have a direct and material effect on each of the City's major federal programs for the year ended June 30, 2022. The City's major federal programs are identified in the "Summary of Auditor's Results" section of the accompanying schedule of findings and questioned costs.

In our opinion, the City complied, in all material respects, with the compliance requirements referred to above that could have a direct and material effect on each of its major federal programs for the year ended June 30, 2022.

Basis for Opinion on Each Major Federal Program

We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America (GAAS); the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States (*Government Auditing Standards*); and the audit requirements of Title 2 U.S. *Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance). Our responsibilities under those standards and the Uniform Guidance are further described in the "Auditor's Responsibilities for the Audit of Compliance" section of our report.

We are required to be independent of the City and to meet our other ethical responsibilities, in accordance with relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion on compliance for each major federal program. Our audit does not provide a legal determination of the City's compliance with the compliance requirements referred to above.

Responsibilities of Management for Compliance

Management is responsible for compliance with the requirements referred to above and for the design, implementation, and maintenance of effective internal control over compliance with the requirements of laws, statutes, regulations, rules, and provisions of contracts or grant agreements applicable to the City's federal programs.

Auditor's Responsibilities for the Audit of Compliance

Our objectives are to obtain reasonable assurance about whether material noncompliance with the compliance requirements referred to above occurred, whether due to fraud or error, and express an opinion on the City's compliance based on our audit. Reasonable assurance is a high level of assurance but is not absolute assurance and, therefore, is not a guarantee that an audit conducted in accordance with GAAS, *Government Auditing Standards*, and the Uniform Guidance will always detect material noncompliance when it exists. The risk of not detecting material noncompliance resulting from fraud is higher than for that resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Noncompliance with the compliance requirements referred to above is considered material, if there is a substantial likelihood that, individually or in the aggregate, it would influence the judgment made by a reasonable user of the report on compliance about the City's compliance with the requirements of each major federal program as a whole.

In performing an audit in accordance with GAAS, *Government Auditing Standards*, and the Uniform Guidance, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material noncompliance, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the City's compliance with the compliance requirements referred to above and performing such other procedures as we considered necessary in the circumstances.
- Obtain an understanding of the City's internal control over compliance relevant to the audit in order to design audit procedures that are appropriate in the circumstances and to test and report on internal control over compliance in accordance with the Uniform Guidance, but not for the purpose of expressing an opinion on the effectiveness of the City's internal control over compliance. Accordingly, no such opinion is expressed.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and any significant deficiencies and material weaknesses in internal control over compliance that we identified during the audit.

Report on Internal Control over Compliance

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

Our consideration of internal control over compliance was for the limited purpose described in the "Auditor's Responsibilities for the Audit of Compliance" section above and was not designed to identify all deficiencies in internal control over compliance that might be material weaknesses or significant deficiencies in internal control over compliance. Given these limitations, during our audit we did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses,

Honorable Mayor and City Council
City of Norman, Oklahoma

as defined above. However, material weaknesses or significant deficiencies in internal control over compliance may exist that were not identified.

Our audit was not designed for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, no such opinion is expressed.

The purpose of this report on internal control over compliance is solely to describe the scope of our testing of internal control over compliance and the results of that testing based on the requirements of the Uniform Guidance. Accordingly, this report is not suitable for any other purpose.

Report on Schedule of Expenditures of Federal Awards Required by the Uniform Guidance

We have audited the financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the City, as of and for the year ended June 30, 2022, and the related notes to the financial statements, which collectively comprise the City's basic financial statements. We have issued our report thereon dated December 8, 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 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.

FORVIS, LLP

Oklahoma City, Oklahoma
March 22, 2023

City of Norman, Oklahoma
Schedule of Findings and Questioned Costs
Year Ended June 30, 2022

Section I – Summary of Auditor’s Results

Financial Statements

1. Type of report the auditor issued on whether the financial statements audited were prepared in accordance with GAAP:
☒ Unmodified ☐ Qualified ☐ Adverse ☐ Disclaimer
2. Internal control over financial reporting:
 Significant deficiency(ies) identified? ☐ Yes ☒ None reported
 Material weakness(es) identified? ☐ Yes ☒ No
3. Noncompliance material to the financial statements noted? ☐ Yes ☒ No

Federal Awards

4. Internal control over major federal awards programs:
 Significant deficiency(ies) identified? ☐ Yes ☒ None reported
 Material weakness(es) identified? ☐ Yes ☒ No
5. Type of auditor’s report issued on compliance for major federal program(s):
☒ Unmodified ☐ Qualified ☐ Adverse ☐ Disclaimer
6. Any audit findings disclosed that are required to be reported by 2 CFR 200.516(a)? ☐ Yes ☒ No
7. Identification of major federal programs:

Assistance Listing

Number(s)	Name of Federal Program or Cluster
14.218	CDBG – Entitlement Cluster
20.507	Federal Transit Cluster
97.036	Disaster Grants – Public Assistance

8. Dollar threshold used to distinguish between Type A and Type B programs: \$750,000.
9. Auditee qualified as a low-risk auditee? ☒ Yes ☐ No

City of Norman, Oklahoma
Schedule of Findings and Questioned Costs, continued
Year Ended June 30, 2022

Section II – Financial Statement Findings

Reference Number	Finding
No matters are reportable.	

Section III – Federal Award Findings and Questioned Costs

Reference Number	Finding
No matters are reportable.	

City of Norman, Oklahoma
Summary Schedule of Prior Audit Findings
Year Ended June 30, 2022

Reference Number	Summary of Finding	Status
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No matters are reportable.