

City of Fort Worth, Texas

# FY 2021

SINGLE AUDIT REPORT

For the Fiscal Year Ended September 30, 2021



# **SINGLE AUDIT REPORT**

For the Fiscal Year Ended  
September 30, 2021

## **CITY OF FORT WORTH, TEXAS**

### ELECTED OFFICIALS

#### 2021 CITY COUNCIL

Mattie Parker, Mayor

Carlos E. Flores  
Cary Moon  
Michael D. Crain  
Leonard Firestone

Gyna Bivens  
Jared Williams  
Chris Nettles  
Elizabeth M. Beck

### CITY MANAGER

David Cooke

### INTERIM ASSISTANT CITY MANAGER/CHIEF FINANCIAL OFFICER

Reginald Zeno

Prepared by the Department of Financial Management Services

#### Grant Accounting

Anthony M. Rousseau, CPA, CTP, CPFO, CGFO  
Catherine Perry  
Monica Castillo, CGMS  
Shalonda Oliver  
Trina Stokes  
Yan Hillman  
Joy Egbuta  
Bianca Lord

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# TABLE OF CONTENTS

	<b>PAGE</b>
Table of Contents	i
Purpose and Contents of this Report	iii
Letter of Transmittal	v
Overview	vii
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	1
Report on Compliance for Each Major Federal and State Program, on Internal Control over Compliance, and on the Schedule of Expenditures of Federal and State Awards Required by the Uniform Guidance, and the State of Texas Uniform Grant Management Standards.	3
Schedules of Expenditures of Federal and State Awards	7
Schedule of Expenditures of Federal Awards	7
U.S. Department of Energy	7
U.S. Department of Health and Human Services	7
U.S. Department of Housing and Urban Development	7
U.S. Department of The Interior	8
U.S. Department of The Interior (National Park Service)	8
U.S. Department of Justice	9
U.S. Department of Transportation	10
Equal Employment Opportunity Commission	11
Environmental Protection Agency	11
U.S. Department of Homeland Security	12
Executive Office of the President	13
U.S. Department of the Treasury	13
Schedule of Expenditures of State Awards	14
Texas State Attorney General's Office	14
Texas Office Of The Governor	14
Texas Department of Transportation	14
Texas Commission on Environmental Quality	14
Texas Department of Housing and Community Affairs	14
Texas Veterans Commission	15
Texas Parks and Wildlife	15
Department of Homeland Security	15
Texas Department of Motor Vehicles	15
Notes to the Schedule of Expenditures of Federal and State Awards	17
Schedule of Findings and Questioned Costs	19
Corrective Action Plan	27
Summary Schedule of Prior Year Findings	29
List of Acronyms	31



## **Purpose and Contents of this Report**

This report was prepared to provide grantor agencies certain financial information which they may require to properly administer funds granted to the City. Financial schedules included herein present the City's grant expenditures in accordance with accounting principles generally accepted in the United States of America for State and Local government units. Individual grants presented in the financial information section of this report are those which were considered by the auditors in performing their tests in conformity with 2 CFR 200 (Uniform Guidance), and the State of Texas Uniform Grant Management Standards (UGMS).

## **Relationship between this Report and the City's Basic Financial Statements**

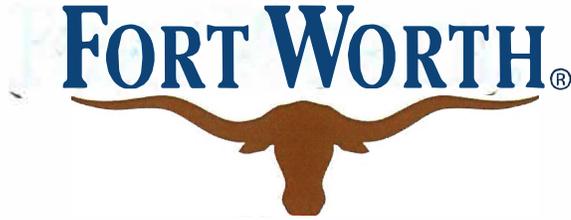
All of the City's grant activity subject to the requirements of the Single Audit Act Amendments of 1996, 2 CFR 200, and UGMS are accounted for or reported in the Basic Financial Statements in a number of funds including the Grant Special Revenue Funds, the General Fund, or other Proprietary Funds.

## **Reports**

The following reports and schedules prepared by the independent auditors are included in this document:

1. 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
2. Independent auditor's report on compliance for each major federal and state program; report on internal control over compliance; and report on Schedule of Expenditures of Federal and State Awards required by 2 CFR 200, and the State of Texas Uniform Grant Management Standards
3. Schedule of Findings and Questioned Costs
4. Status of Prior Year Findings





February 25, 2022

The Honorable Mayor, City Council, Citizens,  
and Stakeholders City of Fort Worth, Texas

Ladies and Gentlemen:

The Single Audit Report of the City of Fort Worth, Texas for the fiscal year ended September 30, 2021 is submitted herewith.

The report is published to provide the City Council, the various granting agencies, citizens and other interested persons, detailed information concerning financial grant activity of the City of Fort Worth, including compliance with certain provisions of Federal and State laws and regulations.

#### INDEPENDENT AUDIT

The Single Audit Act Amendments of 1996, 2 CFR 200, and the State of Texas Uniform Grant Management Standards (UGMS) require an annual audit of the City's Federal and State financial assistance programs by an independent certified public accountant. This requirement has been complied with by the submission of the following:

1. 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*.
2. Independent auditor's report on compliance for each major federal and state program; report on internal control over compliance; and report on schedule of expenditures of federal and state awards required by 2 CFR 200 and the State of Texas *Uniform Grants Management Standards*.

#### ACKNOWLEDGEMENTS

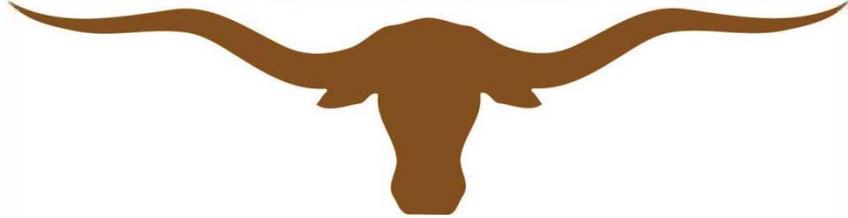
The preparation of this report could not have been accomplished without the full support and involvement of the City Manager's Office and all City departments who provided information and analyses contained within this document. A very special thanks is due to the staff of the Department of Finance for their dedicated service to the City and to the citizens of Fort Worth. In addition, we acknowledge the thorough, professional, and timely manner in which our independent auditors, BKD, LLP, conducted the audit. Finally, we express appreciation to the Mayor and City Council for their unflinching support for maintaining the highest standard and professionalism in the management of the City's finances.

Sincerely,

David Cooke  
City Manager

Reginald Zeno  
Interim Assistant City Manager / Chief Financial Officer

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## **Overview of the City's Fiscal Year 2021 Annual Audit**

This report has been prepared in connection with the Fiscal Year 2021 annual audit of the City of Fort Worth, Texas. The primary purpose of the audit was for the auditors to form an opinion on the Basic Financial Statements of the City. The Basic Financial Statements are presented in conformity with accounting principles generally accepted in the United States of America for local government units as prescribed by the Governmental Accounting Standards Board.

## **Overview of Audit Requirements for Federal and State Awards**

The scope of the City's 2021 annual audit included the requirements of the Single Audit Act Amendments of 1996, the 2 CFR 200, and the State of Texas Uniform Grant Management Standards. These regulations establish audit requirements for State and local governments, Indian tribal governments and non-profit organizations that receive Federal and State assistance. They provide for independent audits of the entire financial operations for the City, including compliance with certain provisions of federal and state laws and regulations. These requirements were established to ensure that audits are made on an organization-wide basis, rather than on a grant-by-grant basis. Such audits are to determine whether:

1. The basic financial statements of the government present fairly its financial position and the results of its financial operations in accordance with generally accepted accounting principles;
2. The organization has internal accounting and other control systems to provide reasonable assurance that it is managing federal and state financial assistance programs in compliance with applicable laws and regulations; and
3. The organization has complied with laws and regulations that may have a material effect on its basic financial statements and on each major federal and state assistance program.



# Independent Auditor's Reports



**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 Members of the City Council  
City of Fort Worth, Texas  
Fort Worth, Texas

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 discretely presented component unit, each major fund, and the aggregate remaining fund information of the City of Fort Worth, Texas (City), as of and for the year ended September 30, 2021, and the related notes to the financial statements, which collectively comprise the City's basic financial statements, and have issued our report thereon dated February 25, 2022, which contained a reference to the reports of other auditors and emphasis of matter paragraphs regarding changes in accounting principles and the adjustment of beginning net position/fund balance for misstatements. Our report includes a reference to other auditors who audited the financial statements of the Terrell Homes, Ltd., Fort Worth Housing Finance Corporation, and the Employees' Retirement Fund of the City of Fort Worth, Texas, as described in our report on the City's financial statements. This report does not include the results of the other auditor's 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 Employees' Retirement Fund of the City of Fort Worth, Texas, a fiduciary component unit of the City, and the Fort Worth Firefighters Healthcare Trust, a fiduciary component unit of the City, were not audited in accordance with *Government Auditing Standards*, and accordingly, this report does not include reporting on internal control over financial reporting or on compliance and other matters associated with those component units or that are reported on separately by those auditors who audited the financial statements of Fort Worth Housing Finance Corporation.

***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 opinions 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 entity'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, and therefore, material weaknesses or significant deficiencies may exist that have not been identified. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. We did identify certain deficiencies in internal control, described in the accompanying schedule of findings and questioned costs as items 2021-001, 2021-002, and 2021-003 that we consider to be significant deficiencies.

### ***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, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the financial statements amounts. 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's Responses to Findings***

The City's responses to the findings identified in our audit are described in the accompanying schedule of findings and questioned costs. The City's responses were not subjected to the auditing procedures applied in the audit of the financial statements, and accordingly, we express no opinion on them.

### ***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.

**BKD, LLP**

Dallas, Texas  
February 25, 2022

**Report on Compliance for Each Major Federal and State Program;  
Report on Internal Control Over Compliance; and Report on  
Schedule of Expenditures of Federal and State Awards Required by the Uniform  
Guidance and the State of Texas Uniform Grant Management Standards (UGMS)**

**Independent Auditor's Report**

Honorable Mayor and Members of the City Council  
City of Fort Worth, Texas  
Fort Worth, Texas

**Report on Compliance for Each Major Federal and State Program**

We have audited the Fort Worth, Texas (City) compliance with the types of compliance requirements described in the *OMB Compliance Supplement* and the *State of Texas Uniform Grant Management System (UGMS)* that could have a direct and material effect on each of the City's major federal and state programs for the year ended September 30, 2021. The City's major federal and state programs are identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs.

***Management's Responsibility***

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

***Auditor's Responsibility***

Our responsibility is to express an opinion on compliance for each of the City's major federal and state 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; 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) and UGMS. Those standards and the Uniform Guidance and UGMS 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 and state program occurred. An audit includes examining, on a test basis, evidence about the City'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 opinion on compliance for each major federal and state program. However, our audit does not provide a legal determination of the City's compliance.

### ***Opinion on Each Major Federal and State Program***

In our opinion, the City 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 major federal and state programs for the year ended September 30, 2021.

### ***Other Matters***

The results of our auditing procedures disclosed an instance of noncompliance that is required to be reported in accordance with UGMS and which are described in the accompanying schedule of findings and questioned costs as item 2021-005. Our opinion on each major federal and state program is not modified with respect to this matter.

The City's response to the noncompliance finding identified in our audit is described in the accompanying schedule of findings and questioned costs. The City'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 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's internal control over compliance with the types of requirements that could have a direct and material effect on each major federal and state 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 state program and to test and report on internal control over compliance in accordance with the Uniform Guidance and UGMS, 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's 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 and state 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 and state 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 and state 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 first paragraph of this section and was not designed to identify all deficiencies in internal control over compliance that might be material weaknesses or significant deficiencies, and therefore, material weaknesses or significant deficiencies may exist that have not been identified. We did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses. However, we did identify certain deficiencies in internal control over compliance, described in the accompanying schedule of findings and questioned costs as item 2021-004 and 2021-005, that we consider to be significant deficiencies.

The City's responses to the internal control over compliance findings identified in our audit are described in the accompanying schedule of findings and questioned costs. The City's responses were not subjected to the auditing procedures applied in the audit of compliance, and accordingly, we express no opinion on the responses.

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 and State Awards Required by the Uniform Guidance and UGMS**

We have audited the financial statements of the governmental activities, the business-type activities, the discretely presented component unit, each major fund, and the aggregate remaining information of the City, as of and for the year ended September 30, 2021, and the related notes to the financial statements, which collectively comprise the City's basic financial statements. We issued our report thereon dated February 25, 2022, which contained unmodified opinions on those financial statements and a reference to the reports of other auditors. 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 and state awards is presented for purposes of additional analysis as required by the Uniform Guidance and UGMS 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 and state awards is fairly stated in all material respects in relation to the basic financial statements as a whole.

*BKD, LLP*

Dallas, Texas  
February 25, 2022



# Schedule of Expenditures of Federal and State Awards



**CITY OF FORT WORTH, TEXAS  
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS  
FOR THE YEAR ENDED SEPTEMBER 30, 2021**

GRANT AGENCY/PROJECT TITLE	ASSISTANCE LISTING NUMBER	CONTRACT NUMBER	EXPENDITURES	PASS THROUGH EXPENDITURES
<b>U.S. DEPARTMENT OF ENERGY</b>				
Passed through the Texas Department of Housing and Community Affairs				
Department of Energy Weather Assistance Program 2019	81.042	56190003121	\$ 401,576	
<b>Total U.S. Department of Energy</b>			<b>401,576</b>	
<b>U.S. DEPARTMENT OF HEALTH AND HUMAN SERVICES</b>				
Passed through the Texas Department of Housing and Community Affairs				
Comprehensive Energy Assistance Program 2020	93.568	58200003147	3,204,476	
Comprehensive Energy Assistance Program 2021	93.568	58210003378	3,637,233	
COVID 19 Comprehensive Energy Assistance Program-CARES 2020	93.568	58990003290	13,058	
Low Income Home Energy Assistance Program 2019/2020	93.568	81190003010/ 81200003182	688,559	
Low Income Home Energy Assistance Program 2021	93.568	81210003413	322,350	
Subtotal for Low-Income Home Energy Assistance Program			<u>7,865,676</u>	
Passed through the Texas Department of Housing and Community Affairs				
Community Services Block Grant 2020	93.569	61200003206	854,481	
Community Services Block Grant 2021	93.569	61210003437	1,061,365	
COVID 19 Community Services Block Grant-CARES 2020	93.569	61200003327	1,162,702	
Subtotal for Community Services Block Grant Program			<u>3,078,548</u>	
<b>Total U.S. Department of Health and Human Services</b>			<b>10,944,224</b>	
<b>U.S. DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT</b>				
Direct Programs				
Community Development Block Grant PY 11-12	14.218	B-11-MC-48-0010	38,703	\$ -
Community Development Block Grant PY 12-13	14.218	B-12-MC-48-0010	521,520	-
Community Development Block Grant PY 13-14	14.218	B-13-MC-48-0010	370,603	6,254
Community Development Block Grant PY 14-15	14.218	B-14-MC-48-0010	226,551	13,200
Community Development Block Grant PY 15-16	14.218	B-15-MC-48-0010	130,024	-
Community Development Block Grant PY 16-17	14.218	B-16-MC-48-0010	255,710	194,933
Community Development Block Grant PY 17-18	14.218	B-17-MC-48-0010	349,535	-
Community Development Block Grant PY 18-19	14.218	B-18-MC-48-0010	342,907	-
Community Development Block Grant PY 19-20	14.218	B-19-MC-48-0010	534,318	221,089
Community Development Block Grant PY 20-21	14.218	B-20-MC-48-0010	3,548,091	1,310,338
COVID 19-1 Community Development Block Grant	14.218	B-20-MW-48-0010	1,646,982	1,573,734
COVID 19-3 Community Development Block Grant	14.218	B-20-MW-48-0010	629,447	582,537
Community Development Block Restricted Cash Grant PY19-20	14.218	B-19-MC-48-0010	456,672	-
<b>Subtotal for CDBG-Entitlement Grants Cluster</b>			<b>9,051,063</b>	<b>3,902,085</b>
Direct Programs				
Emergency Solutions Grant PY 18-19/PY 19-20	14.231	E-18-MC-48-0006/ E-19-MC-48-0006	55,515	22,149
Emergency Solutions Grant PY 20-21	14.231	E-20-MC-48-0006	544,134	530,965
COVID 19-1 Emergency Solutions Grant	14.231	E-20-MW-48-0010	885,847	834,046
COVID 19-2 Emergency Solutions Grant	14.231	E-19-MC-48-0006	1,478,656	1,443,216
Subtotal for Emergency Solutions Grant Program			<u>2,964,152</u>	<u>2,830,376</u>

(continued)

**CITY OF FORT WORTH, TEXAS  
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS  
FOR THE YEAR ENDED SEPTEMBER 30, 2021**

GRANT AGENCY/PROJECT TITLE	ASSISTANCE LISTING NUMBER	CONTRACT NUMBER	EXPENDITURES	PASS THROUGH EXPENDITURES
<b>Direct Programs</b>				
HOME Investment Partnerships Project PY 15-16	14.239	M-15-MC-48-0204	\$ 32,357	\$ 32,357
HOME Investment Partnerships Project PY 16-17	14.239	M-16-MC-48-0204	116,813	116,813
HOME Investment Partnerships Project PY 17-18	14.239	M-17-MC-48-0204	10,006	10,006
HOME Investment Partnerships Project PY 18-19	14.239	M-18-MC-48-0204	322,000	322,000
HOME Investment Partnerships Project PY 19-20	14.239	M-19-MC-48-0204	687,806	106,000
HOME Investment Partnerships Project PY 20-21	14.239	M-20-MC-48-0204	116,281	-
Subtotal for Home Investment Partnerships Program			<u>1,285,263</u>	<u>587,176</u>
<b>Direct Programs</b>				
Housing Opportunities for Persons with AIDS PY 18-19	14.241	TXH-18-F002	478	-
Housing Opportunities for Persons with AIDS PY 19-20	14.241	TXH-19-F002	148,770	-
Housing Opportunities for Persons with AIDS PY 20-21	14.241	TXH-20-F002	1,173,038	827,270
COVID 19 Housing Opportunities for Persons with AIDS	14.241	TX-H20-FHW002	108,211	100,846
Subtotal for Housing Opportunities for Persons with AIDS			<u>1,430,497</u>	<u>928,116</u>
<b>Direct Programs</b>				
Fair Housing Assistance Program PY 16-17	14.401	FF-206-K-16-6002	1,292	
Fair Housing Assistance Program PY 17-18	14.401	FF-206-K-17-6002	83,135	
Fair Housing Assistance Program PY 18-19	14.401	FF-206-K-18-6002	55,340	
Fair Housing Assistance Program PY 19-20	14.401	FF-206-K-19-6002	374,235	
Fair Housing Assistance Program PY 20-21	14.401	FF-206-K-20-6002	25,313	
Subtotal for Fair Housing Assistance Program			<u>539,315</u>	
<b>Direct Program</b>				
Lead Hazardous Reduction Program PY 17-20	14.905	TX-LHD-0316-17	577,142	
Lead Hazardous Reduction Program PY 20-24	14.905	TX-LHD-0435-20	326,661	
Subtotal for Lead Hazard Reduction Demonstration Grant Program			<u>903,803</u>	
<b>Passed through Texas Department Housing and Community Affairs</b>				
COVID 19 Texas Emergency Rental Assistance Program	14.228	70200001017	1,036,114	999,120
Texas Emergency Mortgage Assistance Program	14.228	70300001006	22,932	-
Subtotal for CDBG/State's Program and Non-Entitlement Grants in Hawaii			<u>1,059,046</u>	<u>999,120</u>
<b>Total U.S. Department of Housing and Urban Development</b>			<b><u>17,233,139</u></b>	<b><u>9,246,873</u></b>
<b>U.S. DEPARTMENT OF THE INTERIOR</b>				
Ft. Worth Historic Survey Project	15.904	TX-20-10028	43,104	
<b>Total U.S. Department of the Interior</b>			<b><u>43,104</u></b>	
<b>U.S. DEPARTMENT OF THE INTERIOR (NATIONAL PARK SERVICE)</b>				
<b>Passed through Texas Parks and Wildlife Department</b>				
Alliance Community Park	15.916	55-000030	424,155	
<b>Total U.S. Department of The Interior (National Park Service)</b>			<b><u>424,155</u></b>	

**CITY OF FORT WORTH, TEXAS  
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS  
FOR THE YEAR ENDED SEPTEMBER 30, 2021**

GRANT AGENCY/PROJECT TITLE	ASSISTANCE LISTING NUMBER	CONTRACT NUMBER	EXPENDITURES	PASS THROUGH EXPENDITURES
<b>U.S. DEPARTMENT OF JUSTICE</b>				
Direct Programs				
Office of Juvenile Justice and Delinquency Prevention Anti Gang 2020	16.123	2020-MU-MU-0019	\$ 27,679	
Subtotal for Community-Based Violence Prevention Program			<u>27,679</u>	
Direct Programs				
Internet Crimes Against Children	16.543	2019-MC-FX-K056	14,174	
Subtotal for Missing Children's Assistance Program			<u>14,174</u>	
Direct Programs				
Law Enforcement Based Victim Specialist	16.582	2019-V3-GX-0243	74,762	
Subtotal for Crime Victim Assistance/Discretionary Grants			<u>74,762</u>	
Direct Programs				
COPS Hiring Program	16.710	2020-UM-WX-0216	570,848	
Subtotal for Public Safety Partnership and Community Policing Grants			<u>570,848</u>	
Direct Programs				
Justice Assistance Grant 2018	16.738	2018-DJ-BX-0876	169,978	\$ 125,130
Justice Assistance Grant 2019	16.738	2019-DJ-BX-0250	193,195	118,824
Justice Assistance Grant 2020	16.738	2020-DJ-BX-0259	82,688	82,688
Subtotal for Edward Bryne Memorial Justice Assistance Grant Program			<u>445,861</u>	<u>326,642</u>
COVID 19 Justice Assistance Grant 2020-CARES	16.034	2020-CD-BX-0667	472,808	
Subtotal for Coronavirus Emergency Supplemental Funding Program			<u>472,808</u>	
Direct Programs				
DNA Capacity Enhancement & Backlog Reduction Program 2018	16.741	2018-DN-BX-0067	152,962	
DNA Capacity Enhancement & Backlog Reduction Program 2019	16.741	2019-DN-BX-0012	77,597	
Subtotal for DNA Backlog Reduction Program			<u>230,559</u>	
Direct Programs				
Federal Asset Forfeiture Program	16.922	N/A	676,539	
Subtotal for Equitable Sharing Program			<u>676,539</u>	
Passed through the Office of the Governor, Criminal Justice Division				
Victims of Crime Act 2021	16.575	3059703	127,667	
Subtotal for Victims of Crime Act Formula Grant Program			<u>127,667</u>	
<b>Total U.S. Department of Justice</b>			<u><b>2,640,897</b></u>	<u><b>326,642</b></u>

**CITY OF FORT WORTH, TEXAS  
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS  
FOR THE YEAR ENDED SEPTEMBER 30, 2021**

GRANT AGENCY/PROJECT TITLE	ASSISTANCE LISTING NUMBER	CONTRACT NUMBER	EXPENDITURES	PASS THROUGH EXPENDITURES
<b>U.S. DEPARTMENT OF TRANSPORTATION</b>				
Direct Programs				
Rehab Runway and Taxiway Lighting 2017	20.106	3-48-0296-059-2017	\$ 29,444	
Part 150 Noise Study Update	20.106	3-48-0296-062-2018	104,476	
Taxiway Papa Extension at Alliance Airport Phase I	20.106	3-48-0296-064-2019	5,223,873	
AFW Noise Mitigation Grant 2019	20.106	3-48-0296-063-2019	1,036,558	
AFW Cargo Entitlement 2019	20.106	3-48-0296-065-2019	151,229	
COVID 19 CARES Act Grant 2020 Alliance	20.106	3-48-0296-067-2020	157,000	
Taxiway Papa Extension at Alliance Airport Phase II	20.106	3-48-0296-068-2020	1,705,705	
Subtotal for Direct Airport Improvement and COVID 19 Airports Programs			<u>8,408,285</u>	
Passed through Texas Dept. of Highways and Public Transportation				
Airport Runway Drainage and Fencing Spinks 2014	20.106	1402SPINK-4XXAV081	(79,511)	
East Side Taxiway Improvement	20.106	1802SPINK	(65,738)	
FTW Apron & Taxilane Reconstruction	20.106	2002MECH	164,803	
Midfield Redevelopment Project	20.106	1802MCHAM	(95,600)	
COVID 19 CARES Act Grant 2020 Spinks	20.106	20CRSPINK	69,000	
COVID 19 CARES Act Grant 2020 Meacham	20.106	20CRMEACH	157,000	
FTW Master Plan Update Amendment	20.106	20MPMEACH	107,305	
Rehabilitate and Mark Runway 17R/35L and Parallel Taxiway	20.106	2002SPINK/ 2002FWSPK	<u>2,809,778</u>	
Subtotal for Passed through Airport Improvements and COVID 19 Airports Programs			<u>3,067,037</u>	
Subtotal Airport Improvement Programs and COVID-19 Airports Programs			<u>11,475,322</u>	
Passed through Texas Department of Transportation				
20 NCTCOG Traffic Signals Communication	20.205	CSJ 0902-90-087	(6,242)	
Centreport Trail Phase I	20.205	CSJ 0902-90-050	153,018	
Centreport Trail Phase II	20.205	CSJ 0902-00-235	428	
East Fort Worth Extension	20.205	CSJ 0902-90-031	22,914	
Home Street Streetscape Project	20.205	CSJ 0902-90-148	55,725	
Intersection Improvement Miller/Wilbarger	20.205	CSJ 0172-06-092	164,078	
McCart Avenue Walton Ave Edgecliff Rd	20.205	CSJ 0902-90-039	633,067	
Meandering Road	20.205	CSJ-0902-90-046	347,873	
NCTCOG Incident Management	20.205	TRN6662	26,412	
Peach St. RR Safety Improvement Project	20.205	CSJ 0902-48-688 & CSJ 0902-48-689	(187,908)	
Rosedale Corridor Management System	20.205	CSJ-0902-90-018	(18,804)	
Trinity Trails East Bank	20.205	CSJ 0902-48-869	374,151	
University Dr Ph2 Trail Dr-I30	20.205	CSJ 0902-90-169	615	
<b>Subtotal for Highway Planning and Construction Cluster</b>			<u>1,565,327</u>	
Passed through Federal Motor Carrier Safety Administration				
Federal Motor Carrier-High Priority Grant 2020	20.237	69A3602040534- MHP0TX	<u>176,532</u>	
<b>Subtotal for FMCSA Cluster</b>			<u>176,532</u>	

**CITY OF FORT WORTH, TEXAS  
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS  
FOR THE YEAR ENDED SEPTEMBER 30, 2021**

GRANT AGENCY/PROJECT TITLE	ASSISTANCE LISTING NUMBER	CONTRACT NUMBER	EXPENDITURES	PASS THROUGH EXPENDITURES
Passed through Texas Department of Transportation TXDOT Commercial Motor Vehicle 2020	20.600	2020-FORTWORTH-S-CMV-00009	\$ 408	
TXDOT Commercial Motor Vehicle 2021	20.600	2021-FORTWORTH-S-CMV-00011	19,739	
TXDOT STEP Comprehensive 2020	20.600	2020-FORTWORTH-S-1YG-00025	516	
TXDOT STEP Comprehensive 2021	20.600	2021-FORTWORTH-S-1YG-00036	100,740	
<b>Subtotal for Highway Safety Cluster</b>			<b>121,403</b>	
<b>Total U.S. Department of Transportation</b>			<b>13,338,584</b>	
<b>EQUAL EMPLOYMENT OPPORTUNITY COMMISSION</b>				
Direct Awards				
Equal Employment Opportunity Commission 2020	30.001	EEC45310019C0049	23,246	
Equal Employment Opportunity Commission 2021	30.001	45310019C0049P00002	4,400	
<b>Total Employment Discrimination Title VII of the Civil Rights Act of 1964/Equal Employment Opportunity Commission</b>			<b>27,646</b>	
<b>ENVIRONMENTAL PROTECTION AGENCY</b>				
Direct Awards				
Brownfields Cleanup	66.818	BL-98690701	867,125	
EPA Brownfield Funding	66.818	01F87601-0	18,431	
Subtotal for Brownfields Multipurpose, Assessment, Revolving Loan Fund, and Cleanup Cooperative Agreements			885,556	
Passed through Texas Commission on Environmental Quality				
PM 2.5 Local Air Pollution Monitoring 2015-2018	66.034	582-15-50040	(3,658)	
PM 2.5 Local Air Pollution Monitoring 2019	66.034	582-19-90039	2,092	
PM 2.5 Local Air Pollution Monitoring 2020-2021	66.034	582-19-90039	65,147	
Subtotal for Surveys, Studies, Research, Investigations, Demonstrations, and Special Purpose Activities Relating to the Clean Air Act			63,581	
Passed through Texas Water Development Board				
Clean Water State Revolving Fund Series 2017	66.458	L1000573	5,587,111	
Clean Water State Revolving Fund Series 2020	66.458	L1001056	33,532,368	
<b>Subtotal for Clean Water State Revolving Fund Cluster</b>			<b>39,119,479</b>	
Passed through Texas Commission on Environmental Quality				
Air Monitoring PM 10 FY 2004-2005	66.001	582-4-55825	26,001	
Subtotal for Air Pollution Control Program Support			26,001	
Air Monitoring PM 10 FY 2014-2018	66.605	582-14-40060	9,344	
Air Monitoring PM 10 FY 2018-2019/2020-2021	66.605	582-18-80091/ 582-18-80091 A4	8,025	
Subtotal for Performance Partnership Grants			69,371	
<b>Total Environmental Protection Agency</b>			<b>40,111,986</b>	

**CITY OF FORT WORTH, TEXAS  
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS  
FOR THE YEAR ENDED SEPTEMBER 30, 2021**

<u>GRANT AGENCY/PROJECT TITLE</u>	<u>ASSISTANCE LISTING NUMBER</u>	<u>CONTRACT NUMBER</u>	<u>EXPENDITURES</u>	<u>PASS THROUGH EXPENDITURES</u>
<b>U.S. DEPARTMENT OF HOMELAND SECURITY</b>				
Direct Awards				
FEMA-2021 Winter Storm	97.036	DR-4586-TX	\$ 68,748	
Subtotal for Direct Disaster Grants-Public Assistant (Presidentially Declared Disasters)			<u>68,748</u>	
Passed through Texas Governor's Division of Emergency Management				
Disaster Recovery Grant 4223-Phase 1	97.036	PA-06-TX-4223	<u>239,737</u>	
Subtotal for Passed through Disaster Grants-Public Assistance (Presidentially Declared Disasters)			<u>239,737</u>	
Subtotal for Disaster Grants-Public Assistance (Presidentially Declared Disasters)			<u>308,485</u>	
Direct Awards				
Cooperating Technical Partners 2015	97.045	EMW-2015-CA-00070	119,820	
Cooperating Technical Partners 2016	97.045	EMT-2016-CA-00040	<u>403,150</u>	
Subtotal for Cooperating Technical Partners			<u>522,970</u>	
Passed through Texas Water Development Board CAH Voluntary Acquisition Project				
Subtotal for Flood Mitigation Assistance	97.029	EMT-2018-FM-E002(7)	<u>1,218</u>	
Passed through Texas Governor's Division of Emergency Management				
Emergency Management Performance Grant FY2020/FY2021	97.042	EMT-2020-EP-00004/ EMT-2021-EP-00005	<u>136,985</u>	
Subtotal for Emergency Management Performance Grants			<u>136,985</u>	
Passed through Texas Governor's Division of Emergency Management				
Assistance Firefighter Grant Program	97.044	EMW-2019-FO-01153	<u>6,393</u>	
Subtotal for Assistance to Firefighters Grant			<u>6,393</u>	
Passed through Texas Office of the Governor, Criminal Justice Division				
Homeland Security Grant Program-2020	97.067	EMW-2020-SS-00054	759,944	
Homeland Security Grant Program-2020 LETPA	97.067	EMW-2020-SS-00054	388,743	
Homeland Security Grant Program-2020 M&A	97.067	EMW-2020-SS-00054	<u>30,576</u>	
Subtotal for Direct Homeland Security Grant Program			<u>1,179,263</u>	

**CITY OF FORT WORTH, TEXAS  
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS  
FOR THE YEAR ENDED SEPTEMBER 30, 2021**

GRANT AGENCY/PROJECT TITLE	ASSISTANCE LISTING NUMBER	CONTRACT NUMBER	EXPENDITURES	PASS THROUGH EXPENDITURES
Passed through Texas Office of the Governor - Division of Emergency Mgmt Urban Area Security Initiative-2018	97.067	EMW-2018-SS- 00022-S01	\$ 291,468	
Urban Area Security Initiative-2018 LE	97.067	EMW-2018-SS- 00022-S01	252,402	
Urban Area Security Initiative-2019	97.067	EMW-2019-SS- 00034-S01	1,376,263	
Urban Area Security Initiative-2019 LE	97.067	EMW-2019-SS- 00034-S01	506,578	
Urban Area Security Initiative-2019 M&A	97.067	EMW-2019-SS- 00034-S01	17,490	
Subtotal for Passed through Homeland Security Grant Program			<u>2,444,201</u>	
Subtotal for Homeland Security Grant Program			<u>3,623,464</u>	
Passed through Texas Commission on Environmental Quality BioWatch Whole Air Grant 2016-2018/2019-2020/2020- 2021	97.091	582-16-60018/ 582-19-90031	99,241	
BioWatch Whole Air Grant FY 2022	97.091	582-21-22371	134,694	
Subtotal for Homeland Security BioWatch Program			<u>233,935</u>	
<b>Total Department of Homeland Security</b>			<u><b>4,833,450</b></u>	
<b>EXECUTIVE OFFICE OF THE PRESIDENT</b>				
Passed through the Office of National Drug Control Policy DEA HIDTA Airport Task Force 2020	95.001	CSC 53620	1,606	
DEA HIDTA Airport Task Force 2021	95.001	CSC 55070	31,350	
DEA HIDTA Group 2 Task Force 2015-2020	95.001	CSC 47090	(9,131)	
DEA HIDTA Group 2 Task Force 2021	95.001	CSC 55027	61,618	
HIDTA Western Drug Squad Task Force 2019	95.001	CSC 51615	390	
HIDTA Western Drug Squad Task Force 2020	95.001	CSC 53584	5,571	
<b>Total for the High Intensity Drug Trafficking Areas Program/Executive Office the President</b>			<u><b>91,404</b></u>	
<b>U.S. DEPARTMENT OF THE TREASURY</b>				
Direct Awards Treasury Asset Forfeiture Program	21.016	N/A	25,338	
Subtotal for Equitable Sharing			<u>25,338</u>	
COVID 19 2020 CARES Disaster Assistance	21.019	N/A	109,915,137	
Subtotal for Coronavirus Relief Fund			<u>109,915,137</u>	
COVID 19 Emergency Rental Assistance Program	21.023	21ERA0221A	10,213,364	\$ 9,611,771
Subtotal for Emergency Rental Assistance Program			<u>10,213,364</u>	<u>9,611,771</u>
<b>Total U.S. Department of the Treasury</b>			<u><b>120,153,839</b></u>	<u><b>9,611,771</b></u>
<b>TOTAL FEDERAL DIRECT AND PASS-THROUGH AWARDS</b>			<u><b>\$ 210,244,004</b></u>	<u><b>\$ 19,185,286</b></u>

**CITY OF FORT WORTH, TEXAS  
SCHEDULE OF EXPENDITURES OF STATE AWARDS  
FOR THE YEAR ENDED SEPTEMBER 30, 2021**

GRANT AGENCY/PROJECT TITLE	CONTRACT NUMBER	EXPENDITURES	PASS THROUGH EXPENDITURES
<b>TEXAS STATE ATTORNEY GENERAL'S OFFICE</b>			
Direct Awards			
Victim Coordinator and Liaison 2020-2021	2098424	\$ 38,426	
Victim Coordinator and Liaison 2022-2023	2214880	3,418	
<b>Total Texas State Attorney General's Office</b>		<b>41,844</b>	
<b>TEXAS OFFICE OF THE GOVERNOR</b>			
Direct Awards			
2021 Sexual Assault Evidence Testing	4020201	138,932	
<b>Total Texas Office of the Governor</b>		<b>138,932</b>	
<b>TEXAS DEPARTMENT OF TRANSPORTATION</b>			
Direct Awards			
Routine Airport Maintenance Program Spinks 2020/2021	M2002SPNK/ M2102SPNK	49,472	
Routine Airport Maintenance Program Alliance 2020/2021	M2002ALNC/ M2102ALNC	49,117	
Routine Airport Maintenance Program Meacham 2021	M2102MECH	50,000	
Sub-total for Program		148,589	
Passed through the North Central Texas Council of Governments			
Double Eagle Boulevard-SH 156 to Fire Ridge Drive	CSC 46799	63,350	
Community Facilities Agreement-American Airlines	CSJ 0902-90-116	130,329	
South Main Street Reconstruction	CSJ 0902-48-883	(53,133)	
Sub-total for Program		140,546	
<b>Total Texas Department of Transportation</b>		<b>289,135</b>	
<b>TEXAS COMMISSION ON ENVIRONMENTAL QUALITY</b>			
Direct Awards			
Air Pollution Compliance Monitoring 2010/2015-2018/2019-2021	582-10-90259/582-15- 50123/582-19-90043	254,091	
Nox Ozone Monitoring	582-16-60238	(3,682)	
Sub-total for Program		250,409	
Passed through North Central Texas Council of Governments			
Special Events Collection Program	21-04-03	39,638	
Abating Illegal Dumping and Litter Violations	21-04-04	96,778	
Sub-total for Program		136,416	
<b>Total Texas Commission on Environmental Quality</b>		<b>386,825</b>	
<b>TEXAS DEPARTMENT OF HOUSING AND COMMUNITY AFFAIRS</b>			
Direct Awards			
Homeless Housing and Services Program 2021	63216010006	359,213	\$ 359,213
Homeless Housing and Services Program-Youth 2020	18206010006	27,370	27,370
Homeless Housing and Services Program-Youth 2021	18216010006	49,745	49,745
<b>Total Texas Department of Housing and Community Affairs</b>		<b>436,328</b>	<b>436,328</b>

**CITY OF FORT WORTH, TEXAS  
SCHEDULE OF EXPENDITURES OF STATE AWARDS  
FOR THE YEAR ENDED SEPTEMBER 30, 2021**

GRANT AGENCY/PROJECT TITLE	CONTRACT NUMBER	EXPENDITURES	PASS THROUGH EXPENDITURES
<b>TEXAS VETERANS COMMISSION</b>			
Direct Awards			
Fund for Veterans' Assistance General Assistance Grant 2019/2020	GR-FVA-19-018/ GT-FVA 20051	\$ 214,252	
Fund for Veterans' Assistance Texas Heroes Grant 2019/2020	GT-HTX-19-002/ GT-HTX-20-022	130,701	
<b>Total Texas Veterans Commission</b>		<b><u>344,953</u></b>	
<b>TEXAS PARKS AND WILDLIFE</b>			
Direct Awards			
Alliance Community Park Phase II	55-000038	810,000	
<b>Total Texas Parks and Wildlife</b>		<b><u>810,000</u></b>	
<b>TEXAS DEPARTMENT OF HOMELAND SECURITY</b>			
Direct Awards			
Central Arlington Heights Voluntary Acquisition Project	1700012478	82	
<b>Total Texas Department of Homeland Security</b>		<b><u>82</u></b>	
<b>TEXAS DEPARTMENT OF MOTOR VEHICLES</b>			
Passed Through Tarrant County			
Tarrant County Auto Crimes Task Force 2021	CSC 55357	109,166	
<b>Total Texas Department of Motor Vehicles</b>		<b><u>109,166</u></b>	
<b>TOTAL STATE AWARDS AND PASS-THROUGH AWARDS</b>		<b><u>\$ 2,557,265</u></b>	<b><u>\$ 436,328</u></b>



**CITY OF FORT WORTH, TEXAS  
 NOTES TO THE SCHEDULE OF EXPENDITURES OF FEDERAL AND STATE AWARDS  
 FOR THE YEAR ENDED SEPTEMBER 30, 2021**

**1. GENERAL**

The accompanying Schedule of Expenditures of Federal and State Awards (the “Schedule”) presents the activity of all applicable federal and state awards of the City of Fort Worth, Texas (the “City”) for the year ended September 30, 2021.

For the purposes of the Schedule, federal and state awards include all grants, contracts and similar agreements entered into directly between the City and agencies and departments of the federal and State of Texas governments and all subawards to the City pursuant to federal and state grants, contracts and similar agreements. Major programs are identified by the independent auditor in accordance with the provisions of 2 CFR 200 and the State of Texas Uniform Grant Management Standards (“UGMS”).

**2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES FOR FEDERAL AND STATE AWARDS**

Expenditures for direct costs and employee benefits are recognized as incurred using the modified accrual basis of accounting (accrual basis for proprietary funds) to the extent grants are approved and applicable government cost principles specified by each grant, contract, and agreement. Such expenditures are recognized following the cost principles contained in 2 CFR 200, 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. Pass-through entity identifying numbers are presented where available. The City neither recovers indirect costs unless expressly allowed by each award, nor does the City utilize the 10% de minimis indirect cost rate contained in 2 CFR 200 for entities that have never had an approved rate.

Additionally, amounts reported as expenditures in the Schedule may not agree with the amounts in the related financial reports filed with the grantor agencies because of accruals that would not be included until the next report filed with the agency.

**3. COMMITMENTS AND CONTINGENCIES**

The City participates in several federal and state grant programs, which are governed by various rules and regulations of the grantor agencies. Costs charged to the respective grant programs are subject to audit and adjustment by the grantor agencies. Therefore, to the extent that the City has not complied with the rules and regulations governing the grants, refunds of any money received may be required, and the collectability of any related receivable at September 30, 2021 may be impaired. In the opinion of management, there are no significant contingent liabilities relating to compliance with rules and regulations governing the grants.

**4. OUTSTANDING LOAN BALANCES**

The City has outstanding loans payable under the Clean Water State Revolving Loan Fund from the Texas Water Development Board (TWDB), as a pass-through agency for the Environmental Protection Agency (CFDA 66.458). As of September 30, 2021 the outstanding loan balances were:

• TWDB Series 2015	\$ 26,120,000
• TWDB Series 2015- Due within One Year	<u>1,855,000</u>
TWDB Series 2015 Total	<u>\$ 27,975,000</u>
• TWDB Series 2017	\$ 13,670,000
• TWDB Series 2017- Due within One Year	<u>475,000</u>
TWDB Series 2017 Total	<u>\$ 14,145,000</u>
• TWDB Series 2020	\$ 56,495,000
• TWDB Series 2020- Due within One Year	<u>3,115,000</u>
TWDB Series 2020 Total	<u>\$ 59,610,000</u>

**CITY OF FORT WORTH, TEXAS  
NOTES TO THE SCHEDULE OF EXPENDITURES OF FEDERAL AND STATE AWARDS  
FOR THE YEAR ENDED SEPTEMBER 30, 2021**

**4. OUTSTANDING LOAN BALANCES (CONTINUED)**

The City has an outstanding loan payable under the Drinking Water State Revolving Loan Fund from the Texas Water Development Board (TWDB), as a pass-through agency for the Environmental Protection Agency (CFDA 66.468). As of September 30, 2021 the outstanding loan balance was:

• TWDB Series 2009 ARRA	\$ 6,400,000
• TWDB Series 2009 ARRA- Due within One Year	<u>815,000</u>
TWDB Series 2009 ARRA Total	<u>\$ 7,215,000</u>

**5. NONCASH AWARDS**

Certain federal financial awards programs involve other-than-cash awards. Such items were immaterial in the current year.

# Schedule of Findings and Questioned Costs



**CITY OF FORT WORTH, TEXAS  
SCHEDULE OF FINDINGS AND QUESTIONED COSTS  
YEAR ENDED September 30, 2021**

**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 accounting principles generally accepted in the United States of America (GAAP) was:

Unmodified       Qualified       Adverse       Disclaimer

2. Internal control over financial reporting:

Material weakness(es) identified?       Yes       No

Significant deficiency(ies) identified?       Yes       None reported

3. Noncompliance material to the financial statements noted?

Yes       No

*Federal and State Awards*

4. Internal control over compliance for major federal and state programs:

Material weakness(es) identified?       Yes       No

Significant deficiency(ies) identified?       Yes       None reported

5. Type of auditor's report issued on compliance for major federal and state programs:

Unmodified       Qualified       Adverse       Disclaimer

6. Any audit findings disclosed that are required to be reported in accordance with 2 CFR 200.516(a)?

Yes       No

7. Identification of major federal and state programs:

**CITY OF FORT WORTH, TEXAS  
 SCHEDULE OF FINDINGS AND QUESTIONED COSTS  
 YEAR ENDED September 30, 2021**

**SECTION I - SUMMARY OF AUDITOR'S RESULTS (CONTINUED)**

*Federal Awards*

<b><u>Cluster/Program</u></b>	<b><u>Assistance Listing Number</u></b>
CDBG Entitlement Cluster (including COVID-19)	14.218
Clean Water State Revolving Fund	66.458
Homeland Security Grant/ Urban Area Security Initiative	97.067
COVID-19 Coronavirus Relief Fund	21.019
COVID-19 Emergency Rental Assistance Program	21.023

*State Awards*

<b><u>Cluster/Program</u></b>	<b><u>Contract Number(s)</u></b>
Homeless Housing Services Program	63216010006, 18206010006, 18216010006
Alliance Community Park Phase II	55-000038

8. Dollar threshold used to distinguish between Type A and Type B programs for Federal Awards: \$3,000,000.
9. Dollar threshold used to distinguish between Type A and Type B programs for State Awards: \$300,000.
10. Auditee qualified as a low-risk auditee?  Yes  No

**CITY OF FORT WORTH, TEXAS  
 SCHEDULE OF FINDINGS AND QUESTIONED COSTS  
 YEAR ENDED September 30, 2021**

**SECTION II – FINANCIAL STATEMENT FINDINGS**

<b>Reference Number</b>	<b>Finding</b>
2021-001	<p data-bbox="428 583 1003 613">Finding: Capital Assets Prior Period Adjustment</p> <p data-bbox="428 642 1360 739">Criteria: Proper internal controls over accounting for capital assets includes the reconciliation of assets and related accumulated depreciation from the asset management system to the trial balance.</p> <p data-bbox="428 768 1432 928">Condition: Prior to the City’s financial statement close, the City identified two issues with their capital asset balances. Certain capital asset balances in the trial balance did not agree to the asset management software for various governmental activities assets and accumulated depreciation accounts and the City identified it had over-expensed a capital project in prior years.</p> <p data-bbox="428 957 1458 1020">Context: The net effect of the two issues identified was net capital assets balances were overstated at the end of fiscal year 2020 by approximately \$10,218,000.</p> <p data-bbox="428 1050 1458 1209">Effect: Prior to the City making these corrections their capital assets in the trial balance and therefore the City’s financial statements did not agree with their asset management system and they did not account appropriately for a capital project. Continued challenges with capital assets could lead to inaccurate reporting of the City’s capital assets.</p> <p data-bbox="428 1239 1448 1369">Cause: As part of the original implementation to Peoplesoft adjusting entries were incorrectly made to reconcile between the City’s asset management software and their trial balance causing the two to be out of balance. In addition, the City did not have the required information from a state agency to adequately track the capital project.</p> <p data-bbox="428 1398 1425 1495">Recommendation: We recommend the City’s year-end process continue to contain a reconciliation between the asset management system and the trial balance and not record close out entries without adequate supporting documentation.</p> <p data-bbox="428 1524 1136 1551">Views of Responsible Officials: See Corrective Action Plan</p>

**CITY OF FORT WORTH, TEXAS  
 SCHEDULE OF FINDINGS AND QUESTIONED COSTS  
 YEAR ENDED September 30, 2021**

**SECTION II – FINANCIAL STATEMENT FINDINGS (CONTINUED)**

<b>Reference Number</b>	<b>Finding</b>
2021-002	<p data-bbox="397 583 1268 646"><b>Finding:</b> Rock Creek Public Improvement District Debt Service Fund and Governmental Activities Prior Period Adjustment</p> <p data-bbox="397 674 1354 804"><b>Criteria:</b> GASB Statement No. 6 requires special assessment debt for which the government has no obligation to not be reported in the government’s financial statements and GASB Statement No. 84 requires the use of a fiduciary fund when holding assets solely for the use of others.</p> <p data-bbox="397 831 1414 894"><b>Condition:</b> The Rock Creek Public Improvement District was incorrectly reported as a governmental debt service fund in the prior year and should have been an agency fund.</p> <p data-bbox="397 921 1393 1020"><b>Context:</b> Governmental activities debt was overstated by \$18,026,000 and a debt service fund with an ending fiscal year 2020 fund balance of \$1,889,000 should have been an agency fund.</p> <p data-bbox="397 1047 1403 1178"><b>Effect:</b> The City incorrectly reported special assessment debt that they were not obligated for in the prior year. In addition, the City reported a debt service fund rather than an agency fund. Inaccurate accounting and reporting can mislead users of the financial statements.</p> <p data-bbox="397 1205 1409 1371"><b>Cause:</b> During the City’s evaluation of their financial reporting entity for GASB 84 implementation they identified that the Rock Creek Public Improvement District Debt Service Fund was incorrectly reported as a governmental debt service fund in the prior year and debt was reported in the City’s governmental activities that was not an obligation of the City.</p> <p data-bbox="397 1398 1409 1497"><b>Recommendation:</b> We recommend the City ensure controls are in place to involve the financial management team in the process to evaluate new special assessment debt or custodial arrangements in order to appropriately account for them.</p> <p data-bbox="397 1524 1105 1549"><b>Views of Responsible Officials:</b> See Corrective Action Plan</p>

**CITY OF FORT WORTH, TEXAS  
 SCHEDULE OF FINDINGS AND QUESTIONED COSTS  
 YEAR ENDED September 30, 2021**

**SECTION II – FINANCIAL STATEMENT FINDINGS (CONTINUED)**

<b>Reference Number</b>	<b>Finding</b>
2021-003	<p data-bbox="396 583 1382 613"><b>Finding:</b> Schedule of Expenditures of State Awards Completeness and Presentation</p> <p data-bbox="396 642 1409 705"><b>Criteria:</b> Texas Uniform Grant Management Standards B.205 requires expenditures to be reported based on when the financial activity related to the award occurs.</p> <p data-bbox="396 735 1373 764"><b>Condition:</b> The City inaccurately reported the state awards expended for one grant.</p> <p data-bbox="396 793 1370 856"><b>Context:</b> The City’s expenditures for the Alliance Park state program expenditures were underreported by \$500,000.</p> <p data-bbox="396 886 1414 1012"><b>Effect:</b> Incorrectly preparing the schedule of expenditures of state awards can negatively impact the usefulness of the schedule to state grantor agencies. In addition, incorrect reporting leads to an increased risk of the wrong state awards programs being selected for testing for the state Single Audit.</p> <p data-bbox="396 1041 1430 1138"><b>Cause:</b> The City inappropriately reported a nonfederal match on the Alliance Park grant which caused the related state expenditures to be underreported on the schedule of expenditures of state awards.</p> <p data-bbox="396 1167 1382 1264"><b>Recommendation:</b> We recommend the City review their state grant agreements and determine the type of matching that is required, if applicable, in order to report the appropriate state amount on the schedule of state awards.</p> <p data-bbox="396 1293 1105 1323"><b>Views of Responsible Officials:</b> See Corrective Action Plan</p>

**CITY OF FORT WORTH, TEXAS  
 SCHEDULE OF FINDINGS AND QUESTIONED COSTS  
 YEAR ENDED September 30, 2021**

**SECTION III – FEDERAL AND STATE AWARD FINDINGS**

<b>Reference Number</b>	<b>Finding</b>
2021-004	<p>Finding: Internal Controls over Reporting</p> <p>Federal Program: Community Development Block Grant Entitlement Cluster</p> <p>Assistance Listing Number: 14.218</p> <p>Federal Agency: U.S. Department of Housing and Urban Development</p> <p>Pass-Through Entity: n/a</p> <p>Criteria: Proper controls over compliance include documenting who performed the review of reports and the date of the review.</p> <p>Condition: During testing of internal controls over compliance for reporting it was identified that the City does not have documentation to support the review of quarterly reports before submission to the IDIS system.</p> <p>Questioned Costs: None</p> <p>Prior Year Finding: N/A</p> <p>Context: All C04PR29 quarterly reports for fiscal year 2021.</p> <p>Effect: The City could not provide proof of the review before submission to the IDIS system. Not reviewing reports before submission increases the risk of inaccurate reporting.</p> <p>Cause: The City did not document its review of reports before submission to the IDIS system.</p> <p>Recommendation: We recommend the City implement a documented process of review of the underlying elements of the report before submission to the IDIS system.</p> <p>Views of Responsible Officials: See Corrective Action Plan</p>

**CITY OF FORT WORTH, TEXAS  
 SCHEDULE OF FINDINGS AND QUESTIONED COSTS  
 YEAR ENDED September 30, 2021**

**SECTION III – FEDERAL AND STATE AWARD FINDINGS (CONTINUED)**

<b>Reference Number</b>	<b>Finding</b>
2021-005	<p>Finding: Timeliness of Reporting</p> <p>Federal Program: Homeless Housing Services Program</p> <p>Contract Numbers: 63216010006, 18206010006, 18216010006</p> <p>State Agency: Texas Department of Housing and Community Affairs</p> <p>Pass-Through Entity: n/a</p> <p>Criteria: Proper internal controls over compliance for reporting should have a control over the timeliness of report submission.</p> <p>Condition: Controls were not in place early in fiscal year 2021 to track the timeliness of report submissions which resulted in three of nine reports tested being submitted late.</p> <p>Questioned Costs: None</p> <p>Prior Year Finding: See finding 2020-004</p> <p>Context: Three of nine reports randomly selected for testing were submitted after the due date. Two were submitted nearly a week late, and the other was submitted a month late.</p> <p>Effect: The City did not submit required reports in a timely manner. Continued untimely submissions could impact the timeliness of the agency’s review and monitoring of related grant activity, and/or could negatively impact future funding or create increased monitoring.</p> <p>Cause: The City had not yet put in process their corrective action plan from the fiscal year 2020 Single Audit to alleviate the timeliness of reporting issue by the beginning of fiscal year 2021.</p> <p>Recommendation: We recommend the City continue to follow the process they implemented subsequent to the fiscal year 2020 audit as that seems to have alleviated this control issue.</p> <p>Views of Responsible Officials: See Corrective Action Plan</p>



# Corrective Action Plan



**CITY OF FORT WORTH, TEXAS  
CORRECTIVE ACTION PLAN  
YEAR ENDED SEPTEMBER 30, 2021**

**Findings Related to the Financial Statements**

***2021-001 Significant Deficiency in Internal Controls - Capital Assets Prior Period Adjustment***

Concur: The Financial Management Services Department included a correction in the FY2021 Annual Comprehensive Financial Report that reflects a net capital asset correction of (\$10,218,000) which decreased FY2021 beginning government-wide net position. The City's current process for capital asset reconciliation alerted the need for this correction and should alleviate any future control issues. FMS will continue this process to reconcile the capital assets in the trial balance to asset management system to include clearing any variances per quarter. The ownership of assets created in inter-local (TxDOT) agreements will be identified prior to capitalization to prevent capitalizing the wrong asset(s) that would cause over expensing CWIP.

This action plan will be completed by September 30, 2022.

Contact Person: Reginald Zeno, Chief Financial Officer, FMS, 817-392-8517  
Contact Person: Tony Rousseau, Assistant Finance Director, FMS 817-392-8338

***2021-002 Significant Deficiency in Internal Controls - Rock Creek Public Improvement District Prior Period Adjustment***

Concur: The Financial Management Services Department administered an accounting change in entity and correction in the FY2021 Annual Comprehensive Financial Report for Rock Creek Public Improvement District debt, by removing \$18,026,000 from governmental debt liabilities and reducing the prior year, fiscal year 2020, ending fund balance by \$1,889,000. This correction resulted in a change in financial statements. The City will implement more robust training and controls to ensure the financial management team is included in the evaluation process if new special assessment debt or other custodial arrangements occur in the future.

This action plan will be completed by September 30, 2022.

Contact Person: Reginald Zeno, Chief Financial Officer, FMS, 817-392-8517  
Contact Person: Tony Rousseau, Assistant Finance Director, FMS 817-392-8338

***2021-003 Significant Deficiency in Internal Controls - Schedule of Expenditures of Federal and State Awards Completeness and Presentation***

Concur. The Financial Management Services (FMS) Department will address and rectify in multiple ways. The initial grant project creation procedure will be modified to include a peer review to ensure agreement on and accuracy of match type and calculation, if applicable, for each grant. FMS will also incorporate additional data fields in the grant project definition utility of the PeopleSoft System in order to record match type and match percentage for each grant. This will enable inclusion of the data in query results, which will in turn allow multiple reviewers to access the parameters of match calculations during the analysis of the Schedule of Expenditures of Federal Awards and the Schedule of Expenditures of State Awards.

This action plan will be completed by September 30, 2022.

Contact Person: Reginald Zeno, Chief Financial Officer, FMS, 817-392-8517  
Contact Person: Tony Rousseau, Assistant Finance Director, FMS 817-392-8338

**CITY OF FORT WORTH, TEXAS  
CORRECTIVE ACTION PLAN  
YEAR ENDED SEPTEMBER 30, 2021**

**FINDINGS AND QUESTIONED COSTS RELATED TO FEDERAL AND STATE AWARDS - CONTINUED**

***2021-004 Significant Deficiency - Internal Controls over Reporting***

Concur. The Financial Management Services Department will work with the Neighborhood Services Department to create and document a standard procedure to ensure review of supporting documentation prior to submission to the IDIS system.

This action plan will be completed by September 30, 2022.

Contact Person: Reginald Zeno, Chief Financial Officer, FMS, 817-392-8517  
Contact Person: Tony Rousseau, Assistant Finance Director, FMS 817-392-8338

***2021-005 Significant Deficiency - Timeliness of Reporting***

Recommendation: We recommend the City continue to follow the process they implemented subsequent to the fiscal year 2020 audit as that seems to have alleviated this control issue.

Concur. The Financial Management Services Department will continue to follow the implemented process.

This action plan was implemented during FY2021

Contact Person: Reginald Zeno, Chief Financial Officer, FMS, 817-392-8517  
Contact Person: Tony Rousseau, Assistant Finance Director, FMS 817-392-8338

# Summary Schedule of Prior Year Findings



**CITY OF FORT WORTH, TEXAS  
SUMMARY SCHEDULE OF PRIOR YEAR AUDIT FINDINGS  
FOR THE YEAR ENDED September 30, 2021**

**SECTION IV – SUMMARY SCHEDULE OF PRIOR AUDIT FINDINGS**

**Financial Statement Findings:**

Audit Finding Reference: 2020-001 Significant Deficiency in Internal Controls – Assets Held by Third Parties

**Status of Prior Finding: Resolved**

Audit Finding Reference: 2020-002 Significant Deficiency – Financial Reporting of Grant Awards

**Status of Prior Finding: Resolved**

**Findings and Questioned Costs related to Federal and State Awards:**

Audit Finding Reference: 2020-003 Significant Deficiency – Internal Controls and Compliance (HHSP Subrecipient Monitoring)

**Status of Prior Finding: Resolved**

Audit Finding Reference: 2020-004 Significant Deficiency – Internal Controls and Compliance (HHSP Reporting)

**Status of Prior Finding: Repeated as 2021-005 as prior year corrective action was not implemented until part way through 2021.**



## **List of Acronyms**

CAPER	Consolidated Annual Performance and Evaluation Report
CARES	Coronavirus Aid, Relief, and Economic Security (Act)
CDBG	Community Development Block Grant
CEAP	Comprehensive Energy Assistance Program
CFDA	Catalog of Federal Domestic Assistance
CFR	Code of Federal Regulations
CFW or COFW	City of Fort Worth
CHDO	Community Housing Development Organizations
CIP	Construction in Progress
CJD	Criminal Justice Division
COVID-19	Coronavirus Disease 2019
COPS	Community Oriented Policing Services
CSBG	Community Services Block Grant
DEA	Drug Enforcement Administration
DNA	Deoxyribonucleic Acid
DOE	Department of Energy
DOJ	Department of Justice
DOT	Department of Treasury
ECC	Environmental Collection Center
EDA	Economic Development Administration
EDART	Enhanced Domestic Abuse Response Team
EDI	Economic Development Initiative
EMPACT	Environmental Monitoring for Public Access and Community Tracking
EPA	Environmental Protection Agency
ERP	Enterprise Resource Planning
FAA	Federal Aviation Administration
FMC	Federal Motor Carrier
FMS	Financial Management Services
FASTS	Fixed Assets Tracking System
FHAP	Fair Housing Assistance Program
FHIP	Fair Housing Initiative Program
FWEDC	Fort Worth Economic Development Corporation
FY	Fiscal Year - Normally refers to the year in which a grant was awarded

## **List of Acronyms**

GASB	Governmental Accounting Standards Board
HHW	Hazardous Household Waste
HOME	Home Investment Partnership Program
HOPWA	Housing Opportunities for Persons With AIDS
HUD	Housing and Urban Development
IDIS	Integrated Disbursement and Information System
ITC	Intersection Traffic Control
JAG	Justice Assistance Grant
LIHEAP	Low Income Home Energy Assistance Program
MMRS	Metropolitan Medical Response System
NCTCOG	North Central Texas Council of Governments
OJJDP	Office of Juvenile Justice and Delinquency Prevention
OMB	Office of Management and Budget
PY	Program Year (usually June 1 - May 31)
RAMP	Routine Airport Maintenance Program
RAS	Risk Advisory Services
RLF	Revolving Loan Fund
SAA	State Administrative Agency
SCRAM	Sex Crime Apprehension and Monitoring
SFSP	Summer Food Service Program
SMGCS	Surface Movement Guidance and Control System
SRF	State Revolving Fund
STEP	Selective Traffic Enforcement Program
TDA	Texas Department of Agriculture
TDHCA	Texas Department of Housing and Community Affairs
TPW	Transportation and Public Works
TPWD	Texas Parks and Wildlife Department
UGMS	Uniform Grant Management Standards
UNTHSC	University of North Texas Health Science Center
UPARR	Urban Park and Recreation Recovery