

**CITY OF BALTIMORE, MARYLAND**

**Single Audit Together with  
Reports of Independent Public Accountants**

**For the Year Ended June 30, 2023**

This page intentionally left blank.

DRAFT

**CITY OF BALTIMORE, MARYLAND**

**Single Audit Together with Reports of Independent Public Accountants  
For the Year Ended June 30, 2023**

**CONTENTS**

<b>REPORT OF INDEPENDENT PUBLIC ACCOUNTANTS</b>	<b>1</b>
<b>REPORT OF INDEPENDENT PUBLIC ACCOUNTANTS ON INTERNAL CONTROLS OVER FINANCIAL REPORTING AND ON COMPLIANCE AND OTHER MATTERS BASED ON AN AUDIT OF THE FINANCIAL STATEMENTS IN ACCORDANCE WITH <i>GOVERNMENT AUDITING STANDARDS</i></b>	<b>6</b>
<b>REPORT OF INDEPENDENT PUBLIC ACCOUNTANTS ON COMPLIANCE FOR EACH MAJOR FEDERAL PROGRAM AND ON INTERNAL CONTROLS OVER COMPLIANCE IN ACCORDANCE WITH THE UNIFORM GUIDANCE</b>	<b>10</b>
Schedule of Expenditures of Federal Awards	16
Notes to the Schedule of Expenditures of Federal Awards	32
Schedule of Findings and Questioned Costs:	
Section I Summary of Independent Public Accountants' Results	36
Section II Financial Statement Findings	40
Section III Federal Awards Findings and Questioned Costs	51
Section IV Summary Schedule of Prior Year Findings	93
Section V Corrective Action Plans	119

DRAFT

This page intentionally left blank.

## REPORT OF INDEPENDENT PUBLIC ACCOUNTANTS

The Mayor, City Council, and Board of Estimates  
City of Baltimore, Maryland

### ***Opinions***

We have audited the financial statements of the governmental activities, the business-type activities, the aggregate discretely presented component units, each major fund, and the aggregate remaining fund information, combining statement of fiduciary net position – Pension and OPEB Trust Funds, and the combining statement of changes in fiduciary net position – Pension and OPEB Trust Funds of City of Baltimore, Maryland (the City), as of and for the year ended June 30, 2023, and the related notes to the financial statements, which collectively comprise the City’s basic financial statements.

In our opinion, based on our audit and the reports of the other auditors, the accompanying financial statements present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, the aggregate discretely presented component units, each major fund, and the aggregate remaining fund information, combining statement of fiduciary net position – Pension and OPEB Trust Funds, and the combining statement of changes in fiduciary net position – Pension and OPEB Trust Funds of the City, as of June 30, 2023, and the respective changes in financial position and, where applicable, cash flows thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

We did not audit the Employees’ Retirement System, the Elected Officials Retirement System, and the Fire and Police Employees’ Retirement System. These funds represent 86% of the total assets, 85% of the net position, and 81% of the additions of the Pension and OPEB Trust Funds. We also did not audit the Baltimore City Public School System (School System) and Baltimore Hotel Corporation, which are both discretely presented component units. The financial statements of Baltimore City Public School System, Baltimore Hotel Corporation and certain information of the Pension and OPEB Trust Funds were audited by other auditors whose reports have been furnished to us. Our opinions, insofar as they relate to the amounts included for the Baltimore City Public School System, Baltimore Hotel Corporation and certain information of the Pension and OPEB Trust Funds, are based on the reports of the other auditors.

### ***Basis for Opinions***

We conducted our audit in accordance with auditing standards generally accepted in the United States of America (GAAS) and *Government Auditing Standards* issued by the Comptroller General of the United States. Our responsibilities under those standards are further described in the *Auditor’s Responsibilities for the Audit of the Financial Statements* section of our report. We are required to be independent of the City and to meet our other ethical responsibilities, in accordance with the 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 audit opinions.

### ***Responsibilities of Management for the Financial Statements***

The City’s management is responsible for the preparation and fair presentation of the financial statements in accordance with accounting principles generally accepted in the United States of America, and for the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about the City’s ability to continue as a going concern for twelve months beyond the financial statement date, including any currently known information that may raise substantial doubt shortly thereafter.

### ***Auditor's Responsibilities for the Audit of the Financial Statements***

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinions.

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 and *Government Auditing Standards* will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal controls. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

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

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, 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 amounts and disclosures in the financial statements.
- Obtain an understanding of internal controls relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the City's internal controls. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about the City's ability to continue as a going concern for a reasonable period of time.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit, significant audit findings, and certain internal controls-related matters that we identified during the audit.

### ***Required Supplementary Information***

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis, Schedule of Revenues, Expenditures and Encumbrances, and Changes in Fund Balance – Budget and Actual- Budgetary Basis – General Fund, Schedule of the City's Proportionate Share of Net Pension Liability: Employees' Retirement System Plan, Schedule of Employer Contributions: Employees Retirement System Plan, Schedule of the City's Proportionate Share of Net Pension Liability: Maryland State Retirement and Pension System – ERPS, Schedule of Employer Contributions: Maryland State Retirement and Pension System-ERPS, Schedule of the City's Proportionate Share of Net Pension Liability: Maryland State Retirement and Pension System – LEOPS, Schedule of Employer Contributions: Maryland State Retirement and Pension System – LEOPS, Schedule of Changes in Net Pension Liability (Assets) and Related Ratios: Fire and Police Employees' Retirement System – Single Employer Plan, Schedule of Changes in Net Pension Liability (Assets) and Related Ratios: Elected Officials' Retirement System - Single Employer Plan; Schedule of Employer Contributions – Single Employer Plans, Schedule of Changes in the Net OPEB Liability and Related Ratios – OPEB Plan; Schedule of the City's Proportionate Share of Net OPEB Liability, Schedule of Employer Contributions – Total OPEB Plan; and Notes to the Required Supplementary Information be presented to supplement the basic financial statements. Such information is the responsibility of management and, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

### ***Supplementary Information***

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the City's basic financial statements. The combining and individual fund financial statements are presented for purposes of additional analysis and are not a required part of the basic financial statements.

The combining and individual fund financial statements 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. Such 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 combining and individual fund financial statements is fairly stated, in all material respects, in relation to the basic financial statements as a whole.

### **Other Information**

Management is responsible for the other information included in the annual comprehensive financial report. The other information comprises the introductory and statistical sections but does not include the basic financial statements and our auditor's report thereon. Our opinions on the basic financial statements do not cover the other information, and we do not express an opinion or any form of assurance thereon. In connection with our audit of the basic financial statements, our responsibility is to read the other information and consider whether a material inconsistency exists between the other information and the basic financial statements, or the other information otherwise appears to be materially misstated. If, based on the work performed, we conclude that an uncorrected material misstatement of the other information exists, we are required to describe it in our report.

### **Other Reporting Required by *Government Auditing Standards***

In accordance with *Government Auditing Standards*, we have also issued our report dated April 12, 2024 on our consideration of the City's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal controls over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of internal controls over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the City's internal controls over financial reporting and compliance.

### ***Adjustments to Discretely Presented Component Unit Financial Statements Audited by Other Auditors***

As part of our audit of the City's 2023 financial statements, we also audited the adjustments described in Note 20 that were applied to adjust the financial statements of the Baltimore City Public School System (the School System), a discretely presented component unit of the City, as of and for the year ended June 30, 2023, including the restatement of certain 2023 financial statements' beginning balances in the accompanying financial statements. In our opinion, such adjustments are appropriate and have been properly applied. We were not engaged to audit, review, or apply any procedures to the 2023 financial statements of the School System other than with respect to the adjustments, and accordingly, we do not express an opinion or any other form of assurance on the 2023 financial statements of the School System as a whole.

Owings Mills, Maryland  
April 12, 2024

This page intentionally left blank.

DRAFT



**REPORT OF INDEPENDENT PUBLIC ACCOUNTANTS ON INTERNAL CONTROLS  
OVER FINANCIAL REPORTING AND ON COMPLIANCE AND OTHER MATTERS  
BASED ON AN AUDIT OF THE FINANCIAL STATEMENTS IN ACCORDANCE  
WITH *GOVERNMENT AUDITING STANDARDS***

DRAFT

**REPORT OF INDEPENDENT PUBLIC ACCOUNTANTS 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***

The Mayor, City Council, and Board of Estimates  
City of Baltimore, Maryland

We have audited, in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of the governmental activities, the business-type activities, the aggregate discretely presented component units, each major fund, the aggregate remaining fund information, the combining statement of fiduciary net position – Pension and OPEB Trust Funds, and the combining statement of changes in fiduciary net position – Pension and OPEB Trust Funds of the City of Baltimore, Maryland (the City), as of and for the year ended June 30, 2023, and the related notes to the financial statements, which collectively comprise the City’s basic financial statements, and have issued our report thereon dated April 12, 2024. Our report includes references to other auditors who audited the financial statements of the Employees’ Retirement System, the Elected Officials Retirement System, the Fire and Police Retirement System, and Baltimore City Public Schools System as described in our report on the City’s financial statements. This report does not include the results of the other auditors’ testing of internal controls over financial reporting or compliance and other reports on matters that are reported on separately by those auditors.

***Report on Internal Controls over Financial Reporting***

In planning and performing our audit of the financial statements, we considered the City’s internal controls over financial reporting (internal controls) 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 controls. Accordingly, we do not express an opinion on the effectiveness of the City’s internal controls.

A *deficiency in internal controls* 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 controls 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 controls that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

Our consideration of internal controls over financial reporting was for the limited purpose described in the preceding paragraph and was not designed to identify all deficiencies in internal controls that might be material weaknesses or significant deficiencies and therefore, material weaknesses or significant deficiencies may exist that have not been identified.

We did identify certain deficiencies, as described in the accompanying schedule of findings and questioned costs, which we consider to be material weaknesses as items 2023-001, 2023-002, 2023-003, 2023-004, and 2023-005.

### ***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, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the determination of financial statement 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*.

### ***The City's Response to Findings***

*Government Auditing Standards* requires the auditor to perform limited procedures on the City's response to the findings identified in our engagement and described in the accompanying schedule of findings and questioned costs. The City's response was not subjected to the other auditing procedures applied in the audit of the financial statements and, accordingly, we express no opinion on the response.

### **Purpose of this Report**

The purpose of this report is solely to describe the scope of our testing of internal controls and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the entity's internal controls 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 controls and compliance. Accordingly, this communication is not suitable for any other purpose.

Owings Mills, Maryland  
April 12, 2024

This page intentionally left blank.

DRAFT

**REPORT OF INDEPENDENT PUBLIC ACCOUNTANTS ON COMPLIANCE FOR  
EACH MAJOR FEDERAL PROGRAM AND ON INTERNAL CONTROLS OVER  
COMPLIANCE IN ACCORDANCE WITH THE UNIFORM GUIDANCE**

DRAFT

**REPORT OF INDEPENDENT PUBLIC ACCOUNTANTS ON COMPLIANCE FOR  
EACH MAJOR FEDERAL PROGRAM AND ON INTERNAL CONTROLS OVER  
COMPLIANCE IN ACCORDANCE WITH THE UNIFORM GUIDANCE**

The Mayor, City Council, and Board of Estimates  
City of Baltimore, Maryland

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

***Qualified and Unmodified Opinions***

We have audited the City of Baltimore, Maryland'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, 2023. The City's major Federal programs are identified in the *Summary of Independent Public Accountants' Results* section of the accompanying schedule of findings and questioned costs.

*Qualified Opinion on the Housing Opportunities for Persons with AIDS, Ending the HIV Epidemic: A Plan for America, Medical Assistance Program, HIV Emergency Relief Project Grants, HIV Prevention Activities Health Department Based Program and HOME Investment Partnerships Program.*

In our opinion, except for the noncompliance described in the *Basis for Qualified and Unmodified Opinions* section of our report, 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 the Housing Opportunities for Persons with AIDS, Ending the HIV Epidemic: A Plan for America, Medical Assistance Program, HIV Emergency Relief Project Grants, HIV Prevention Activities Health Department Based Programs and HOME Investment Partnerships Program for the year ended June 30, 2023.

***Unmodified Opinion on Each of the Other Major Federal Programs***

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 other major Federal programs identified in the *Summary of Independent Public Accountants' Results* section of the accompanying schedule of findings and questioned costs for the year ended June 30, 2023.

***Basis for Qualified and Unmodified Opinions***

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 regulation 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 qualified and unmodified opinions 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.

*Matters Giving Rise to Qualified Opinions on Housing Opportunities for Persons with AIDS, Ending the HIV Epidemic: A Plan for America, Medical Assistance Program, HIV Emergency Relief Project Grants, and HIV Prevention Activities Health Department Based Programs*

As described in the accompanying schedule of findings and questioned costs, the City did not comply with requirements regarding:

<b>AL No.</b>	<b>Program Name</b>	<b>Finding No.</b>	<b>Basis for Qualified Opinion</b>
14.241	Housing Opportunities for Persons with AIDS	2023-008	Material Weakness in Internal Controls and Noncompliance over Cash Management
		2023-009	Material Weakness in Internal Controls and Noncompliance over Eligibility
		2023-011	Material Weakness in Internal Controls and Noncompliance over Subrecipient Monitoring
		2023-012	Material Weakness in Internal Controls and Noncompliance over Special Tests – Housing Quality Standards
93.686	Ending the HIV Epidemic: A Plan for America	2023-015	Material Weakness in Internal Controls and Noncompliance over Cash Management
		2023-017	Material Weakness in Internal Controls and Noncompliance over Subrecipient Monitoring
93.778	Medical Assistance Program	2023-019	Material Weakness in Internal Controls and Noncompliance over Reporting
93.914	HIV Emergency Relief Project Grants	2023-020	Material Weakness in Internal Controls and Noncompliance over Cash Management
		2023-021	Material Weakness in Internal Controls and Noncompliance over Subrecipient Monitoring
93.940	HIV Prevention Activities Health Department Based	2023-022	Material Weakness in Internal Controls and Noncompliance over Cash Management
		2023-023	Material Weakness in Internal Controls and Noncompliance over Reporting
		2023-024	Material Weakness in Internal Controls and Noncompliance over Subrecipient Monitoring
14.239	HOME Investment Partnerships Program	2023-025	Material Weakness in Internal Controls and Noncompliance over Program Income

Compliance with such requirements is necessary, in our opinion, for the City to comply with the requirements applicable to that program.

***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 Uniform Guidance, we:

- Exercise professional judgement and maintain professional skepticism through 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 controls 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 controls 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.

### ***Other Matters***

The results of our auditing procedures disclosed other instances of noncompliance which are required to be reported in accordance with the Uniform Guidance and which are described in the accompanying schedule of findings and questioned costs as items 2023-006 to 2023-026. Our opinion on each major Federal program is not modified with respect to these matters.

*Government Auditing Standards* requires the auditor to perform limited procedures on the City's response to the noncompliance findings identified in our compliance audit described in the accompanying schedule of findings and questioned costs. The City's response was not subjected



to the other auditing procedures applied in the audit of compliance and, accordingly, we express no opinion on the response.

### **Report on Internal Controls over Compliance**

Our consideration of internal controls over compliance was for the limited purpose described in the preceding paragraph and was not designed to identify all deficiencies in internal controls over compliance that might be material weaknesses or significant deficiencies, and therefore, material weaknesses or significant deficiencies may exist that were not identified. However, as discussed below, we identified certain deficiencies in internal controls over compliance that we consider to be material weaknesses and significant deficiencies.

*A deficiency in internal controls 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 combination of deficiencies in internal controls 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. We consider the deficiencies in internal controls over compliance described in the accompanying schedule of findings and questioned costs as items 2023-006, 2023-008, 2023-009, 2023-011, 2023-012, 2023-015, 2023-017, 2023-019, 2023-020, 2023-021, 2023-022, 2023-023, 2023-024 and 2023-025 to be material weaknesses.

*A significant deficiency in internal controls over compliance* is a deficiency, or a combination of deficiencies, in internal controls over compliance with a type of compliance requirement of a Federal program that is less severe than a material weakness in internal controls over compliance, yet important enough to merit attention by those charged with governance. We consider the deficiencies in internal controls over compliance described in the accompanying schedule of findings and questioned costs as items 2023-007, 2023-010, 2023-013, 2023-014, 2023-016, 2023-018 and 2023-026 to be significant deficiencies.

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.

*Government Auditing Standards* requires the auditor to perform limited procedures on the City's responses to the internal control over compliance findings identified in our compliance audit described in the accompanying schedule of findings and questions 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.

The purpose of this report on internal controls 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 the Schedule of Expenditures of Federal Awards Required by the Uniform Guidance**

We have audited the financial statements of the City as of and for the year ended June 30, 2023, and have issued our report thereon dated April 12, 2024, which contained an unmodified opinion on those financial statements. Our audit was conducted for the purpose of forming an opinion on the financial statements as a whole. The accompanying schedule of expenditures of Federal awards is presented for the purpose of additional analysis as required by the Uniform Guidance and is not a required part of the 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 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 financial statements or to the 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 financial statements as a whole.

Owings Mills, Maryland  
September 11, 2024

This page intentionally left blank.

DRAFT

**SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS**

DRAFT

**CITY OF BALTIMORE, MARYLAND**

**Schedule of Expenditures of Federal Awards  
Year Ended June 30, 2023**

<i>Federal Grantor/Pass-Through Grantor/Program or Cluster Title</i>	<i>Federal Assistance Listing</i>	<i>Pass-Through Entity Identifying Number</i>	<i>Passed Through to Subrecipients</i>	<i>Total Federal Expenditures</i>
<b>U.S. DEPARTMENT OF AGRICULTURE</b>				
Pass-Through Maryland Department of Health and Mental Hygiene				
FY21 Women Infants and Children (WIC) Supplemental Food	10.557		\$ -	\$ (82,221)
FY22 Women Infants and Children (WIC) Supplemental Food	10.577		-	2,022
FY23 Women Infants and Children (WIC) Supplemental Food	10.577		-	1,922,522
<b>Total Special Supplemental Nutrition Program for Women, Infants, and Children</b>			<u>-</u>	<u>1,842,323</u>
<b>TOTAL U.S. DEPARTMENT OF AGRICULTURE</b>			<u>-</u>	<u>1,842,323</u>
<b>U.S. DEPARTMENT OF COMMERCE</b>				
Direct Grants				
Minority Business Resource Development	11.802		-	48
MWBD Coronavirus Aid Relief and Economic Security (CARES) Act Strategic Consulting Fund/ Federal Award Id# MB21OBD8020181	11.802		-	308,954
MWBD Advanced Manufacturing Center Grant 2021/MB21OBD8020225	11.802		-	305,909
<b>Total Business Resource Development</b>			<u>-</u>	<u>614,911</u>
<b>TOTAL U.S. DEPARTMENT OF COMMERCE</b>			<u>-</u>	<u>614,911</u>

DRAFT

The accompanying notes are an integral part of this schedule.

CITY OF BALTIMORE, MARYLAND

Schedule of Expenditures of Federal Awards  
Year Ended June 30, 2023

<i>Federal Grantor/Pass-Through Grantor/Program or Cluster Title</i>	<i>Federal Assistance Listing</i>	<i>Pass-Through Entity Identifying Number</i>	<i>Passed Through to Subrecipients</i>	<i>Total Federal Expenditures</i>
<b>U.S. DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT</b>				
Direct Grants				
CDBG-48	14.218		\$ -	\$ 13,764,459
FY2023 HOME Program	14.218		-	204,104
CDBG-47	14.218		-	5,660,106
CDBG-46	14.218		-	3,440,631
CDBG-45	14.218		-	357,375
CDBG-43	14.218		-	261,094
CDBG-42	14.218		-	14,245
FY2021 HOME Program	14.218		-	239,850
FY22 Forensic Alternative Service Team (FAST) 20A(Duplicate)				
Block Grants for Prevention and Treatment of Substance Abuse	14.218		-	69,928
CV3 Community Development Block Grant (CDBG) COVID-19 CARES Act	14.218		-	111,426
<b>Total Community Development Block Grants/Entitlement Grants</b>			<u>-</u>	<u>24,123,218</u>
Emergency Solutions Grant - Homeless Services	14.128	JF8BE3QWJ715	-	1,927,441
<b>Total Emergency Solutions Grant Program</b>			<u>-</u>	<u>1,927,441</u>
Emergency Solutions Grant - CARES Act	14.228	JF8BE3QWJ715	-	1,130,110
<b>Total Emergency Solutions Grant Program</b>			<u>-</u>	<u>1,130,110</u>
Emergency Solutions Grant	14.231		-	134,934
Emergency Solutions Grant	14.231		-	822,691
Emergency Solutions Grant - CARES Act	14.231		-	6,335,477
FY20 Emergency Solutions Grant	14.231		-	909,959
<b>Total Emergency Solutions Grant Program</b>			<u>-</u>	<u>8,203,061</u>
FY 2022 HOME Program	14.239		-	(6,336)
FY2019 HOME Program	14.239		-	2,381,868
FY2018 HOME Program	14.239		-	1,327,645
HOME American Rescue Plan (ARP)	14.239		-	44,585
<b>Total Home Investment Partnerships Program</b>			<u>-</u>	<u>3,747,762</u>
Continuum of Care	14.267		-	190,452
CoC - Continuum of Care FFY20	14.267		-	8,181,159
YOUTH HOMELESSNESS DEMONSTRATION GRANT - YHDP	14.267		-	609,360
FFY21 CoC - Continuum of Care	14.267		-	15,021,406
Youth Homelessness Demonstration Program (YHDP) 10/1/22 - 9/30/23	14.267		-	965,482
<b>Total</b>			<u>-</u>	<u>24,967,859</u>

The accompanying notes are an integral part of this schedule.

**CITY OF BALTIMORE, MARYLAND**

**Schedule of Expenditures of Federal Awards  
Year Ended June 30, 2023**

<i>Federal Grantor/Pass-Through Grantor/Program or Cluster Title</i>	<i>Federal Assistance Listing</i>	<i>Pass-Through Entity Identifying Number</i>	<i>Passed Through to Subrecipients</i>	<i>Total Federal Expenditures</i>
<b>U.S. DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT (continued)</b>				
Direct Grants (continued)				
Healthy Homes and Weatherization Cooperation Demonstration (HHWCD)	14.901		\$ -	\$ 1,540
<b>Total</b>			<u>-</u>	<u>1,540</u>
FY2022-FY2025 Older Adults Home Modification Program (OAHMP)	14.921		-	66,498
<b>Total</b>			<u>-</u>	<u>66,498</u>
FY2019 - FY2025 Lead Based Painted Hazard Reduction Program	14.990		-	667,926
<b>Total</b>			<u>-</u>	<u>667,926</u>
Housing Opportunities for Persons With AIDS (HOPWA) Entitlement	14.241		337,558	1,858,600
PY19 Housing Opportunities for People with AIDS (HOPWA)	14.241		46,336	294,267
Housing Opportunities for Persons With AIDS (HOPWA) Competitive Award	14.241		-	358,777
HOPWA - Housing Opportunity for Persons With Aids	14.241		174,719	363,568
HOPWA - Housing Opportunity for Persons With Aids CARES FY20	14.241		-	132,277
HOPWA - Housing Opportunity for Persons With Aids- Competitive FY20	14.241		-	454,909
HOPWA - Housing Opportunity for Persons With Aids- CV FY20	14.241		225,460	699,002
HOPWA - Housing Opportunity for Persons With Aids-CARES FY20	14.241		-	93,333
FY21 HOPWA-Competitive-MDH21F001	14.241		1,475,797	4,197,551
<b>Total</b>			<u>2,259,870</u>	<u>8,452,284</u>
Youth Homelessness Demonstration Program (YHDP) 9/1/21 - 8/21/23	14.276		-	268,921
<b>Total</b>			<u>-</u>	<u>268,921</u>
FY2019-FY2021 EmPOWER Maryland Energy Efficiency	14.905		-	20,984
FY2019-FY2023 HUD Lead Abatement	14.905		-	703,392
<b>Total</b>			<u>-</u>	<u>724,376</u>
<b>TOTAL U.S. DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT</b>			<u>2,259,870</u>	<u>74,280,996</u>

The accompanying notes are an integral part of this schedule.

CITY OF BALTIMORE, MARYLAND

Schedule of Expenditures of Federal Awards  
Year Ended June 30, 2023

<i>Federal Grantor/Pass-Through Grantor/Program or Cluster Title</i>	<i>Federal Assistance Listing</i>	<i>Pass-Through Entity Identifying Number</i>	<i>Passed Through to Subrecipients</i>	<i>Total Federal Expenditures</i>
<b>U.S. DEPARTMENT OF JUSTICE</b>				
Direct Grants				
Families for Justice (MOCJ)	16.021		\$ -	\$ 194,996
<b>Total</b>			<u>-</u>	<u>194,996</u>
BPD Focused Deterrence Project	16.123		-	107,987
OJJDP FY 2021 Comprehensive Youth Violence Prevention and Reduction Program	16.123	15PJDP-21-GK-03877-CBVP	-	220,000
<b>Total</b>			<u>-</u>	<u>327,987</u>
DJS Partnership for Advancing Certification Training (PACT)	16.523		-	11,764
<b>Total</b>			<u>-</u>	<u>11,764</u>
Victims of Crime Act (VOCA) (inactive)	16.575		-	86,021
FY22 Victims of Crime Act (VOCA) SAO (inactive)	16.575		-	28,336
FY22 Victims of Crime Act (VOCA) (inactive)	16.575		-	479,016
FY23 Youth Services and Advocacy Project	16.575		55,000	210,151
FY23 Victims of Crime Act (VOCA)	16.575		-	925,933
FY23 SAO Victims of Crime Act (VOCA)	16.575		-	59,960
FY23 MONSE Victims of Crime Act (VOCA)	16.575		-	103,310
FY23 Victim Witness Services/ Unit SAO	16.575		-	1,410,825
<b>Total Crime Victim Assistance</b>			<u>55,000</u>	<u>3,303,552</u>
Improving Criminal Justice Responses to Domestic Violence, Dating Violence, Sexual Assault, and Stalking Grant Program	16.590		-	153,920
<b>Total</b>			<u>-</u>	<u>153,920</u>
Project Safe Neighborhoods (Federal) (inactive)	16.609		-	5,937
<b>Total</b>			<u>-</u>	<u>5,937</u>
COPS Recovery Hiring Program (inactive)	16.710		-	2,893
FY2022 COPS Technology and Equipment Program	16.710		-	360,152
<b>Total</b>			<u>-</u>	<u>363,045</u>
NCS-X Implementation Assntnce	16.734		-	1,836,431
<b>Total</b>			<u>-</u>	<u>1,836,431</u>

The accompanying notes are an integral part of this schedule.



CITY OF BALTIMORE, MARYLAND

Schedule of Expenditures of Federal Awards  
Year Ended June 30, 2023

<i>Federal Grantor/Pass-Through Grantor/Program or Cluster Title</i>	<i>Federal Assistance Listing</i>	<i>Pass-Through Entity Identifying Number</i>	<i>Passed Through to Subrecipients</i>	<i>Total Federal Expenditures</i>
<b>U.S. DEPARTMENT OF JUSTICE (continued)</b>				
Direct Grants (continued)				
Justice Assistance Grant Program (JAG 13)	16.738		\$ -	\$ 19,635
Justice Assistance Grant Program (JAG 15)	16.738		-	133,676
Maryland Safe Streets (inactive)	16.738		-	(7,923)
Baltimore Police Ballistic Panels	16.738		-	52,500
Justice Assistance Grant Program (JAG 16)	16.738		-	195,785
Baltimore Crime Gun Intelligence Center (CGIC)	16.738		-	211,016
<b>Total</b>			-	604,689
Capacity Enhancement Backlog Reduction	16.741		-	89,979
FFY22 Circuit Court Cooperative Reimbursement Agreement (Child Support)	16.741		-	1,849
FY 21 Capacity Enhancement Backlog Reduction (CEBR) (inactive)	16.741		-	90,241
FY22 Capacity Enhancement Backlog Reduction (CEBR)/15PBJA-21-GG-03201-DNAX	16.741	15PBJA-21-GG-03201-DNAX	-	232,615
FY23 Capacity Enhancement Backlog Reduction (CEBR)/15PBJA-21-GG-01668-DNAX	16.741	15PBJA-21-GG-01668-DNAX	-	7,146
<b>Total</b>			-	421,830
FY 2022 Coverdell Forensic Science Improvement (CFSI)	16.742		-	28,252
<b>Total</b>			-	28,252
FY 23 Neighborhood Policing Plan	16.753		-	96,000
FY 23 Community Collaboration	16.753		-	8,474
FY23 Drug Treatment Court	16.753		-	214,890
High Intensity Drug Trafficking-HIDTA (inactive)	16.753		-	123,271
<b>Total</b>			-	442,635
Second Chance Reentry Act	16.812		-	4,335
<b>Total</b>			-	4,335
<b>TOTAL U.S. DEPARTMENT OF JUSTICE</b>			55,000	7,699,373

The accompanying notes are an integral part of this schedule.

CITY OF BALTIMORE, MARYLAND

Schedule of Expenditures of Federal Awards  
Year Ended June 30, 2023

<i>Federal Grantor/Pass-Through Grantor/Program or Cluster Title</i>	<i>Federal Assistance Listing</i>	<i>Pass-Through Entity Identifying Number</i>	<i>Passed Through to Subrecipients</i>	<i>Total Federal Expenditures</i>
<b>U.S. DEPARTMENT OF LABOR</b>				
Pass-Through Maryland Department of Labor, Licensing and Regulation				
WIA/WIOA Cluster				
Workforce Innovation and Opportunity Act (WIOA) Adult	17.258	P16-BCI-PY20-A	\$ -	\$ (135,964)
FY21/22 WIOA Adult	17.258		-	737
FY22/23 WIOA Adult/AA-36324-21-55-A-24	17.258		-	303,914
FY23-24 WIOA Adult	17.258		-	2,816,640
Workforce Innovation and Opportunity Act (WIOA) Youth/AA- 33234 -19-55-A-24	17.259	P060-BCi-PY19-Y	-	174,968
FY22/23 WIOA Youth	17.259		-	601,019
FY23-24 WIOA Youth	17.259		-	2,272,760
Workforce Innovation and Opportunity Act (WIOA) Dislocated Worker	17.278	P16-BCI-PY20-D	-	273,286
FY21/22 WIOA Dislocated Worker	17.278		-	10,669
FY22/23 WIOA Dislocated Worker	17.278		-	47,934
FY23-24 WIOA Dislocated Worker	17.278		-	1,181,646
FY21/22 WIOA Youth	17.279		-	237,011
<b>Total WIOA Dislocated Worker National Reserve Demonstration Grants</b>			-	<b>7,784,620</b>
Family Health International FHI360 Youth Services	17.270	PO19000772	-	8,631
Fostering Opioid Recovery Through Workforce Development	17.270		-	692,263
<b>Total</b>			-	<b>700,894</b>
<b>TOTAL U.S. DEPARTMENT OF LABOR</b>			-	<b>8,485,514</b>
<b>U.S. DEPARTMENT OF TRANSPORTATION</b>				
Highway Safety Cluster				
Pass-Through Maryland State Department of Transportation				
Federal Highway Administration (FHA) Grant	20.205		-	414,258
<b>Total Highway Planning &amp; Construction Cluster</b>			-	<b>414,258</b>
FY2019-2022 Hazardous Materials Emergency Preparedness (HMEP)	20.703		-	(25,337)
FF19 HazMAT	20.703	693JK31940020HMEP	-	15,710
<b>Total</b>			-	<b>(9,627)</b>
<b>TOTAL U.S. DEPARTMENT OF TRANSPORTATION</b>			-	<b>404,631</b>
<b>U.S. DEPARTMENT OF ENERGY</b>				
USEPA Grant - SEJCA- YH2O+ Expansion project				
<b>Total</b>	66.312		-	32,510
			-	32,510
WIFIA EPA Round 1 WW	66.958		-	1,650,934
<b>Total</b>			-	<b>1,650,934</b>
<b>TOTAL U.S. DEPARTMENT OF ENERGY</b>			-	<b>1,683,444</b>

The accompanying notes are an integral part of this schedule.

**CITY OF BALTIMORE, MARYLAND**

**Schedule of Expenditures of Federal Awards  
Year Ended June 30, 2023**

<i>Federal Grantor/Pass-Through Grantor/Program or Cluster Title</i>	<i>Federal Assistance Listing</i>	<i>Pass-Through Entity Identifying Number</i>	<i>Passed Through to Subrecipients</i>	<i>Total Federal Expenditures</i>
<b>U.S. DEPARTMENT OF EDUCATION</b>				
Pass-Through Maryland State Department of Education				
Special Education Cluster (IDEA) - Infants and Families				
Infants and Toddlers Program	84.181		\$ -	\$ (46,014)
FY22 Infants and Toddlers Program	84.181		-	345,982
Infants and Toddlers Program	84.181		1,191,730	1,858,332
<b>Total</b>			<u>1,191,730</u>	<u>2,158,300</u>
<b>TOTAL U.S. DEPARTMENT OF EDUCATION</b>			<u>1,191,730</u>	<u>2,158,300</u>
<b>U.S. DEPARTMENT OF HEALTH AND HUMAN SERVICES</b>				
Direct Grants				
FY23-Title VII Fed Ombudsman	93.042		-	14,799
Federal Ombudsman Title VII	93.042		-	127,119
<b>Total</b>			<u>-</u>	<u>141,918</u>
FY21 Title IIID: Preventive Health	93.043		-	2,801
FY22 Title IIID: Preventive Health	93.043		-	300
FY23 Title IIID: Preventive Health	93.043		-	54,543
<b>Total</b>			<u>-</u>	<u>57,644</u>
FY20 Title IIIB: Supportive Services	93.044		-	(54,398)
FY22 Title IIIB: Supportive Services	93.044		-	685,647
FY23 Title IIIB: Supportive Services	93.044		-	337,998
FY21 Title IIIB: Supportive Services	93.044		-	12,630
FY20 Title IIIC-1: Congregate Meals	93.045		-	702
FY20 Title IIIC-2: Home Delivered Meals	93.045		-	(246,984)
FY22 Title IIIC-1: Congregate Meals	93.045		-	467,332
FY22 Title IIIC-2: Home Delivered Meals	93.045		-	845,622
FY23 Title IIIC-1: Congregate Meals	93.045		-	622,285
FY21 Title IIIC-1: Congregate Meals	93.045		-	455,715
FY21 Title IIIC-2: Home Delivered Meals	93.045		-	800,459
FY22 Nutrition Services Incentive Program (NSIP)	93.053		-	303,370
FY21 Nutrition Services Incentive Program (NSIP)	93.053		-	303,463
<b>Total Aging Cluster</b>			<u>-</u>	<u>4,533,841</u>
FY23 Senior Medical Patrol (SMP)	93.048		-	26,563
<b>Total</b>			<u>-</u>	<u>26,563</u>
FY23 Title IIIE Family Caregivers (436123)	93.052		-	69,860
Title IIIE NFCSP Family Caregiver (Conv)	93.052		-	2,665
<b>Total</b>			<u>-</u>	<u>72,525</u>
FY21 Public Health Preparedness and Response for Bioterrorism	93.069		-	(21,600)
FY22 Public Health Preparedness and Response For Bioterrorism	93.069		-	45,702
FY23 Public Health Preparedness and Response For Bioterrorism	93.069		-	399,657
FY23 CITIES READINESS INITIATIVE (CRI)	93.069		-	6,851
<b>Total</b>			<u>-</u>	<u>430,610</u>

The accompanying notes are an integral part of this schedule.

CITY OF BALTIMORE, MARYLAND

Schedule of Expenditures of Federal Awards  
Year Ended June 30, 2023

<i>Federal Grantor/Pass-Through Grantor/Program or Cluster Title</i>	<i>Federal Assistance Listing</i>	<i>Pass-Through Entity Identifying Number</i>	<i>Passed Through to Subrecipients</i>	<i>Total Federal Expenditures</i>
<b>U.S. DEPARTMENT OF HEALTH AND HUMAN SERVICES (continued)</b>				
Direct Grants (continued)				
Personal Responsibility Education Program (PREP)	93.092		\$ -	\$ 81,376
FY23 Personal Responsibility Education Program (PREP)	93.092		87,867	106,531
FY22 Sexual Risk Avoidance Education Program (SRAE) Just for Girls	93.092		-	57
<b>Total</b>			<u>87,867</u>	<u>187,964</u>
Teen Dating Violence	93.136		-	45,999
E-PRA Health	93.136		-	64,667
FY23 LHD Overdose Data to Action (OD2A)	93.136		-	65,827
FY21 Teen Dating Violence	93.136		-	268,893
<b>Total</b>			<u>-</u>	<u>445,386</u>
FY23 Community Programs to Improve Minority Health	93.137		-	67,230
4470 OMH	93.137		-	1,387,631
FY22 Office Of Minority Health	93.139		-	94,149
<b>Total</b>			<u>-</u>	<u>1,549,010</u>
FY21 Childhood Lead Poisoning Prevention (Federal)	93.197		-	(33,675)
FY23 Childhood Lead Poisoning Prevention	93.197		-	499,282
<b>Total</b>			<u>-</u>	<u>465,607</u>
Family Planning	93.217		-	19,591
FY22 Family Planning	93.217		-	60,108
FY23 Family Planning	93.217		384,990	1,343,969
OAH U Choose Teen Pregnancy Prevention	93.217		-	408,703
FY23 Family Planning - School Health Service	93.217		-	53,917
<b>Total</b>			<u>384,990</u>	<u>1,886,288</u>
FY23 Sexual Risk Avoidance Education Program (SRAE) Just for Girls	93.235		50,000	104,958
FY21 Sexual Risk Avoidance Education Program (SRAE) Just for Girls	93.235		-	128,681
<b>Total</b>			<u>50,000</u>	<u>233,639</u>
Resilience in Communities After Stress and Trauma (ReCAST) Program (inactive)	93.243		-	(76,368)
Resilience in Communities After Stress and Trauma (ReCAST) West Baltimore	93.243		-	84,024
FY22 First Responders - Comprehensive Addictions Recovery Act (FR-CARA)	93.243		-	190,224
<b>Total</b>			<u>-</u>	<u>197,880</u>
Immunization - IAP and HEP B	93.268		-	(29,438)
Perinatal Hepatitis	93.268		-	(4,414)
FY21 CARES Mass Vaccination (COVID)	93.268		-	237
FY22 Immunization and Vaccines for Children	93.268		-	369,690
BALTIMORE Infants & Toddlers Program- American Rescue Plan Act	93.268		-	13,087
FY22 Immunization	93.268		-	168,687
FY23 Immunization	93.268		-	690,185
FY23 Perinatal Hepatitis	93.268		-	69,305
FY23 CARES Mass Vaccination (COVID)	93.268		-	46,314
FY23 Immunization and Vaccines for Children	93.268		-	324,126
<b>Total</b>			<u>-</u>	<u>1,647,779</u>

The accompanying notes are an integral part of this schedule.

CITY OF BALTIMORE, MARYLAND

Schedule of Expenditures of Federal Awards  
Year Ended June 30, 2023

<i>Federal Grantor/Pass-Through Grantor/Program or Cluster Title</i>	<i>Federal Assistance Listing</i>	<i>Pass-Through Entity Identifying Number</i>	<i>Passed Through to Subrecipients</i>	<i>Total Federal Expenditures</i>
<b>U.S. DEPARTMENT OF HEALTH AND HUMAN SERVICES (continued)</b>				
Direct Grants (continued)				
Community-Based Test and Cure Hepatitis C	93.270		\$ -	\$ (3,707)
FY23 Community Programs to Test and Cure Hepatitis C	93.270		-	86,808
<b>Total</b>			-	83,101
FY23 OPA U Choose Teen Pregnancy Prevention	93.297		-	58,671
OAH U Choose Teen Pregnancy Prevention	93.297		-	4,645
FY21 OPA U Choose Teen Pregnancy Prevention	93.297		-	15,179
<b>Total</b>			-	78,495
FY22 Integrated Viral Hepatitis Surveillance and Prevention Grant	93.323		-	284,089
FY21 Supplemental Nutrition Funding HDC5	93.323		-	91,993
FY21 ARP Act Title IIIB Supportive Services	93.323		-	87,508
FY21 Title III E Family Caregivers (436121)	93.323		-	285,247
FY22 Title III E Family Caregivers (436122)	93.323		-	143,803
FY23 Title IIIC-2: Home Delivered Meals	93.323		-	282,091
FY23 ELC ED Expansion	93.323		-	161,196
FY23 4454 -F829N-Enhancing Detection Grant	93.323		-	26,364
<b>Total</b>			-	1,362,291
FY20 Senior Health Insurance Program (SHIP)	93.324		-	(10,826)
FY22 Senior Health Insurance Program (SHIP)	93.324		-	(37,898)
FY23 Senior Health Insurance Program (SHIP)	93.324		-	95,330
FY21 Senior Health Insurance Program (SHIP)	93.324		-	(5,806)
<b>Total</b>			-	40,800
FY23 Crisis Cooperative Public Health Workforce	93.354		-	813,436
<b>Total</b>			-	813,436
FY23 Addressing COVID19 Health Disparities in Baltimore City	93.391	NH75OT000018	-	2,399,758
FY22 Addressing COVID19 Health Disparities in Baltimore City	93.391	526000769	-	(36,982)
<b>Total</b>			-	2,362,776
Implementing Overdose Prevention Strategies at the Local Level (IOPSSL)	93.323		-	2,150
<b>Total</b>			-	2,150
FY20 MIPPA (Medicare Improvements for Patients and Providers)	93.518		-	5,621
<b>Total</b>			-	5,621
Temporay Assistance for Needy Families (TANF) Family Investment	93.558		-	(20,786)
FY23-25 BCDSS Youthworks	93.558		-	1,065,805
FY23 Temporary Assistance for Needy Families (TANF) Employment Continuum	93.558		-	2,129,228
<b>Total</b>			-	3,174,247

The accompanying notes are an integral part of this schedule.

CITY OF BALTIMORE, MARYLAND

Schedule of Expenditures of Federal Awards  
Year Ended June 30, 2023

<i>Federal Grantor/Pass-Through Grantor/Program or Cluster Title</i>	<i>Federal Assistance Listing</i>	<i>Pass-Through Entity Identifying Number</i>	<i>Passed Through to Subrecipients</i>	<i>Total Federal Expenditures</i>
<b>U.S. DEPARTMENT OF HEALTH AND HUMAN SERVICES (continued)</b>				
Direct Grants (continued)				
Home Energy Program (OHEP) FY23_YR2	93.568	JF8BE3QWJ715	\$ -	\$ 1,266,519
OHEP - MEAP	93.568	JF8BE3QWJ715	-	736,148
<b>Total</b>			<u>-</u>	<u>2,002,667</u>
FY20 Community Services Block Grant (CSBG)	93.569		-	1,925,578
CSBG Covid Supplemental	93.569	052340973	-	1,519,174
FY23 Community Service Block Grant (CSBG)	93.569	CN6MMSGHJ39	-	1,778,599
<b>Total</b>			<u>-</u>	<u>5,223,351</u>
Head Start Part Day Programs	93.600		-	(14,782)
FY23 HEAD START GRANT	93.600	JF8BE3QWJ715	-	9,812,707
<b>Total Head Start Cluster</b>			<u>-</u>	<u>9,797,925</u>
FY22 Accountable Health Communities	93.650		-	1,874,971
Connect Patients to Critical Community Services	93.650		-	143,569
<b>Total</b>			<u>-</u>	<u>2,018,540</u>
FY22 Ending the HIV Epidemic Grant (4380)	93.686		899,431	911,598
FY23 Ryan White A (4277)	93.686		-	2,152,217
FY23 Ending the HIV Epidemic (4380)	93.686		-	162,635
<b>Total</b>			<u>899,431</u>	<u>3,226,450</u>
Strengthening Public Health Infrastructure, Workforce, and Data Systems	93.697		-	264,734
<b>Total</b>			<u>-</u>	<u>264,734</u>

The accompanying notes are an integral part of this schedule.

CITY OF BALTIMORE, MARYLAND

Schedule of Expenditures of Federal Awards  
Year Ended June 30, 2023

<i>Federal Grantor/Pass-Through Grantor/Program or Cluster Title</i>	<i>Federal Assistance Listing</i>	<i>Pass-Through Entity Identifying Number</i>	<i>Passed Through to Subrecipients</i>	<i>Total Federal Expenditures</i>
<b>U.S. DEPARTMENT OF HEALTH AND HUMAN SERVICES (continued)</b>				
Direct Grants (continued)				
FY22 Administrative Care Coordination for Pregnant Women	93.767		\$ 294,322	\$ 294,322
FY22 Healthy Start-Expended ACC	93.767		136,969	136,969
FY23 Pregnant Women With Dependent Children (PWC) Eligibility	93.767		1,948,065	1,948,065
FY23 Early and Periodic Screening Diagnostic and Treatment (EPSDT) Non-Compensated	93.767		-	88,130
Early and Periodic Screening Diagnostic and Treatment (EPSDT) Non-Compensated	93.767		-	(6,043)
FY23 Administrative Care Coordination	93.767		-	902,475
<b>Total</b>			<u>2,379,356</u>	<u>3,363,918</u>
FY23 Medicaid Transportation Services (BCHD)	93.778		-	3,432,022
FY22 PWC Eligibility ACC	93.778		-	493,831
FY23 Administrative Care Coordination-School Health Program	93.778		-	131,977
FY23 Administrative Care Coordination	93.778		-	180,495
FY23 Supplemental Administrative Care Coordination	93.778		-	706,000
<b>Total Medicaid Cluster</b>			<u>-</u>	<u>4,944,325</u>
Access Harm Reduction	93.788		-	62,667
FY 2023 445623 ACCESS HARM REDUCTION	93.788		-	64,735
FY23 Administrative Care Coordination-School Health Program	93.788		-	40,911
<b>Total</b>	93.788		<u>-</u>	<u>168,313</u>
FY21 Home Visiting Planning	93.870		-	40,561
FY23 Home Visiting Planning	93.870		1,323,756	1,805,842
FY23 BALTIMORE Infants & Toddlers Program- American Rescue Plan Act	93.870		-	152,684
FY23 Infants & Toddlers C&Y	93.870		-	159,625
FY23 HFA-American Rescue Plan 1	93.870		168,933	172,769
FY23 HFA-American Rescue Plan 2	93.870		135,171	135,171
<b>Total</b>			<u>1,627,860</u>	<u>2,466,652</u>
Ryan White Part A	93.914		-	1,630,540
FY21 HIV Minority AIDS Initiative _MAI (4987)	93.914		-	16,412
FY22 Ryan White Part A (4277)	93.914		10,616,260	12,436,050
FY22 HIV Minority AIDS Initiative MAI (4987)	93.914		1,229,134	1,229,134
FY23 HIV Minority AIDS Initiative _MAI (4987)	93.914		-	215,839
<b>Total</b>	93.914		<u>11,845,394</u>	<u>15,527,975</u>
FY 22 EHE HIV Prevention Activities	93.939		-	100,000
<b>Total</b>			<u>-</u>	<u>100,000</u>

The accompanying notes are an integral part of this schedule.

**CITY OF BALTIMORE, MARYLAND**

**Schedule of Expenditures of Federal Awards  
Year Ended June 30, 2023**

<i>Federal Grantor/Pass-Through Grantor/Program or Cluster Title</i>	<i>Federal Assistance Listing</i>	<i>Pass-Through Entity Identifying Number</i>	<i>Passed Through to Subrecipients</i>	<i>Total Federal Expenditures</i>
<b>U.S. DEPARTMENT OF HEALTH AND HUMAN SERVICES (continued)</b>				
Direct Grants (continued)				
FY 23 499023 Integrated HIV Surveillance and Prevention Programs for Health Departments	93.940		\$ 534,975	\$ 541,200
HIV Men Who Have Sex With Men (MSM) and Transgender Initiative	93.940		-	315,030
HIV Men Who Have Sex With Men (MSM) of Color Initiative	93.940		-	288,168
HIV Prevention and Surveillance	93.940		-	2,613,056
FY22 Integrated HIV Programs for Health Departments to Support Ending the HIV Epidemic in the US	93.940		-	1,283,070
FY23 Integrated HIV Programs for Health Departments to Support Ending the HIV Epidemic in the US	93.940		-	172,633
FY22 499022 Integrated HIV Surveillance and Prevention Programs for Health Departments	93.940		-	4,502,566
<b>Total</b>			534,975	9,715,723
FY23 Addiction Assessment Unit (AAU)	93.959		-	463,329
<b>Total</b>			-	463,329
FY21 422421 SEXUALLY TRANSMITTED DISEASE STD	93.977		-	(65,498)
Early Intervention Services	93.977		499,461	623,202
State Venereal Disease Control	93.977		-	(6,073)
FY22 (422522) SEXUALLY TRANSMITTED DISEASE STD	93.977		-	1,425,914
FY22 Sexually Transmitted Disease (STD) Surveillance Network	93.977		-	252,115
STRENGTHENING STD PREVENTION AND CONTROL FOR HEALTH DEPARTMENTS	93.977		-	1,082
FY23 1901 SUPPLMNT STRNGTHNING STD PREVTN & CONTRL FOR HLTH DEPTS STD	93.977		-	430,353
<b>Total</b>			499,461	2,661,095
FY23 Y-SURGE Project -Innovative Strategies to Increase Equitable Access	93.974		199,404	208,914
<b>Total</b>			199,404	208,914
The Epidemiology of Syphilis	93.978		-	508,727
<b>Total</b>			-	508,727
Federal Core Funding Maternal and Child Health	93.994		-	(54,099)
Early Intervention	93.994		-	(13,629)
Maternal and Child Health	93.994		-	(43,548)
Surveillance and Quality Improvement (SQI)	93.994		-	108,050
FY22 Federal Core Funding Maternal and Child Health	93.994		-	37,064
FY22 Maternal and Child Health	93.994		-	105
FY23 Federal Core Funding Maternal and Child Health	93.994		-	655,138
Child Health Systems Improvement	93.994		395,374	1,324,758
FY23 Maternal and Child Health	93.994		-	28,054
<b>Total</b>			395,374	2,041,893
2023 Hazard Mitigation Plan	97.049		-	43,425
<b>Total</b>			-	43,425
<b>TOTAL U.S. DEPARTMENT OF HEALTH AND HUMAN SERVICES</b>			18,904,112	84,547,527

The accompanying notes are an integral part of this schedule.



**CITY OF BALTIMORE, MARYLAND**

**Schedule of Expenditures of Federal Awards  
Year Ended June 30, 2023**

<i>Federal Grantor/Pass-Through Grantor/Program or Cluster Title</i>	<i>Federal Assistance Listing</i>	<i>Pass-Through Entity Identifying Number</i>	<i>Passed Through to Subrecipients</i>	<i>Total Federal Expenditures</i>
<b>CORPORATION FOR NATIONAL &amp; COMMUNITY SERVICE</b>				
Direct Grants				
Retired Senior Volunteer Program (RSVP)	94.002		\$ -	\$ (61,416)
FY22 Retired Senior Volunteer Program (RSVP)	94.002		-	2,914
FY23 Retired Senior Volunteer Program (RSVP)	94.002		-	236,641
<b>Total</b>			<u>-</u>	<u>178,139</u>
Senior Companion Program	94.016		-	108,920
FY23 Senior Companion Program	94.016		-	5,596
<b>Total Foster Grandparent/Senior Companion Cluster</b>			<u>-</u>	<u>114,516</u>
<b>TOTAL CORPORATION FOR NATIONAL &amp; COMMUNITY SERVICE</b>			<u>-</u>	<u>292,655</u>
<b>EXECUTIVE OFFICE OF THE PRESIDENT</b>				
Direct Grants				
High Intensity Drug Trafficking Areas (HIDTA) (SAO) (inactive)	95.001		-	22,828
<b>Total</b>			<u>-</u>	<u>22,828</u>
<b>TOTAL EXECUTIVE OFFICE OF THE PRESIDENT</b>			<u>-</u>	<u>22,828</u>
<b>NATIONAL SCIENCE FOUNDATION</b>				
Direct Grants				
National Science Foundations Rec-to-Tech Subaward Grant Agreement	47.076		-	50,098
<b>Total</b>			<u>-</u>	<u>50,098</u>
<b>TOTAL NATIONAL SCIENCE FOUNDATION</b>			<u>-</u>	<u>50,098</u>

The accompanying notes are an integral part of this schedule.

**CITY OF BALTIMORE, MARYLAND**

**Schedule of Expenditures of Federal Awards  
Year Ended June 30, 2023**

<i>Federal Grantor/Pass-Through Grantor/Program or Cluster Title</i>	<i>Federal Assistance Listing</i>	<i>Pass-Through Entity Identifying Number</i>	<i>Passed Through to Subrecipients</i>	<i>Total Federal Expenditures</i>
<b>U.S. DEPARTMENT OF HOMELAND SECURITY</b>				
Direct Grants				
Assistance to Firefighters (AFG Fire Act Grant) (inactive)	97.044		\$ -	\$ 735
FFY19 DES GRT004446	97.044		-	403,473
FF 20 COVID Sup GRT004444	97.044		-	144,096
FF20-AFG- rescue bailout system and officer development training	97.044		-	1,336,429
EMW-2021-FG-05586 FFY21 Assistance to Firefighters grant	97.044		-	6,794
<b>Total</b>			-	1,891,527
Urban Area Security Initiative	97.067		-	(18,721)
FY17 SHSP/ MEMA Homeland Security	97.067		-	155,563
FY19 Urban Area Security Initiative	97.067		-	9,528
FY19 SHSP/ MEMA Homeland Security	97.067		-	446,419
FY20 UASI/ Urban Area Security Initiative	97.067		-	349,478
FY20 State Homeland Security Program	97.067		-	531,357
FY21 Urban Area Security Initiative grant	97.067		-	59,289
FY21 State Homeland Security Program	97.067		-	4,703
FY22 State Homeland Security Program	97.067		-	16,880
FY22 Urban Area Security Initiative	97.067		-	30,290
<b>Total</b>			-	1,584,786
FY21 Emergency Management Performance Grant (EMPG)	97.042		-	253,257
Emergency Management Performance Grant-America Rescue Plan Act	97.042		-	52,164
FY22 Emergency Management Performance Grant	97.042		-	310,480
<b>Total</b>			-	615,901
FY19 Regional Catastrophic Preparedness Grant Program	97.111		-	144,905
FY20 Regional Catastrophic Preparedness Grant Program	97.111		-	237,936
<b>Total</b>			-	382,841
<b>TOTAL U.S. DEPARTMENT OF HOMELAND SECURITY</b>			-	4,475,055

The accompanying notes are an integral part of this schedule.

CITY OF BALTIMORE, MARYLAND

Schedule of Expenditures of Federal Awards  
Year Ended June 30, 2023

<i>Federal Grantor/Pass-Through Grantor/Program or Cluster Title</i>	<i>Federal Assistance Listing</i>	<i>Pass-Through Entity Identifying Number</i>	<i>Passed Through to Subrecipients</i>	<i>Total Federal Expenditures</i>
<b>U.S. DEPARTMENT OF THE TREASURY</b>				
Direct Grants				
US Department of Treasury - Emergency Rental Assistant (ERA) 1/ERA0081	21.023	GM6ZN59PBPC3	\$ -	\$ 3,593,174
FY22 MD Emergency Rental Assistance Program/ERA0266	21.023	052340973	-	5,813,776
US Department of Treasury - Emergency Rental Assistant (ERA)/ERA0386	21.023	GM6ZN59PBPC3	-	12,047,980
<b>Total</b>			<u>-</u>	<u>21,454,930</u>
Workforce Supplemental American Rescue Plan Act (ARPA) State Grant ID: BCI-ARPA-FY21	21.027		-	4,008,233
Relief Act Workforce Development	21.027		-	764,994
American Rescue Plan Act GR442200	21.027		2,051,367	3,469,752
HLT FY 22 ARPA Health Response GR442202	21.027		5,815,248	11,428,882
FY 22 Project Evaluation GR442204	21.027		248,758	281,028
OED ARPA Broadband GR442205	21.027		1,900,279	2,500,339
OED ARPA Violence Prevention GR442207	21.027		2,505,673	6,484,169
OED FY 22 Workforce Development (City Recovery Act) GR442208	21.027		2,770,089	5,626,108
MRC FY 22 COVID Incentive Pay GR442210	21.027		-	130
ARPA Baltimore City Department of Planning Clean Corps (17)	21.027		5,464,429	5,464,429
ARPA BCRP PAYGO (13)	21.027		-	226,986
ARPA DHCD Impact Investment Area Neighborhood Recovery Fund (18)	21.027		20,876	40,792
ARPA Food Equity (14)	21.027		2,423,452	2,792,602
ARPA Guaranteed Income Pilot (12)	21.027		2,400,000	2,400,000
ARPA OPI Performance Management (15)	21.027		-	146,554
ARPA Supporting Small Businesses at Lexington Market (11)	21.027		2,458,979	7,376,936
Ministers Conference CDC-Cradle to Career Pipeline	21.027		300,000	300,000
Pride Center of Maryland -Baltimore Violence Intervention and Protection (VIP) Project	21.027		208,333	250,000
BCCC-Refugee Youth Project	21.027		187,500	187,500
Bmore Clubhouse: No One Turned Away	21.027		265,625	312,500
FreeState Justice - Improving Healthcare and Housing Services Access	21.027		223,250	258,500
Urban Strategies, Inc.-Bridging the Gap in the Perkins Homes	21.027		575,000	575,000
Wide Angle Youth Media's Core Programs	21.027		180,000	213,750
Bikur Cholim-Response to COVID and Health Needs	21.027		178,125	213,750
Baltimore Corp, Inc.-Providing Baltimore's Under Employed	21.027		185,500	231,875
Mayor's Office, Digital Services	21.027		-	174,043
Round II Workforce Supplemental ARPA	21.027		-	1,674,058
MOHS-Housing Navigation and Landlord Engagement	21.027		225,236	421,706
Greater Baltimore Urban League-Justice Impacted Employment Program	21.027		401,045	401,045
Soccer Without Borders - Strengthening resilience among English Language Learners	21.027		145,236	145,236
North East Housing-Creating Permanent Affordable Housing and Resources	21.027		116,620	116,620
Chesapeake Shakespeare Company-Rebuilding Student Matinees via Free Tuition & Transportation	21.027		73,350	73,350
Downtown Partnership of Baltimore	21.027		850,000	850,000
Interior Buildout of the Bethel Empowerment Wellness Center (BEWC)	21.027		1,070,718	1,070,718
Baltimore Safe Haven Housing as Healthcare	21.027		193,244	193,244
B360-#Ride4Change: Using Dirt Bikes to End The Cycle of Poverty	21.027		398,396	398,396
ARPA-Black Yield Institute-South Baltimore Community Food Sovereignty Strategy	21.027		437,500	531,250
ARPA-Volo Kids Foundation-BActive	21.027		274,953	274,953

The accompanying notes are an integral part of this schedule.

**CITY OF BALTIMORE, MARYLAND**

**Schedule of Expenditures of Federal Awards  
Year Ended June 30, 2023**

<i>Federal Grantor/Pass-Through Grantor/Program or Cluster Title</i>	<i>Federal Assistance Listing</i>	<i>Pass-Through Entity Identifying Number</i>	<i>Passed Through to Subrecipients</i>	<i>Total Federal Expenditures</i>
<b>U.S. DEPARTMENT OF THE TREASURY (continued)</b>				
Direct Grants (continued)				
ARPA-B&O Railroad Museum-Creating Safe and Culturally Significant Greenspace	21.027		\$ 83,137	\$ 83,137
ARPA-Southwest Partnership - Resurrecting the Poppleton Rec	21.027		141,667	141,667
ARPA-South Baltimore Community Land Trust-Rise, Reclaim, Rebuild: Building Community Resilience and Equity through Homeownership and Advocacy	21.027		-	-
Aequo Foundation Covid Housing Initiative	21.027		131,985	178,493
ARPA-Rebuilding Together Baltimore, Inc.-Safe & Healthy Housing Repairs for Homeowners with Limited Incomes	21.027		1,335,031	1,335,031
ARPA- ReBUILD Metro -Post-COVID Affordable Housing Development and Neighborhood Stabilization in East Baltimore	21.027		145,465	145,465
ARPA-Pro Bono Resource Center of Maryland-Protecting Home Ownership in Baltimore City's Low-Income Neighborhoods to Ensure H	21.027		520,833	541,667
ARPA-Banner Neighborhoods Community Corporation-Expanding Youth Employment and Sports (E.Y.E.S.)	21.027		173,025	256,048
ARPA-Parity Baltimore Incorporated-Parity x The SOS Fund	21.027		359,421	596,921
ARPA-No Boundaries Coalition Inc.-Community Recovery Through Youth Income, Education & Workforce Development	21.027		151,000	151,000
ARPA-Green & Healthy Homes Initiative Inc- Healthy Homes for Equitable Baltimore Communities	21.027		191,856	191,856
ARPA-International Rescue Committee in Baltimore-Linking Immigrants & Jobs in Baltimore's COVID Economy	21.027		643,807	643,807
ARPA General Fund Restoration	21.027		110,497	181,998
ARPA-MOHS-Rapid Resolution and Shelter Diversion Fund	21.027		-	400,788
ARPA-MIMA-Baltimore New Americans Access Coalition and Language Access	21.027		15,400	15,400
ARPA Shelter Demobilization	21.027		1,656,724	1,656,724
ARPA Buy Back The Block	21.027		135,131	265,817
ARPA American Communities Trust, Inc.	21.027		1,533,943	1,533,943
ARPA City Dibs	21.027		1,343,550	1,343,550
ARPA-Ahavas Chaim: Developing Mental Health and Support Resources to Help Keep at Risk Youth Off the Streets	21.027		125,000	125,000
ARPA-Artspace Projects: Ambassador Theater redevelopment: A new community art and culture incubator in Northwest Baltimore	21.027		407,338	407,338
ARPA-Project PLASE: Creation of Permanent Supportive and Emergency Housing at Beacon House Square	21.027		75,000	75,000
ARPA-Black Arts District: Project RestART	21.027		378,627	378,627
ARPA-Omega Baltimore Foundation: Managing and Operating Easterwood Recreation Center	21.027		274,417	274,417
ARPA Druid Heights CDC: Druid Heights Community Green Infrastructure Project	21.027		130,250	130,250
ARPA Southeast CDC: Increasing Access to Safe, Healthy and Affordable Homes	21.027		75,000	75,000
ARPA-KEYS Empowers: KEYS Community Healing Village	21.027		531,170	531,170
ARPA-HeartSmiles	21.027		580,000	580,000
ARPA Everyman Theatre : Social Undistancing - An Equitable Strategy for Rebuilding Baltimore Theatre Audiences & Art-makers	21.027		112,246	112,246
ARPA Neighborhood Housing Services: Greater Rosemont Mondawmin Equitable Neighborhood Development and Affordable Housing Ini	21.027		467,239	467,239
ARPA-DHCD Healthy Homes: healthier living environment for residents and to stabilize the physical condition of houses	21.027		615,864	615,864
Strengthening LHD Infrastructure	21.027		89,088	158,522
ARPA - Pratt Digital Equity and Inclusion	21.027		-	68,686
ARPA-BOPA Arts and Cultural Festival	21.027		1,100,000	1,100,000
ARPA Phase II	21.027		250,000	250,000
ARPA-DHCD Impact Investment Area Neighborhood Recovery Fund Capital	21.027		3,577,943	3,577,943
ARPA-BCRP Paygo Capital	21.027		857,395	860,720
ARPA HABC: Perkins Infrastructure	21.027		357,521	357,521
<b>Total</b>			<u>2,000,000</u>	<u>2,000,000</u>
<b>TOTAL U.S. DEPARTMENT OF THE TREASURY</b>			<u>55,225,351</u>	<u>83,688,283</u>
			<u>55,225,351</u>	<u>105,143,213</u>
<i>Total Expenditures of Federal Awards</i>			<u>\$ 77,636,063</u>	<u>\$ 291,700,868</u>

The accompanying notes are an integral part of this schedule.

# CITY OF BALTIMORE, MARYLAND

## Notes to the Schedule of Expenditures of Federal Awards Year Ended June 30, 2023

### 1. BASIS OF PRESENTATION

All Federal grant operations of the City are included in the scope of Title 2 U.S. Code of Federal Regulations Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance or the Single Audit). The Single Audit was performed in accordance with the provisions of the Office of Management and Budget (OMB) Compliance Supplement (the Compliance Supplement). Compliance testing of all requirements, as described in the Compliance Supplement, was performed for the major Federal grant programs noted in Section 1. The programs on the schedule of expenditures of Federal awards (the Schedule) represents all Federal award programs with fiscal year 2023, cash or non-cash expenditure activities. For Single Audit testing, we tested to ensure coverage of at least 40% of Federally granted funds. Actual coverage is 54%. The major programs tested are listed in Section I of the Schedule of Findings and Questioned Costs.

### 2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Expenditures reported on the Schedule are reported on the accrual basis of accounting. Such expenditures are recognized following the cost principles contained in the Uniform Guidance. 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. Expenditures of Federal award grant funds are made for the purposes specified by the grantor and are subject to certain restrictions. Expenditures are also subject to audit by the relevant Federal agency. In the opinion of management, disallowed costs, if any, from such audits will not have a material effect on this Schedule or the financial position of the City.

### 3. INDIRECT COST RATE

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

### 4. FEDERAL LOANS

The State Capitalization Grants are revolving loan funds for the Water, Wastewater and Stormwater funds. Federally funded new loan proceeds provided under this program are included as expenditures on the Schedule in the year incurred. For the year ended June 30, 2023, there were no expenditures under this program. Loans outstanding as of June 30, 2023 were \$485,517,660.

In addition to the Capitalization Grants from the State Revolving fund, the City has borrowed funds under the Department of Housing and Urban Development (HUD) 108 loan program for Assistance Listing 14.218. These loans made under the Federal Community Development Block Grant (CDBG) program will be repaid from future CDBG revenue. During fiscal year 2023, the City made no loans under this program. Loans outstanding as of June 30, 2023 were \$4,584,000.

**CITY OF BALTIMORE, MARYLAND**

**Notes to the Schedule of Expenditures of Federal Awards  
Year Ended June 30, 2023**

**4. FEDERAL LOANS (continued)**

Both the current and prior year loans are reported in the Schedule of Changes in Long-Term Liabilities in the City's 2023 Annual Comprehensive Financial Report.

**Revolving Loan – Program Income**

The City has a \$1,000,000 revolving loan program for low-income housing renovation. Under this Federal program repayments to the City are considered revenue and loans of such funds to eligible recipients are considered expenditures. For the year ended June 30, 2023, there were no amounts recorded as principal and interest, as they were immaterial to the City's financial statements as a whole.

DRAFT

This page intentionally left blank.

DRAFT

**SCHEDULE OF FINDINGS AND QUESTIONED COSTS**

DRAFT



**CITY OF BALTIMORE**

**Schedule of Findings and Questioned Costs  
Year Ended June 30, 2022**

**Section I – Summary of Independent Public Accountants’ Results**

**Financial Statements**

Type of independent public accountants' report issued	Unmodified
Internal controls over financial reporting:	
Material weakness(es) identified?	Yes
Significant deficiency(ies) identified that are not considered to be material weaknesses?	Yes
Noncompliance material to the financial statements noted?	No

**Federal Awards**

Type of independent public accountants' report issued		Qualified and Unmodified
Internal controls over major programs:		
Material weakness(es) identified?		Yes
Significant deficiency(ies) identified that are not considered to be material weaknesses?		Yes
Type of independent public accountants report issued on compliance for major programs		
HOME Investment Partnerships Program	14.239	Qualified
Housing Opportunities for Persons with AIDS	14.241	Qualified
Ending the HIV Epidemic: A Plan for America	93.686	Qualified
Medical Assistance Program	93.778	Qualified
HIV Emergency Relief Project Grants	93.914	Qualified
HIV Prevention Activities Health Department Based	93.940	Qualified
All others		Unmodified
Any audit findings disclosed that are required to be reported in accordance with Uniform Guidance?		Yes

**CITY OF BALTIMORE**

**Schedule of Findings and Questioned Costs  
Year Ended June 30, 2022**

**Section I – Summary of Independent Public Accountants’ Results (continued)**

**Identification of Major Programs**

<u>Name of Federal Major Programs</u>	<u>Assistance Listing Number</u>	<u>Federal Expenditures</u>
<b>U.S. Department of Housing and Urban Development</b>		
HOME Investment Partnerships Program	14.239	\$ 3,747,762
Total Housing Opportunity for Persons with AIDS	14.241	8,452,284
<b>U.S. Department of Treasury</b>		
Emergency Rental Assistance Program	21.023	21,454,930
Total American Rescue Plan Act	21.027	83,688,295
<b>U.S. Department of Health and Human Services</b>		
Aging Cluster	93.044	981,877
	93.045	2,945,131
	93.053	606,833
Ending the HIV Epidemic: A Plan for America	93.686	3,226,450
Total Children's Health Insurance Program (CHIP)	93.767	3,363,918
Medical Assistance Program (Medicaid Cluster)	93.778	4,944,325
HIV Emergency Relief Project Grants	93.914	15,527,975
HIV Prevention Activities Health Department Based	93.940	9,715,722
<b>Total</b>		<b>\$ 158,655,502</b>
<b>Dollar threshold used to distinguish between type A and type B programs:</b>		<b>\$ 3,000,000</b>
<b>Auditee qualified as low-risk Auditee?</b>		<b>No</b>

- Section II                      Financial Statement Findings**  
See findings 2023-001 through 2023-005
- Section III                     Federal Awards Findings and Questioned Costs**  
See findings 2023-006 through 2023-026
- Section IV                      Summary Schedule of Prior Year Findings**

This page intentionally left blank.

DRAFT

**SECTION II – FINANCIAL STATEMENT FINDINGS**

DRAFT

**CITY OF BALTIMORE**

**Schedule of Findings and Questioned Costs  
Year Ended June 30, 2023**

Finding No.	AL No.	Funding Department	Title of Finding
<b>Financial Statement Findings:</b>			
<b>Material Weaknesses:</b>			
2023-001	All	All	Material Weakness over Grant Accounting
2023-002	All	All	Material Weakness over Financial Reporting
2023-003	All	All	Material Weakness over Water and Wastewater Accounting
2023-004	All	All	Material Weakness over Fixed Assets Accounting
2023-005	All	All	Material Weakness over Information Technology Security
<b>Federal Awards Findings and Questioned Costs:</b>			
<b>Material Weaknesses:</b>			
2023-006	All	All	Material Weakness over Schedule of Expenditures of Federal Awards (SEFA) Reporting
2023-008	14.241	U.S. Department of Housing and Urban Development	Material Weakness in Internal Controls and Noncompliance over Cash Management
2023-009	14.241	U.S. Department of Housing and Urban Development	Material Weakness in Internal Controls and Noncompliance over Eligibility
2023-011	14.241	U.S. Department of Housing and Urban Development	Material Weakness in Internal Controls and Noncompliance over Subrecipient Monitoring
2023-012	14.241	U.S. Department of Housing and Urban Development	Material Weakness in Internal Controls and Noncompliance over Special Tests – Housing Quality Standards
2023-015	93.686	U.S. Department of Department of Health and Human Services	Material Weakness in Internal Controls and Noncompliance over Cash Management
2023-017	93.686	U.S. Department of Department of Health and Human Services	Material Weakness in Internal Controls and Noncompliance over Subrecipient Monitoring
2023-019	93.778	U.S. Department of Department of Health and Human Services	Material Weakness in Internal Controls and Noncompliance over Reporting
2023-020	93.914	U.S. Department of Department of Health and Human Services	Material Weakness in Internal Controls and Noncompliance over Cash Management
2023-021	93.914	U.S. Department of Department of Health and Human Services	Material Weakness in Internal Controls and Noncompliance over Subrecipient Monitoring
2023-022	93.940	U.S. Department of Department of Health and Human Services	Material Weakness in Internal Controls and Noncompliance over Cash Management
2023-023	93.940	U.S. Department of Department of Health and Human Services	Material Weakness in Internal Controls and Noncompliance over Reporting
2023-024	93.940	U.S. Department of Department of Health and Human Services	Material Weakness in Internal Controls and Noncompliance over Subrecipient Monitoring
2023-025	14.239	U.S. Department of Housing and Urban Development	Material Weakness in Internal Controls and Noncompliance over Program Income
<b>Significant Deficiencies:</b>			
2023-007	All	All	Significant Deficiency in Internal Controls and Noncompliance over Reporting
2023-010	14.241	U.S. Department of Housing and Urban Development	Significant Deficiency in Internal Controls and Noncompliance over Reporting
2023-013	21.023	U.S. Department of the Treasury	Significant Deficiency in Internal Controls and Noncompliance over Reporting
	93.044		
	93.045		
2023-014	93.053	U.S. Department of Department of Health and Human Services	Significant Deficiency in Internal Controls and Noncompliance over Reporting
2023-016	93.686	U.S. Department of Department of Health and Human Services	Significant Deficiency in Internal Controls and Noncompliance over Reporting
2023-018	93.767	U.S. Department of Department of Health and Human Services	Significant Deficiency in Internal Controls and Noncompliance over Reporting
2023-026	14.239	U.S. Department of Housing and Urban Development	Significant Deficiency in Internal Controls and Noncompliance over Special Tests - Housing Quality Standards

**CITY OF BALTIMORE**

**Schedule of Findings and Questioned Costs  
Year Ended June 30, 2023**

**Finding 2023-001**

**Programs:** All

**Material Weakness over Grant Accounting Function**

**Repeat Finding:** Yes; 2022-001

***Condition:***

Due to lack of formal procedures and accountability at various departments, the City is not able to establish accurate balances of grant accounts receivable and grant deferred revenue accounts.

***Criteria:***

The City is responsible for properly tracking and accounting for state, Federal and other grants in accordance with accounting principles generally accepted in the United States of America and following Administrative Manual (AM) Grant Policies 413-00 through 413-70.

***Cause:***

Finance reports grant revenue, grant accounts receivable and grant deferred revenue balances based on the information provided and maintained by various departments that receive state, Federal, and other grants. Finance does not have the authority to enforce timely preparation and reconciliation of grant account balances from departments. The City also does not have staff dedicated to properly account for the grant activity and related details required.

***Effect:***

The City is not able to establish accurate balances of grant accounts receivable and grant deferred revenue accounts; expenditures reported on the Schedule could be misstated.

***Questioned Costs:***

Unknown.

***Recommendation:***

We recommend timely and proper reconciliation of grant account balances from the central general ledger to systems maintained at individual departments that receive grants. In addition, the City should continue its investment in and implementation of the new general ledger software that would be able to accommodate the accounting and recordkeeping for grants received by the City and dedicate staff to properly account for its grant activities.

***Auditee Response and Corrective Action Plan:***

Management agrees with the finding. Refer to the corrective action plan on current findings in Part V of this report.

***Auditor's Conclusion:***

Finding remains as stated.

## CITY OF BALTIMORE

### Schedule of Findings and Questioned Costs Year Ended June 30, 2023

#### Finding 2023-002

**Programs:** All

#### Material Weakness over Financial Reporting

**Repeat Finding:** Yes; 2022-002

***Condition:***

The City had significant post year-end adjustments to its fiscal year 2023 financial statements. Such adjustments relate to errors (both material and immaterial) undiscovered throughout the fiscal year. For example, there were cash accounts that were not reconciled for the majority of the fiscal year, which resulted in approximately \$50 million of uninvestigated reconciling items. Additionally, upon review of certain trust accounts, an account for \$92 million was identified, but had not been recorded as of year-end.

***Criteria:***

In accordance with Uniform Guidance, the City must maintain an adequate system of internal control over financial reporting in order to initiate, authorize, record, process and report financial data reliably in accordance with generally accepted accounting principles.

***Cause:***

Finance reports financial information based on the information provided and maintained by various departments that process property tax activities, water and sewer activities, capital asset activity, and internal fund balance/transfer activity. Finance does not have the authority to enforce timely preparation and reconciliation of activity and account balances from departments. The City continues to face challenges, making it difficult to properly track property tax receivables, water billings and capital assets. Due to the voluminous amount of activity in these accounts, it is difficult to perform a thorough post-closing review and detect all material errors. Additionally, because of the number of errors detected, information provided throughout the year may be materially incorrect. The City does not have a process to ensure that all cash accounts are reconciled timely and reviewed by supervisory review.

The City has invested in new software, but as of June 30, 2023 was still working to customize the software for the City's needs and had not yet fully implemented any functions of the software.

***Effect:***

The City had significant audit adjustments for the year ended June 30, 2023. Additionally, interim financial information produced by the City may be inaccurate.

**CITY OF BALTIMORE**

**Schedule of Findings and Questioned Costs  
Year Ended June 30, 2023**

**Finding 2023-002 (continued)**

***Questioned Costs:***

Unknown.

***Recommendation:***

We recommend the City to develop a formal written procedure to develop monthly and year-end financial reporting procedures and checklists and to consider obtaining more resources to assist in the preparation of financial statements.

***Auditee Response and Corrective Action Plan:***

Management agrees with the finding. Refer to the corrective action plan on current findings in Part V of this report.

***Auditor's Conclusion:***

Finding remains as stated.

DRAFT



**CITY OF BALTIMORE**

**Schedule of Findings and Questioned Costs  
Year Ended June 30, 2023**

**Finding 2023-003**

**Programs:** All

**Material Weakness over Water and Wastewater Accounting**

**Repeat Finding:** Yes; 2022-003

***Condition:***

There was a significant number of accounts that have not been billed since the system has been implemented and a significant number of accounts have been billed inconsistently. The City's water and wastewater utilities system is not able to establish accurate water and wastewater utilities revenue and accounts receivable balances without manually calculated adjustments. This is a greater risk of error due to manual adjustments.

There were also approximately \$13 million capitalizable costs that were erroneously recorded as operational expenses that needed to be adjusted post-close.

***Criteria:***

The City is responsible for timely and accurate billing for City residents and recordation of water and wastewater utility services in accordance with accounting principles generally accepted in the United States of America.

***Cause:***

The City implemented a new water and wastewater utilities billing system, UMAX. During the transition, errors in the transfer of underlying database information caused a significant number of customer accounts were not billed or billed inconsistently.

Additionally, capital projects accounting was not reviewed.

***Effect:***

The City's water and wastewater utilities system is not able to establish accurate water and wastewater utilities revenue and accounts receivable balances without manually calculated adjustments and this is a greater risk of error due to manual adjustments. Also, these are significant post-closing adjustments to correct the funds' balances.

***Questioned Costs:***

Unknown.

***Recommendation:***

We recommend the City develop formal written procedures to develop timely and accurate billing for water and wastewater utilities. Capital projects should be monitored throughout the year to ensure proper accounting.

**CITY OF BALTIMORE**

**Schedule of Findings and Questioned Costs  
Year Ended June 30, 2023**

**Finding 2023-003** (continued)

***Auditee Response and Corrective Action Plan:***

Management agrees with the finding. Refer to the corrective action plan on current findings in Part V of this report.

***Auditor's Conclusion:***

Finding remains as stated.

DRAFT

# CITY OF BALTIMORE

## Schedule of Findings and Questioned Costs Year Ended June 30, 2023

### Finding 2023-004

**Programs:** All

#### Material Weakness over Fixed Assets Accounting

**Repeat Finding:** Yes; 2022-004

***Condition:***

There were significant post-close adjustments recorded to fixed assets to correct the year-end reporting for capitalized assets. Additionally, errors were detected in the depreciation calculation that resulted in additional adjustments.

***Criteria:***

In accordance with Uniform Guidance, the City must maintain an adequate system of internal control over financial reporting in order to initiate, authorize, record, process and report financial data reliably in accordance with generally accepted accounting principles, which includes the proper capitalization and recordation of capital assets.

***Cause:***

Finance reports depreciable and non-depreciable fixed assets based only on the information provided at the end of the fiscal year, provided by various City departments that purchase and dispose of fixed assets and account for construction during the fiscal year. Finance is responsible at the end of the year to account for each department's expenditures in construction as well as track what projects have been completed during the year in order to properly reclassify the completed project to the correct depreciable asset (e.g., infrastructure, building, improvements, etc.).

***Effect:***

The City had significant post-closing audit adjustments for the year ended June 30, 2023. Additionally, the interim financial information produced by the City may be inaccurate.

***Questioned Costs:***

Unknown.

***Recommendation:***

We recommend that the City develop formal written procedures to reconcile capital expenditures recorded in various funds to the capitalized assets reported on an entity-wide basis. We also recommend that the City develop written capitalization policies. The City should use the new general ledger software to track capital asset additions and depreciation calculations.

***Auditee Response and Corrective Action Plan:***

Management agrees with the finding. Refer to the corrective action plan on current findings in Part V of this report.

***Auditor's Conclusion:***

Finding remains as stated.

# CITY OF BALTIMORE

## Schedule of Findings and Questioned Costs Year Ended June 30, 2023

### Finding 2023-005

**Programs:** All

### Material Weakness over Information Technology Security

**Repeat Finding:** Yes; 2022-005

***Condition:***

While progress has been made in addressing and remediating the legacy vulnerabilities, including adding additional personnel to the task, the review of the network security in fiscal year 2023 indicated that a number of “severe/critical/high risk” vulnerabilities remain to be remediated.

Other areas for improvement include, but are not limited to:

- Lack of a formally documented entitlement review of privileged accounts such as domain administrators.
- Inadequate segregation of duties for those personnel with the responsibilities for making program changes and for those personnel with the responsibilities for the migration to production.
- Inability to restore mainframe operations at the secondary data center.

***Criteria:***

The City is responsible for maintaining a safe and secure network for daily operations as well as data maintenance and storage.

***Cause:***

The City did not have proper Information Technology (IT) security in place, leaving its systems at risk. The City also did not have sufficient equipment and IT support to immediately transfer to remote operations.

***Effect:***

The absence of timely remediation increases the risk to the organization that those vulnerabilities may be exploited leading to disruption of the City’s operations and/or theft/loss of data. Inadequate segregation of duties leads to increased risk to unauthorized changes when individuals that make changes have access to the production environment.

***Questioned Costs:***

None.

***Recommendation:***

We recommend that the City: (1) implement IT training programs surrounding the various threats and how to identify them; and (2) maintain a more secure network for its daily operations and the storage of its data.

**CITY OF BALTIMORE**

**Schedule of Findings and Questioned Costs  
Year Ended June 30, 2023**

**Finding 2023-005 (continued)**

***Auditee Response and Corrective Action Plan:***

Management agrees with the finding. Refer to the corrective action plan on current findings in Part V of this report.

***Auditor's Conclusion:***

Finding remains as stated.

DRAFT

**SECTION III – FEDERAL AWARDS FINDINGS AND QUESTIONED COSTS**

DRAFT

This page intentionally left blank.

DRAFT

## CITY OF BALTIMORE

### Schedule of Findings and Questioned Costs Year Ended June 30, 2023

#### Finding 2023-006

**Programs:** All

#### Material Weakness over Schedule of Expenditures of Federal Awards (SEFA) Reporting

**Repeat Finding:** Yes, 2022-006

#### *Condition:*

Finance is responsible for preparing the schedule of expenditures of Federal awards based upon grant information obtained from the financial accounting records and other information provided by each department or agency. In many instances, the detail expenditure information in the accounting software differed from the expenditures reported by various City departments. Additionally, expenditures related to sub-recipients, subcontractors, and beneficiaries are not separately tracked in the general ledger.

#### *Criteria:*

In accordance with 2 CFR 200.303, Internal controls: The non-Federal entity must: (a) Establish and maintain effective internal control over the Federal award that provides reasonable assurance that the non-Federal entity is managing the Federal award in compliance with Federal statutes, regulations, and the terms and conditions of the Federal award.

In accordance with 2 CFR 200.508, Auditee responsibilities: The auditee must: (b) Prepare appropriate financial statements, including the schedule of expenditures of Federal awards in accordance with §200.510 Financial statements.

In accordance with 2 CFR 200.510, Financial statements: (b) Schedule of expenditures of Federal awards: the auditee must also prepare a schedule of expenditures of Federal awards for the period covered by the auditee's financial statements which must include the total Federal awards expended as determined in accordance with §200.502 Basis for determining Federal awards expended. While not required, the auditee may choose to provide information requested by Federal awarding agencies and pass-through entities to make the schedule easier to use. For example, when a Federal program has multiple Federal award years, the auditee may list the amount of Federal awards expended for each Federal award year separately. At a minimum, the schedule must: (1) List individual Federal programs by Federal agency. For a cluster of programs, provide the cluster name, list individual Federal programs within the cluster of programs, and provide the applicable Federal agency name. For R&D, total Federal awards expended must be shown either by individual Federal award or by Federal agency and major subdivision within the Federal agency. (2) For Federal awards received as a subrecipient, the name of the pass-through entity and identifying number assigned by the pass-through entity must be included. (3) Provide total Federal awards expended for each individual Federal program and the AL number or other identifying number when the AL information is not available. For a cluster of programs, also provide the total for the



## CITY OF BALTIMORE

### Schedule of Findings and Questioned Costs Year Ended June 30, 2023

#### **Finding 2023-006** (continued)

**Criteria:** (continued)

cluster. (4) Include the total amount provided to subrecipients from each Federal program. (5) For loan or loan guarantee programs described in § 200.502(b), identify in the notes to the schedule the balances outstanding at the end of the audit period. This is in addition to including the total Federal awards expended for loan or loan guarantee programs in the schedule and (6) Include notes that describe that significant accounting policies used in preparing the schedule and note whether or not the non-Federal entity elected to use the 10% de minimis cost rate as covered in §200.414 Indirect (F&A) costs.

**Cause:**

The City does not maintain a centralized grant accounting function or standardized policies and procedures, including requirements to periodically submit and reconcile expenditures; instead, each department maintains its own grant information. The lack of submission of grant documents and accurate information by the various agencies and departments to Finance weakens internal controls over grant reporting and hinders the ability of Finance to accurately prepare the Schedule.

Internal controls over financial reporting should be designed to prevent, detect or correct errors in a timely manner. Without adequate controls, the City cannot provide reasonable assurance that the Schedule is fairly presented. Controls have not been established by the City to ensure complete and accurate reporting for the Schedule for the 2023 fiscal year.

**Effect:**

The determination of which major programs will be audited is affected by the accuracy of the Schedule at the time of audit. Without proper internal controls over financial reporting, inaccurate reporting of the City's financial information could occur and the City cannot provide reasonable assurance that the SEFA is fairly presented. As a result, individual program reports throughout the year could have inaccurate information. There were also significant delays in the preparation of the Schedule of Expenditures of Federal awards, which prevented the City from meeting the March 31, 2024 deadline with the Federal clearinghouse.

**Questioned Costs:**

Unknown.

**Recommendation:**

We recommend that Finance establish policies and procedures to ensure that the Federal funds are properly identified and reported accurately in the Schedule in accordance with Uniform Guidance requirements. We also recommend that individuals responsible for administering Federal assistance programs with the City receive training in grant administration.

**Auditee Response and Corrective Action Plan:**

Management agrees with the finding. Refer to the corrective action plan on current findings in Part V of this report.

**Auditor's Conclusion:**

Finding remains as stated.

**CITY OF BALTIMORE**

**Schedule of Findings and Questioned Costs  
Year Ended June 30, 2023**

**Finding 2023-007**

**Programs:** All

**Significant Deficiency in Internal Controls and Noncompliance over Reporting**

**Repeat Finding:** Yes; 2022-007

***Condition:***

The City's audited financial statements and the data collection form were not completed within nine months after the end of the audit period.

***Criteria:***

In accordance with 2 CFR § 200.512, the audit must be completed, and the data collection form must be submitted within the earlier of 30 calendar days after receipt of the auditor's report(s), or nine months after the end of the audit period.

***Cause:***

The City does not maintain a centralized grant accounting function or standardized policies and procedures, including requirements to periodically submit and reconcile expenditures; instead, each department maintains its own grant information. The lack of submission of grant documents and accurate information by the various agencies and departments to Finance weakens internal controls over grant reporting and hinders the ability of Finance to accurately prepare the Schedule timely.

***Effect:***

The City was not in compliance with Uniform Guidance.

***Questioned Costs:***

None.

***Recommendation:***

We recommend that Finance establish policies and procedures to ensure that the Federal funds are properly identified and reported accurately in the Schedule in accordance with Uniform Guidance requirements. We also recommend that individuals responsible for administering Federal assistance programs with the City receive training in grant administration.

***Auditee Response and Corrective Action Plan:***

Management agrees with the finding. Refer to the corrective action plan on current findings in Part V of this report.

***Auditor's Conclusion:***

Finding remains as stated.

**CITY OF BALTIMORE**

**Schedule of Findings and Questioned Costs  
Year Ended June 30, 2023**

**Finding 2023-008**

**U.S. Department of Housing and Urban Development (HUD)**

**AL No. 14.241      Housing Opportunities for Persons with AIDS**

**Material Weakness in Internal Controls and Noncompliance over Cash Management**

**Repeat Finding:**      No

***Condition:***

For 5 out of 13 selections, the support did not reconcile to the drawdown amount in the Federal database.

***Criteria:***

In accordance with 2 CFR §200.303: Internal Control, The non-Federal entity must: (a) Establish and maintain effective internal control over the Federal award that provides reasonable assurance that the non-Federal entity is managing the Federal award in compliance with Federal statutes, regulations, and the terms and conditions of the Federal award.

According to AM 413-60, Grant Documentation, Grant Manager/Program Manager/Director Conducts ongoing monitoring and control of all reimbursement receipts and deposits until grant ends; as well as all program and sub-recipient (when applicable) documentation, to include: (1) program documentation; (2) timesheets; (3) deliverables; (4) activities; (5) vendor payments; (6) program data/charts/numbers; and (7) financial and compliance report.

According to AM 413-61, Grant Management Financial Reporting, Grant Manager/Program Manager/Director maintains all documentation, either electronic or hard copy, for all Federally funded grants for the term of the grant for a minimum of seven years for review and audit by the granting agency or its designee.

***Cause:***

The agency could not reconcile information presented in the expenditure report to the underlying records. Finance and the agency use different parameters for generating reports and there was no documentation of the reconciling differences.

***Effect:***

The City was not in compliance with the cash management requirements in accordance with Uniform Guidance.

***Questioned Costs:***

Unknown.

**CITY OF BALTIMORE**

**Schedule of Findings and Questioned Costs  
Year Ended June 30, 2023**

**Finding 2023-008** (continued)

***Recommendation:***

We recommend the City establish and implement controls to maintain compliance with cash management requirements.

***Auditee Response and Corrective Action Plan:***

Management agrees with the finding. Refer to the corrective action plan on current findings in Part V of this report.

***Auditor's Conclusion:***

Finding remains as stated.

DRAFT

## CITY OF BALTIMORE

### Schedule of Findings and Questioned Costs Year Ended June 30, 2023

#### Finding 2023-009

#### U.S. Department of Housing and Urban Development (HUD)

#### AL No. 14.241      Housing Opportunities for Persons with AIDS

#### Material Weakness in Internal Controls and Noncompliance over Eligibility

**Repeat Finding:**      Yes; 2022-008

***Condition:***

For 14 out of 40 selections, Mayor's Office of Homeless Services (MOHS) management did not have evidence of case manager review of the participant file for eligibility requirements.

For 25 out of 40 selections, MOHS management was unable to provide evidence that property inspection was performed during the fiscal year.

For 25 out of 40 selections, MOHS management was unable to provide evidence of third-party verifications or documentation of expected income, assets, unusual medical expenses, and any other pertinent information.

For 6 out of 40 selections, MOHS management was unable to provide support to verify the rent reasonableness.

***Criteria:***

In accordance with 2 CFR §200.303: The non-Federal entity must: (a) Establish and maintain effective internal control over the Federal award that provides reasonable assurance that the non-Federal entity is managing the Federal award in compliance with Federal statutes, regulations, and the terms and conditions of the Federal award.

According to the OMB Compliance Supplement, a person eligible for assistance under this program means a person with HIV or AIDS who is a low-income individual and the person's family, including persons important to their care or well-being, as defined in 24 CFR section 574.3. The eligibility of those tenants who were admitted to the program should be determined by (1) obtaining applications that contain all the information needed to determine eligibility, including diagnosis, documentation of housing need, income, rent, and order of selection; and (2) obtaining third party verifications or documentation of expected income, assets, unusual medical expenses, and any other pertinent information.

Per 24 CFR §574.320, the rent charged for a unit must be reasonable in relation to rents currently being charged for comparable units in the private unassisted market and must not be in excess of rents currently being charged by the owner for comparable unassisted units.

**CITY OF BALTIMORE**

**Schedule of Findings and Questioned Costs  
Year Ended June 30, 2023**

**Finding 2023-009** (continued)

***Criteria:*** (continued)

According to AM 413-60, Grant Documentation, Grant Manager/Program Manager/Director Conducts ongoing monitoring and control of all reimbursement receipts and deposits until grant ends; as well as all program and sub-recipient (when applicable) documentation, to include: (1) program documentation; (2) timesheets; (3) deliverables; (4) activities; (5) vendor payments; (6) program data/charts/numbers; and (7) financial and compliance report.

According to AM 413-61, Grant Management Financial Reporting, Grant Manager/Program Manager/Director maintains all documentation, either electronic or hard copy, for all Federally funded grants for the term of the grant for a minimum of seven years for review and audit by the granting agency or its designee.

***Cause:***

MOHS did not have proper controls in place to ensure the eligibility requirements of the grant were met.

***Effect:***

MOHS was not be in compliance with the eligibility requirements of the grant.

***Questioned Costs:***

Unknown.

***Recommendation:***

We recommend that MOHS: (1) follow AM 413-60 and AM 413-61 for documentation and retention of the review and approval of eligibility criteria; and (2) provide training about procedures related to the documentation of eligibility evaluations.

***Auditee Response and Corrective Action Plan:***

Management agrees with the finding. Refer to the corrective action plan on current findings in Part V of this report.

***Auditor's Conclusion:***

Finding remains as stated.

**CITY OF BALTIMORE**

**Schedule of Findings and Questioned Costs  
Year Ended June 30, 2023**

**Finding 2023-010**

**U.S. Department of Housing and Urban Development (HUD)**

**AL No. 14.241      Housing Opportunities for Persons with AIDS**

**Significant Deficiency in Internal Controls and Noncompliance over Reporting**

**Repeat Finding:      Yes; 2022-009**

***Condition:***

The Federal Financial Report provided by Mayor's Office of Homeless Services (MOHS) management was not submitted in a timely manner.

***Criteria:***

In accordance with 2 CFR §200.303: The non-Federal entity must: (a) Establish and maintain effective internal control over the Federal award that provides reasonable assurance that the non-Federal entity is managing the Federal award in compliance with Federal statutes, regulations, and the terms and conditions of the Federal award.

According to the OMB Compliance Supplement, an entity must complete the SF-425, Federal Financial Report and the Integrated Disbursement Information System (IDIS) (OMB No. 25060077) to be in compliance with the financial reporting requirements.

***Cause:***

MOHS does not have controls in place to ensure reports are filed timely.

***Effect:***

Reports due to the Federal government may be late.

***Questioned Costs:***

None.

***Recommendation:***

We recommend the City establish and implement a process to ensure compliance with reporting requirements.

**CITY OF BALTIMORE**

**Schedule of Findings and Questioned Costs  
Year Ended June 30, 2023**

**Finding 2023-010** (continued)

***Auditee Response and Corrective Action Plan:***

Management agrees with the finding. Refer to the corrective action plan on current findings in Part V of this report.

***Auditor's Conclusion:***

Finding remains as stated.

DRAFT



**CITY OF BALTIMORE**

**Schedule of Findings and Questioned Costs  
Year Ended June 30, 2023**

**Finding 2023-011**

**U.S. Department of Housing and Urban Development (HUD)**

**AL No. 14.241      Housing Opportunities for Persons with AIDS**

**Material Weakness in Internal Controls and Noncompliance over Subrecipient Monitoring**

**Repeat Finding:      Yes; 2022-010**

***Condition:***

For 3 out of 3 selections, the Federal award identification number (FAIN) and the subrecipient's unique entity identifier (UEI) were not disclosed on the subaward.

For 3 out of 3 selections, there was no evidence that the prior year Single Audit Report was reviewed.

***Criteria:***

In accordance with 2 CFR §200.303: The non-Federal entity must: (a) Establish and maintain effective internal control over the Federal award that provides reasonable assurance that the non-Federal entity is managing the Federal award in compliance with Federal statutes, regulations, and the terms and conditions of the Federal award.

Pursuant to 31 USC 7502(f)(2) (Single Audit Act Amendments of 1996 (Pub. L. No. 104-156)), 2 CFR sections 200.330, .331, and .501(h), a pass-through entity must identify the award and applicable requirements, evaluate risk, monitor, and ensure accountability of subrecipients.

In accordance with 2 CFR §25.300: (a) A recipient may not make a subaward to a subrecipient unless that subrecipient has obtained and provided to the recipient a unique entity identifier. Subrecipients are not required to complete full SAM registration to obtain a unique entity identifier. (b) A recipient must notify any potential subrecipients that the recipient cannot make a subaward unless the subrecipient has obtained a unique entity identifier as described in paragraph (a) of this section.

According to 2 CFR §200.332, all pass-through entities must:

(a) Ensure that every subaward is clearly identified to the subrecipient as a subaward and includes the Federal award identification including the subrecipient's unique entity identifier, Federal Award Identification Number (FAIN), identification of whether the award is R&D and indirect cost rate for the Federal award.

**CITY OF BALTIMORE**

**Schedule of Findings and Questioned Costs  
Year Ended June 30, 2023**

**Finding 2023-011 (continued)**

***Criteria:*** (continued)

(b) Evaluate each subrecipient's risk of noncompliance with Federal statutes, regulations, and the terms and conditions of the subaward for purposes of determining the appropriate subrecipient monitoring described in paragraphs (d) and (e) of this section, which may include consideration of such factors as: (1) The subrecipient's prior experience with the same or similar subawards; (2) The results of previous audits including whether or not the subrecipient receives a Single Audit.

(c) Monitor the activities of the subrecipient as necessary to ensure that the subaward is used for authorized purposes, in compliance with Federal statutes, regulations, and the terms and conditions of the subaward; and that subaward performance goals are achieved.

(e) Verify that every subrecipient is audited as required by 2 CFR § 200.331 when it is expected that the subrecipient's Federal awards expended during the respective fiscal year equaled or exceeded the threshold set forth in § 200.501.

***Cause:***

The Mayor's Office of Homeless Services (MOHS) did not maintain adequate documentation of the requirements included in Uniform Guidance related to procedures required for subrecipient monitoring.

***Effect:***

MOHS was not in compliance with Uniform Guidance.

***Questioned Costs:***

Unknown.

***Recommendation:***

We recommend that MOHS establish and implement controls for the program and prepare and maintain a written plan to perform risk assessments on potential subrecipients. Additionally, we recommend that MOHS provides training on the Uniform Guidance requirements related to subrecipient monitoring.

***Auditee Response and Corrective Action Plan:***

Management agrees with the finding. Refer to the corrective action plan on current findings in Part V of this report.

***Auditor's Conclusion:***

Finding remains as stated

**CITY OF BALTIMORE**

**Schedule of Findings and Questioned Costs  
Year Ended June 30, 2023**

**Finding 2023-012**

**U.S. Department of Housing and Urban Development (HUD)**

**AL No. 14.241 Housing Opportunities for Persons with AIDS**

**Material Weakness in Internal Controls and Noncompliance over Special Tests – Housing Quality Standards**

**Repeat Finding: Yes; 2022-011**

***Condition:***

For 25 out of 40 selections, the Mayor’s Office of Homeless Services (MOHS) management was unable to provide support for verification of property inspection for fiscal year 2023.

***Criteria:***

In accordance with 2 CFR §200.303: The non-Federal entity must: (a) Establish and maintain effective internal control over the Federal award that provides reasonable assurance that the non-Federal entity is managing the Federal award in compliance with Federal statutes, regulations, and the terms and conditions of the Federal award.

In accordance with 24 CFR sections 574.310(b)(1)-(2): All housing that involves acquisition, rehabilitation, conversion, lease, repair of facilities, new construction, project- or tenant-based rental assistance (including assistance for shared housing arrangements), and operating costs must meet various housing quality standards.

According to AM 413-60, Grant Documentation, Grant Manager/Program Manager/Director conducts ongoing monitoring and control of all reimbursement receipts and deposits until grant ends; as well as all program and sub-recipient (when applicable) documentation, to include: (1) program documentation; (2) timesheets; (3) deliverables; (4) activities; (5) vendor payments; (6) program data/charts/numbers; and (7) financial and compliance report.

According to AM 413-61, Grant Management Financial Reporting, Grant Manager/Program Manager/Director maintains all documentation, either electronic or hard copy, for all Federally funded grants for the term of the grant for a minimum of seven years for review and audit by the granting agency or its designee.

***Cause:***

MOHS did not perform the inspections as required.

***Effect:***

MOHS was not in compliance with the housing quality standards requirements under Uniform Guidance.

**CITY OF BALTIMORE**

**Schedule of Findings and Questioned Costs  
Year Ended June 30, 2023**

**Finding 2023-012 (continued)**

***Questioned Costs:***

Unknown.

***Recommendation:***

We recommend that MOHS: (1) implement proper documentation controls to ensure the housing quality standards requirements are being followed, and (2) follow the AM 413-61 retention policy.

***Auditee Response and Corrective Action Plan:***

Management agrees with the finding. Refer to the corrective action plan on current findings in Part V of this report.

***Auditor's Conclusion:***

Finding remains as stated.

DRAFT

**CITY OF BALTIMORE**

**Schedule of Findings and Questioned Costs  
Year Ended June 30, 2023**

**Finding 2023-013**

**U.S. Department of the Treasury**

**AL No. 21.023      Emergency Rental Assistance Program**

**Significant Deficiency in Internal Controls and Noncompliance over Reporting**

**Repeat Finding:      Yes; 2022-013**

***Condition:***

Management was unable to provide evidence that the SF-425 Federal Financial Report was filed.

***Criteria:***

In accordance with 2 CFR §200.303: The non-Federal entity must: (a) Establish and maintain effective internal control over the Federal award that provides reasonable assurance that the non-Federal entity is managing the Federal award in compliance with Federal statutes, regulations, and the terms and conditions of the Federal award.

Additionally, financial and performance reporting under Uniform Guidance requires ERAP to complete the SF-425, Federal Financial Report and the ERA Compliance Report.

***Cause:***

The Mayor's Office of Children & Family Services (MOCFS) does not have controls in place to ensure reporting requirements are met.

***Effect:***

Management was not in compliance with the reporting requirements of the grant.

***Questioned Costs:***

None.

***Recommendation:***

We recommend the department establish and implement controls to maintain compliance with reporting requirements in accordance with Uniform Guidance.

***Auditee Response and Corrective Action Plan:***

Management agrees with the finding. Refer to the corrective action plan on current findings in Part V of this report.

***Auditor's Conclusion:***

Finding remains as stated.

**CITY OF BALTIMORE**

**Schedule of Findings and Questioned Costs  
Year Ended June 30, 2023**

**Finding 2023-014**

**U.S. Department of Health and Human Services**

**AL No. 93.044, 93.045, 93.053 Aging Cluster**

**Significant Deficiency in Internal Controls and Noncompliance over Reporting**

**Repeat Finding:** No

***Condition:***

The Federal Financial Report provided by management did not include amounts spent under the Federal award.

***Criteria:***

In accordance with 2 CFR §200.303, The non-Federal entity must: (a) Establish and maintain effective internal control over the Federal award that provides reasonable assurance that the non-Federal entity is managing the Federal award in compliance with Federal statutes, regulations, and the terms and conditions of the Federal award.

In accordance with 2 CFR 200.302: Financial management. (a) Each state must expend and account for the Federal award in accordance with state laws and procedures for expending and accounting for the state's own funds. In addition, the state's and the other non-Federal entity's financial management systems, including records documenting compliance with Federal statutes, regulations, and the terms and conditions of the Federal award, must be sufficient to permit the preparation of reports required by general and program-specific terms and conditions; and the tracing of funds to a level of expenditures adequate to establish that such funds have been used according to the Federal statutes, regulations, and the terms and conditions of the Federal award.

***Cause:***

The agency did not have controls in place to ensure a complete Federal Financial Report was submitted.

***Effect:***

Expenditures reported to the Federal government were inaccurate.

***Questioned Costs:***

None.

**CITY OF BALTIMORE**

**Schedule of Findings and Questioned Costs  
Year Ended June 30, 2023**

**Finding 2023-014** (continued)

***Recommendation:***

We recommend the City establish and implement a process to reconcile reports used by the various departments for external reporting to the City's internal records to validate compliance with reporting requirements.

***Auditee Response and Corrective Action Plan:***

Management agrees with the finding. Refer to the corrective action plan on current findings in Part V of this report.

***Auditor's Conclusion:***

Finding remains as stated.

DRAFT

# CITY OF BALTIMORE

## Schedule of Findings and Questioned Costs Year Ended June 30, 2023

### Finding 2023-015

#### U.S. Department of Health and Human Services

#### AL No. 93.686      Ending the HIV Epidemic: A Plan for America

#### Material Weakness in Internal Controls and Noncompliance over Cash Management

**Repeat Finding:**      No

***Condition:***

For 4 out of 4 selections, we were unable to agree the drawdown amount to the general ledger to ensure funds were being expended prior to requesting reimbursement.

***Criteria:***

In accordance with 2 CFR 200.303: Internal Control, The non-Federal entity must: (a) Establish and maintain effective internal control over the Federal award that provides reasonable assurance that the non-Federal entity is managing the Federal award in compliance with Federal statutes, regulations, and the terms and conditions of the Federal award.

In accordance with 2 CFR 200.302: Financial management. (a) Each state must expend and account for the Federal award in accordance with state laws and procedures for expending and accounting for the state's own funds. In addition, the state's and the other non-Federal entity's financial management systems, including records documenting compliance with Federal statutes, regulations, and the terms and conditions of the Federal award, must be sufficient to permit the preparation of reports required by general and program-specific terms and conditions; and the tracing of funds to a level of expenditures adequate to establish that such funds have been used according to the Federal statutes, regulations, and the terms and conditions of the Federal award.

According to AM 413-60, Grant Documentation, Grant Manager/Program Manager/Director conducts ongoing monitoring and control of all reimbursement receipts and deposits until grant ends; as well as all program and sub-recipient (when applicable) documentation, to include: (1) program documentation; (2) timesheets; (3) deliverables; (4) activities; (5) vendor payments; (6) program data/charts/numbers; and (7) financial and compliance report.

According to AM 413-61, Grant Management Financial Reporting, Grant Manager/Program Manager/Director maintains all documentation, either electronic or hard copy, for all Federally funded grants for the term of the grant for a minimum of seven years for review and audit by the granting agency or its designee.

***Cause:***

The agency could not reconcile information presented in the expenditure report to the underlying records. Finance and the agency use different parameters for generating reports and there was no documentation of the reconciling differences.



**CITY OF BALTIMORE**

**Schedule of Findings and Questioned Costs  
Year Ended June 30, 2023**

**Finding 2023-015 (continued)**

***Effect:***

The City may not be in compliance with the cash management requirements in accordance with Uniform Guidance.

***Questioned Costs:***

Unknown.

***Recommendation:***

We recommend the City establish and implement a process to reconcile reports used by the various departments for external reporting to the City's internal records to validate compliance with cash management requirements.

***Auditee Response and Corrective Action Plan:***

Management agrees with the finding. Refer to the corrective action plan on current findings in Part V of this report.

***Auditor's Conclusion:***

Finding remains as stated.

DRAFT

**CITY OF BALTIMORE**

**Schedule of Findings and Questioned Costs  
Year Ended June 30, 2023**

**Finding 2023-016**

**U.S. Department of Health and Human Services**

**AL No. 93.686      Ending the HIV Epidemic: A Plan for America**

**Significant Deficiency in Internal Controls and Noncompliance over Reporting**

**Repeat Finding:**      No

***Condition:***

For 1 out of 1 selection, we were unable to agree the expenditure details from the general ledger to the amounts reported in the Federal Financial Report to ensure completeness, accuracy and compliance with the required accounting basis.

For 1 out of 1 selection, we noted that the Federal Financial Report was not submitted timely.

***Criteria:***

In accordance with 2 CFR §200.303, The non-Federal entity must: (a) Establish and maintain effective internal control over the Federal award that provides reasonable assurance that the non-Federal entity is managing the Federal award in compliance with Federal statutes, regulations, and the terms and conditions of the Federal award.

In accordance with 2 CFR 200.302: Financial management. (a) Each state must expend and account for the Federal award in accordance with state laws and procedures for expending and accounting for the state's own funds. In addition, the state's and the other non-Federal entity's financial management systems, including records documenting compliance with Federal statutes, regulations, and the terms and conditions of the Federal award, must be sufficient to permit the preparation of reports required by general and program-specific terms and conditions; and the tracing of funds to a level of expenditures adequate to establish that such funds have been used according to the Federal statutes, regulations, and the terms and conditions of the Federal award.

Additionally, the grant agreement requires the Federal Financial Report to be submitted no later than 90 days after the period of performance end date through recipient online accounts in the Payment Management System.

***Cause:***

The agency could not reconcile information reported in the expenditure report to the state to the underlying records. Finance and the agency use different parameters for running reports and neither department reconciled the other reporting completed.

***Effect:***

Expenditures reported to the Federal government could be inaccurate.

**CITY OF BALTIMORE**

**Schedule of Findings and Questioned Costs  
Year Ended June 30, 2023**

**Finding 2023-016 (continued)**

***Questioned Costs:***

None.

***Recommendation:***

We recommend the City establish and implement a process to reconcile reports used by the various departments for external reporting to the City's internal records to validate compliance with reporting requirements. Additionally, there should be a process to ensure all reports are submitted timely.

***Auditee Response and Corrective Action Plan:***

Management agrees with the finding. Refer to the corrective action plan on current findings in Part V of this report.

***Auditor's Conclusion:***

Finding remains as stated.

DRAFT

**CITY OF BALTIMORE**

**Schedule of Findings and Questioned Costs  
Year Ended June 30, 2023**

**Finding 2023-017**

**U.S. Department of Health and Human Services**

**AL No. 93.686      Ending the HIV Epidemic: A Plan for America**

**Material Weakness in Internal Controls and Noncompliance over Subrecipient Monitoring**

**Repeat Finding:**      No

***Condition:***

For 1 out of 1 selection, management was unable to provide evidence that subrecipient monitoring was performed to ensure compliance with accounting requirements.

For 1 out of 1 selection, we were unable to verify the subrecipient 's active registration on SAM.gov.

For 1 out of 1 selection, there was no evidence that the prior year Single Audit Report was reviewed.

***Criteria:***

In accordance with 2 CFR 200.303: Internal Control, The non-Federal entity must: (a) Establish and maintain effective internal control over the Federal award that provides reasonable assurance that the non-Federal entity is managing the Federal award in compliance with Federal statutes, regulations, and the terms and conditions of the Federal award.

In accordance with 2 CFR §25.300:

(a) A recipient may not make a subaward to a subrecipient unless that subrecipient has obtained and provided to the recipient a unique entity identifier. Subrecipients are not required to complete full SAM registration to obtain a unique entity identifier. (b) A recipient must notify any potential subrecipients that the recipient cannot make a subaward unless the subrecipient has obtained a unique entity identifier as described in paragraph (a) of this section.

According to 2 CFR §200.332, all pass-through entities must: (a) Ensure that every subaward is clearly identified to the subrecipient as a subaward and includes the Federal award identification including the subrecipient's unique entity identifier, Federal Award Identification Number (FAIN), identification of whether the award is R&D and indirect cost rate for the Federal award.

(b) Evaluate each subrecipient's risk of noncompliance with Federal statutes, regulations, and the terms and conditions of the subaward for purposes of determining the appropriate subrecipient monitoring described in paragraphs (d) and (e) of this section, which may include consideration of such factors as: (1) The subrecipient's prior experience with the same or similar subawards; (2) the results of previous audits including whether or not the subrecipient receives a Single Audit

**CITY OF BALTIMORE**

**Schedule of Findings and Questioned Costs  
Year Ended June 30, 2023**

**Finding 2023-017** (continued)

**Criteria:** (continued)

d) Monitor the activities of the subrecipient as necessary to ensure that the subaward is used for authorized purposes, in compliance with Federal statutes, regulations, and the terms and conditions of the subaward; and that subaward performance goals are achieved.

(f) Verify that every subrecipient is audited as required by 2 CFR § 200.331 when it is expected that the subrecipient's Federal awards expended during the respective fiscal year equaled or exceeded the threshold set forth in § 200.501.

**Cause:**

The Baltimore City Health Department (BCHD) did not have proper controls in place to ensure the subrecipient monitoring requirements of the grant were met.

**Effect:**

BCHD was not be in compliance with the subrecipient monitoring requirements of the grant.

**Questioned Costs:**

Unknown.

**Recommendation:**

We recommend the City establish and implement controls to maintain compliance with subrecipient monitoring requirements.

**Auditee Response and Corrective Action Plan:**

Management agrees with the finding. Refer to the corrective action plan on current findings in Part V of this report.

**Auditor's Conclusion:**

Finding remains as stated.

**CITY OF BALTIMORE**

**Schedule of Findings and Questioned Costs  
Year Ended June 30, 2023**

**Finding 2023-018**

**U.S. Department of Health and Human Services**

**AL No. 93.767 Children's Health Insurance Program (CHIP)**

**Significant Deficiency in Internal Controls and Noncompliance over Reporting**

**Repeat Finding: Yes; 2022-017**

***Condition:***

For 1 out of 1 selection, we were unable to agree the expenditure details from the general ledger to the amounts reported in the expenditure report to the state to ensure completeness, accuracy and compliance with required accounting basis.

***Criteria:***

In accordance with 2 CFR §200.303, The non-Federal entity must: (a) Establish and maintain effective internal control over the Federal award that provides reasonable assurance that the non-Federal entity is managing the Federal award in compliance with Federal statutes, regulations, and the terms and conditions of the Federal award.

In accordance with 2 CFR 200.302: Financial management. (a) Each state must expend and account for the Federal award in accordance with state laws and procedures for expending and accounting for the state's own funds. In addition, the state's and the other non-Federal entity's financial management systems, including records documenting compliance with Federal statutes, regulations, and the terms and conditions of the Federal award, must be sufficient to permit the preparation of reports required by general and program-specific terms and conditions; and the tracing of funds to a level of expenditures adequate to establish that such funds have been used according to the Federal statutes, regulations, and the terms and conditions of the Federal award.

***Cause:***

The agency could not reconcile information presented in the expenditure report to the general ledger. Finance and the agency use different parameters for generating reports and there was no documentation of the reconciling differences.

***Effect:***

Expenditures reported to the Federal government could be inaccurate.

***Questioned Costs:***

None.

***Recommendation:***

We recommend the City establish and implement a process to reconcile reports used by the various departments for external reporting to the City's internal records to validate compliance with reporting requirements.

**CITY OF BALTIMORE**

**Schedule of Findings and Questioned Costs  
Year Ended June 30, 2023**

**Finding 2023-018** (continued)

***Auditee Response and Corrective Action Plan:***

Management agrees with the finding. Refer to the corrective action plan on current findings in Part V of this report.

***Auditor's Conclusion:***

Finding remains as stated.

DRAFT

**CITY OF BALTIMORE**

**Schedule of Findings and Questioned Costs  
Year Ended June 30, 2023**

**Finding 2023-019**

**U.S. Department of Health and Human Services**

**AL No. 93.778      Medical Assistance Program (Medicaid; Title XIX)**

**Material Weakness in Internal Controls and Noncompliance over Reporting**

**Repeat Finding:      Yes; 2022-019**

***Condition:***

For 3 out of 3 selections, we were unable to agree the expenditure details from the general ledger to the amounts reported on the Medical Assistance Transportation report, the Maryland Children Health Program (MCHP) - Eligibility report and the Administrative Care Coordination (ACC) report to ensure completeness, accuracy and compliance with required accounting basis.

***Criteria:***

In accordance with 2 CFR 200.303: Internal Control, the non-Federal entity must: (a) Establish and maintain effective internal control over the Federal award that provides reasonable assurance that the non-Federal entity is managing the Federal award in compliance with Federal statutes, regulations, and the terms and conditions of the Federal award.

In accordance with 2 CFR 200.302: Financial management. (a) Each state must expend and account for the Federal award in accordance with state laws and procedures for expending and accounting for the state's own funds. In addition, the state's and the other non-Federal entity's financial management systems, including records documenting compliance with Federal statutes, regulations, and the terms and conditions of the Federal award, must be sufficient to permit the preparation of reports required by general and program-specific terms and conditions; and the tracing of funds to a level of expenditures adequate to establish that such funds have been used according to the Federal statutes, regulations, and the terms and conditions of the Federal award.

***Cause:***

The agency could not reconcile information presented in the expenditure report to the general ledger. Finance and the agency use different parameters for generating reports and there was no documentation of the reconciling differences.

***Effect:***

Expenditures reported to the Federal government could be inaccurate.

***Questioned Costs:***

None.

***Recommendation:***

We recommend the City establish and implement a process to reconcile reports used by the various departments for external reporting to the City's internal records to validate compliance with report management requirements.



**CITY OF BALTIMORE**

**Schedule of Findings and Questioned Costs  
Year Ended June 30, 2023**

**Finding 2023-019** (continued)

***Auditee Response and Corrective Action Plan:***

Management agrees with the finding. Refer to the corrective action plan on current findings in Part V of this report.

***Auditor's Conclusion:***

Finding remains as stated.

DRAFT

**CITY OF BALTIMORE**

**Schedule of Findings and Questioned Costs  
Year Ended June 30, 2023**

**Finding 2023-020**

**U.S. Department of Health and Human Services**

**AL No. 93.914      HIV Emergency Relief Project Grants**

**Material Weakness in Internal Controls and Noncompliance over Cash Management**

**Repeat Finding:      Yes; 2020-020**

***Condition:***

For 2 out of 2 selections, the drawdown request forms did not have the approval of the Grant Service Director.

For 2 out of 2 selections, we were unable to agree the drawdown amount to the general ledger to ensure funds were being expended prior to requesting for reimbursement.

***Criteria:***

In accordance with 2 CFR 200.303: Internal Control, The non-Federal entity must: (a) Establish and maintain effective internal control over the Federal award that provides reasonable assurance that the non-Federal entity is managing the Federal award in compliance with Federal statutes, regulations, and the terms and conditions of the Federal award.

In accordance with 2 CFR 200.302: Financial management. (a) Each state must expend and account for the Federal award in accordance with state laws and procedures for expending and accounting for the state's own funds. In addition, the state's and the other non-Federal entity's financial management systems, including records documenting compliance with Federal statutes, regulations, and the terms and conditions of the Federal award, must be sufficient to permit the preparation of reports required by general and program-specific terms and conditions; and the tracing of funds to a level of expenditures adequate to establish that such funds have been used according to the Federal statutes, regulations, and the terms and conditions of the Federal award.

According to AM 413-60, Grant Documentation, Grant Manager/Program Manager/Director conducts ongoing monitoring and control of all reimbursement receipts and deposits until grant ends; as well as all program and sub-recipient (when applicable) documentation, to include: (1) program documentation; (2) timesheets; (3) deliverables; (4) activities; (5) vendor payments; (6) program data/charts/numbers; and (7) financial and compliance report.

According to AM 413-61, Grant Management Financial Reporting, Grant Manager/Program Manager/Director maintains all documentation, either electronic or hard copy, for all Federally funded grants for the term of the grant for a minimum of seven years for review and audit by the granting agency or its designee.

**CITY OF BALTIMORE**

**Schedule of Findings and Questioned Costs  
Year Ended June 30, 2023**

**Finding 2023-020** (continued)

***Cause:***

The agency did not reconcile information presented in the expenditure report to the underlying records. Finance and the agency use different parameters for generating reports and there was no documentation of the reconciling differences.

***Effect:***

Expenditures reported to the Federal government could be inaccurate.

***Questioned Costs:***

Unknown.

***Recommendation:***

We recommend the City establish and implement a process to reconcile reports used by the various departments for external reporting to the City's internal records to validate compliance with cash management requirements.

***Auditee Response and Corrective Action Plan:***

Management agrees with the finding. Refer to the corrective action plan on current findings in Part V of this report.

***Auditor's Conclusion:***

Finding remains as stated.

DRAFT

# CITY OF BALTIMORE

## Schedule of Findings and Questioned Costs Year Ended June 30, 2023

### Finding 2023-021

#### U.S. Department of Health and Human Services

#### AL No. 93.914 HIV Emergency Relief Project Grants

#### Material Weakness in Internal Controls and Noncompliance over Subrecipient Monitoring

**Repeat Finding:** No

***Condition:***

For 7 out of 7 selections, we were unable to verify the subrecipient's active registration on SAM.gov.

For 7 out of 7 selections, there was no evidence that subrecipients' Single Audit Report was reviewed.

***Criteria:***

In accordance with 2 CFR 200.303: Internal Control, The non-Federal entity must: (a) Establish and maintain effective internal control over the Federal award that provides reasonable assurance that the non-Federal entity is managing the Federal award in compliance with Federal statutes, regulations, and the terms and conditions of the Federal award.

In accordance with 2 CFR §25.300: (a) A recipient may not make a subaward to a subrecipient unless that subrecipient has obtained and provided to the recipient a unique entity identifier. Subrecipients are not required to complete full SAM registration to obtain a unique entity identifier. (b) A recipient must notify any potential subrecipients that the recipient cannot make a subaward unless the subrecipient has obtained a unique entity identifier as described in paragraph (a) of this section.

According to 2 CFR §200.332, all pass-through entities must: (a) Ensure that every subaward is clearly identified to the subrecipient as a subaward and includes the Federal award identification including the subrecipient's unique entity identifier, Federal Award Identification Number (FAIN), identification of whether the award is R&D and indirect cost rate for the Federal award.

(b) Evaluate each subrecipient's risk of noncompliance with Federal statutes, regulations, and the terms and conditions of the subaward for purposes of determining the appropriate subrecipient monitoring described in paragraphs (d) and (e) of this section, which may include consideration of such factors as: (1) The subrecipient's prior experience with the same or similar subawards; (2) the results of previous audits including whether or not the subrecipient receives a Single Audit (c) Monitor the activities of the subrecipient as necessary to ensure that the subaward is used for authorized purposes, in compliance with Federal statutes, regulations, and the terms and conditions of the subaward; and that subaward performance goals are achieved.

**CITY OF BALTIMORE**

**Schedule of Findings and Questioned Costs  
Year Ended June 30, 2023**

**Finding 2023-021 (continued)**

***Criteria:*** (continued)

(e) Verify that every subrecipient is audited as required by 2 CFR § 200.331 when it is expected that the subrecipient's Federal awards expended during the respective fiscal year equaled or exceeded the threshold set forth in § 200.501.

***Cause:***

BCHD did not have proper controls in place to ensure the subrecipient monitoring requirements of the grant were met.

***Effect:***

BCHD was not in compliance with the subrecipient monitoring requirements of the grant.

***Questioned Costs:***

Unknown.

***Recommendation:***

We recommend the City establish and implement controls to maintain compliance with subrecipient monitoring requirements.

***Auditee Response and Corrective Action Plan:***

Management agrees with the finding. Refer to the corrective action plan on current findings in Part V of this report.

***Auditor's Conclusion:***

Finding remains as stated.

# CITY OF BALTIMORE

## Schedule of Findings and Questioned Costs Year Ended June 30, 2023

### Finding 2023-022

#### U.S. Department of Health and Human Services

AL No. 93.940      HIV Prevention Activities Health Department Based

#### Material Weakness in Internal Controls and Noncompliance over Cash Management

Repeat Finding:      Yes; 2022-021

##### *Condition:*

For 1 out of 1 selection, we were unable to agree the drawdown amount to the general ledger to ensure funds were being expended prior to requesting for reimbursement.

##### *Criteria:*

In accordance with 2 CFR 200.303: Internal Control, The non-Federal entity must: (a) Establish and maintain effective internal control over the Federal award that provides reasonable assurance that the non-Federal entity is managing the Federal award in compliance with Federal statutes, regulations, and the terms and conditions of the Federal award.

In accordance with 2 CFR 200.302: Financial management. (a) Each State must expend and account for the Federal award in accordance with state laws and procedures for expending and accounting for the state's own funds. In addition, the state's and the other non-Federal entity's financial management systems, including records documenting compliance with Federal statutes, regulations, and the terms and conditions of the Federal award, must be sufficient to permit the preparation of reports required by general and program-specific terms and conditions; and the tracing of funds to a level of expenditures adequate to establish that such funds have been used according to the Federal statutes, regulations, and the terms and conditions of the Federal award.

According to AM 413-60, Grant Documentation, Grant Manager/Program Manager/Director conducts ongoing monitoring and control of all reimbursement receipts and deposits until grant ends; as well as all program and sub-recipient (when applicable) documentation, to include: (1) program documentation; (2) timesheets; (3) deliverables; (4) activities; (5) vendor payments; (6) program data/charts/numbers; and (7) financial and compliance report.

According to AM 413-61, Grant Management Financial Reporting, Grant Manager/Program Manager/Director maintains all documentation, either electronic or hard copy, for all Federally funded grants for the term of the grant for a minimum of seven years for review and audit by the granting agency or its designee.

##### *Cause:*

The agency could not reconcile information presented in the expenditure report to the underlying records. Finance and the agency use different parameters for generating reports and there was no documentation of the reconciling differences.

**CITY OF BALTIMORE**

**Schedule of Findings and Questioned Costs  
Year Ended June 30, 2023**

**Finding 2023-022 (continued)**

***Effect:***

The City may not be in compliance with the cash management requirements in accordance with Uniform Guidance.

***Questioned Costs:***

Unknown.

***Recommendation:***

We recommend the City establish and implement a process to reconcile reports used by the various departments for external reporting to the City's internal records to validate compliance with cash management requirements.

***Auditee Response and Corrective Action Plan:***

Management agrees with the finding. Refer to the corrective action plan on current findings in Part V of this report.

***Auditor's Conclusion:***

Finding remains as stated.

DRAFT

**CITY OF BALTIMORE**

**Schedule of Findings and Questioned Costs  
Year Ended June 30, 2023**

**Finding 2023-023**

**U.S. Department of Health and Human Services**

**AL No. 93.940      HIV Prevention Activities Health Department Based**

**Material Weakness in Internal Controls and Noncompliance over Reporting**

**Repeat Finding:      Yes; 2022-023**

***Condition:***

For 1 out of 1 selection, we were unable to agree the expenditure details from the general ledger to the amount reported in the Federal Financial Report to ensure completeness, accuracy and compliance with the required accounting basis.

***Criteria:***

In accordance with 2 CFR §200.303, The non-Federal entity must: (a) Establish and maintain effective internal control over the Federal award that provides reasonable assurance that the non-Federal entity is managing the Federal award in compliance with Federal statutes, regulations, and the terms and conditions of the Federal award.

In accordance with 2 CFR 200.302: Financial management. (a) Each State must expend and account for the Federal award in accordance with state laws and procedures for expending and accounting for the state's own funds. In addition, the state's and the other non-Federal entity's financial management systems, including records documenting compliance with Federal statutes, regulations, and the terms and conditions of the Federal award, must be sufficient to permit the preparation of reports required by general and program-specific terms and conditions; and the tracing of funds to a level of expenditures adequate to establish that such funds have been used according to the Federal statutes, regulations, and the terms and conditions of the Federal award.

***Cause:***

The agency could not reconcile information reported in the expenditure report to the state to the underlying records. Finance and the agency use different parameters for running reports and neither department reconciled the other reporting completed.

***Effect:***

Expenditures reported to the Federal government could be inaccurate.

***Questioned Costs:***

None.



**CITY OF BALTIMORE**

**Schedule of Findings and Questioned Costs  
Year Ended June 30, 2023**

**Finding 2023-023 (continued)**

***Recommendation:***

We recommend the City establish and implement a process to reconcile reports used by the various departments for external reporting to the City's internal records to validate compliance with reporting requirements.

***Auditee Response and Corrective Action Plan:***

Management agrees with the finding. Refer to the corrective action plan on current findings in Part V of this report.

***Auditor's Conclusion:***

Finding remains as stated.

DRAFT

**CITY OF BALTIMORE**

**Schedule of Findings and Questioned Costs  
Year Ended June 30, 2023**

**Finding 2023-024**

**U.S. Department of Health and Human Services**

**AL No. 93.940      HIV Prevention Activities Health Department Based**

**Material Weakness in Internal Controls and Noncompliance over Subrecipient Monitoring**

**Repeat Finding:**      No

***Condition:***

For 2 out of 4 selections, management was unable to provide evidence that subrecipient monitoring was performed to ensure compliance with Federal requirements.

For 1 out of 4 selections, there was no approval on the subrecipient monitoring report.

For 4 out of 4 selections, we were unable to verify the subrecipient's active registration on SAM.gov.

For 4 out of 4 selections, there was no evidence that the subrecipients' Single Audit Report was reviewed.

***Criteria:***

In accordance with 2 CFR §200.303: The non-Federal entity must: (a) Establish and maintain effective internal control over the Federal award that provides reasonable assurance that the non-Federal entity is managing the Federal award in compliance with Federal statutes, regulations, and the terms and conditions of the Federal award.

In accordance with 2 CFR §25.300: (a) A recipient may not make a subaward to a subrecipient unless that subrecipient has obtained and provided to the recipient a unique entity identifier. Subrecipients are not required to complete full SAM registration to obtain a unique entity identifier. (b) A recipient must notify any potential subrecipients that the recipient cannot make a subaward unless the subrecipient has obtained a unique entity identifier as described in paragraph (a) of this section.

According to 2 CFR §200.332, all pass-through entities must:

(a) Ensure that every subaward is clearly identified to the subrecipient as a subaward and includes the Federal award identification including the subrecipient's unique entity identifier, Federal Award Identification Number (FAIN), identification of whether the award is R&D and indirect cost rate for the Federal award.

**CITY OF BALTIMORE**

**Schedule of Findings and Questioned Costs  
Year Ended June 30, 2023**

**Finding 2023-024** (continued)

**Criteria:** (continued)

(b) Evaluate each subrecipient's risk of noncompliance with Federal statutes, regulations, and the terms and conditions of the subaward for purposes of determining the appropriate subrecipient monitoring described in paragraphs (d) and (e) of this section, which may include consideration of such factors as: (1) The subrecipient's prior experience with the same or similar subawards; (2) the results of previous audits including whether or not the subrecipient receives a Single Audit

(c) Monitor the activities of the subrecipient as necessary to ensure that the subaward is used for authorized purposes, in compliance with Federal statutes, regulations, and the terms and conditions of the subaward; and that subaward performance goals are achieved.

(e) Verify that every subrecipient is audited as required by 2 CFR § 200.331 when it is expected that the subrecipient's Federal awards expended during the respective fiscal year equaled or exceeded the threshold set forth in § 200.501.

**Cause:**

The Baltimore City Health Department (BCHD) did not have proper controls in place to ensure the subrecipient monitoring requirements of the grant were met.

**Effect:**

BCHD may not be in compliance with the subrecipient monitoring requirements of the grant.

**Questioned Costs:**

Unknown.

**Recommendation:**

We recommend the City establish and implement controls to maintain compliance with subrecipient monitoring requirements.

**Auditee Response and Corrective Action Plan:**

Management agrees with the finding. Refer to the corrective action plan on current findings in Part V of this report.

**Auditor's Conclusion:**

Finding remains as stated.

**CITY OF BALTIMORE**

**Schedule of Findings and Questioned Costs  
Year Ended June 30, 2023**

**Finding 2023-025**

**U.S. Department of Housing and Urban Development**

**AL No. 14.239 HOME Investment Partnerships Program**

**Material Weakness in Internal Controls and Noncompliance over Program Income**

**Repeat Finding:** No

***Condition:***

For 10 out of 10 selections, we were unable to agree the program income amount to the general ledger to ensure funds are properly recorded in the accounting records.

***Criteria:***

In accordance with 2 CFR §200.303: Internal Control, The non-Federal entity must: (a) Establish and maintain effective internal control over the Federal award that provides reasonable assurance that the non-Federal entity is managing the Federal award in compliance with Federal statutes, regulations, and the terms and conditions of the Federal award.

According to AM 413-60, Grant Documentation, Grant Manager/Program Manager/Director Conducts ongoing monitoring and control of all reimbursement receipts and deposits until grant ends; as well as all program and sub-recipient (when applicable) documentation, to include: (1). program documentation; (2). timesheets, (3) deliverables, (4) activities; (5) vendor payments; (6) program data/charts/numbers; and (7) financial and compliance report.

According to AM 413-61, Grant Management Financial Reporting, Grant Manager/Program Manager/Director maintains all documentation, either electronic or hard copy, for all Federally funded grants for the term of the grant for a minimum of seven years for review and audit by the granting agency or its designee.

***Cause:***

The agency does not have controls in place to ensure program income requirements are met.

***Effect:***

The City may not be in compliance with the program income requirements in accordance with Uniform Guidance.

***Questioned Costs:***

Unknown.

***Recommendation:***

We recommend the City establish and implement controls to maintain compliance with program income requirements.

**CITY OF BALTIMORE**

**Schedule of Findings and Questioned Costs  
Year Ended June 30, 2023**

**Finding 2023-025** (continued)

***Auditee Response and Corrective Action Plan:***

Management agrees with the finding. Refer to the corrective action plan on current findings in Part V of this report.

***Auditor's Conclusion:***

Finding remains as stated

DRAFT

**CITY OF BALTIMORE**

**Schedule of Findings and Questioned Costs  
Year Ended June 30, 2023**

**Finding 2023-026**

**U.S. Department of Housing and Urban Development**

**AL No. 14.239      HOME Investment Partnerships Program**

**Significant Deficiency in Internal Controls and Noncompliance over Special Tests – Housing Quality Standards**

**Repeat Finding:      No**

***Condition:***

For 1 out of 40 selections, the Physical Inspection Findings and Notice of Corrective Measures letter did not have the compliance officer's approval.

For 2 out of 40 selections, management was unable to provide support for verification of inspection for fiscal year 2023.

***Criteria:***

In accordance with 2 CFR §200.303: The non-Federal entity must: (a) Establish and maintain effective internal control over the Federal award that provides reasonable assurance that the non-Federal entity is managing the Federal award in compliance with Federal statutes, regulations, and the terms and conditions of the Federal award.

In accordance with 24 CFR sections 574.310(b)(1)-(2): All housing that involves acquisition, rehabilitation, conversion, lease, repair of facilities, new construction, project- or tenant-based rental assistance (including assistance for shared housing arrangements), and operating costs must meet various housing quality standards.

According to AM 413-60, Grant Documentation, Grant Manager/Program Manager/Director Conducts ongoing monitoring and control of all reimbursement receipts and deposits until grant ends; as well as all program and sub-recipient (when applicable) documentation, to include: (1). program documentation; (2). timesheets, (3) deliverables, (4) activities; (5) vendor payments; (6) program data/charts/numbers; and (7) financial and compliance report.

According to AM 413-61, Grant Management Financial Reporting, Grant Manager/Program Manager/Director maintains all documentation, either electronic or hard copy, for all federally funded grants for the term of the grant for a minimum of seven years for review and audit by the granting agency or its designee.

***Cause:***

The agency does not have controls in place to ensure requirements around housing quality standards are met.

**CITY OF BALTIMORE**

**Schedule of Findings and Questioned Costs  
Year Ended June 30, 2023**

**Finding 2023-026 (continued)**

***Effect:***

The City may not be in compliance with the housing quality standards requirements under Uniform Guidance.

***Questioned Costs:***

Unknown.

***Recommendation:***

We recommend that the City: (1) implement proper documentation controls to ensure the housing quality standards requirements are being followed and, (2) follow the AM 413-61 retention policy.

DRAFT

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

DRAFT



This page intentionally left blank.

DRAFT

**CITY OF BALTIMORE**

**Summary Schedule of Prior Year Findings  
Year Ended June 30, 2023**

**Finding 2022-001**

**Programs:** All

**Material Weakness over Grant Accounting Function**

**Repeat Finding:** Yes

***Condition:***

Due to lack of formal procedures and accountability at various departments, the City is not able to establish accurate balances of grant accounts receivable and grant deferred revenue accounts. There is a lack of communication between the departments that receive grants and the Baltimore City Department of Finance (Finance) that consolidates information received from the various departments and uses it to assemble financial statements. Grant revenues and expenditures are often allocated to incorrect general ledger accounts which could result in overcharging certain grant accounts, overstating deferred revenues for other grant accounts, and improper billings of certain grants.

**2023 Status:**

See finding 2023-001 in current year.

DRAFT

**CITY OF BALTIMORE**

**Summary Schedule of Prior Year Findings  
Year Ended June 30, 2023**

**Finding 2022-002**

**Programs:** All

**Material Weakness over Financial Reporting**

**Repeat Finding:** Yes

***Condition:***

The City had a number of post year-end adjustments to its fiscal year 2022 financial statements. Such adjustments relate to errors (both material and immaterial) undiscovered throughout the fiscal year.

**2023 Status:**

See finding 2023-002 in current year.

DRAFT

**CITY OF BALTIMORE**

**Summary Schedule of Prior Year Findings  
Year Ended June 30, 2023**

**Finding 2022-003**

**Programs:** All

**Material Weakness over Water and Wastewater Accounting**

**Repeat Finding:** Yes

***Condition:***

Department of Public Works (DPW) is responsible for accurate and timely billing for water and wastewater utilities. In fiscal year 2017, the City changed its billing rate model and implemented a new UMAX billing system for billing of City residents. A significant number of accounts have not been billed since the system has been implemented and a significant number of accounts have been billed inconsistently. The Bureau of Payroll and Accounting Services with the help of DPW had to make an estimate of revenue earned in fiscal year 2022 and not billed.

**2023 Status:**

See Finding 2023-003 in current year.

DRAFT

**CITY OF BALTIMORE**

**Summary Schedule of Prior Year Findings  
Year Ended June 30, 2023**

**Finding 2022-004**

**Programs:** All

**Material Weakness over Fixed Assets Accounting**

**Repeat Finding:** Yes

***Condition:***

There were significant post-close adjustments recorded to fixed assets to correct the year-end reporting for capitalized assets. Additionally, errors were detected in the depreciation calculation that resulted in additional adjustments.

**2023 Status:**

See finding 2023-004 in current year.

DRAFT

**CITY OF BALTIMORE**

**Summary Schedule of Prior Year Findings  
Year Ended June 30, 2023**

**Finding 2022-005**

**Programs:** All

**Material Weakness over Information Technology Security**

**Repeat Finding:** Yes

***Condition:***

The review of the network security in fiscal year 2022 indicated that the “severe/critical/high risk legacy vulnerabilities” identified in the vulnerability scanning over the last twelve to eighteen months are not being remediated in a timely manner.

Other areas for improvement include, but are not limited to:

- Lack of a formally documented entitlement review of privileged accounts such as domain administrators.
- Inadequate segregation of duties for those personnel with the responsibilities for making program changes and for those personnel with the responsibilities for the migration to production.
- Inability to restore mainframe operations at the secondary data center.

**2023 Status:**

See finding 2023-005 in current year.

**CITY OF BALTIMORE**

**Summary Schedule of Prior Year Findings  
Year Ended June 30, 2023**

**Finding 2022-006**

**Programs:** All

**Material Weakness over Schedule of Expenditures of Federal Awards (SEFA) Reporting**

**Repeat Finding:** Yes

***Condition:***

During our fiscal year 2022 audit, we observed that the detail expenditure information in the accounting software differed from the expenditures reported by various City departments. We were not able to determine if the Federal expenditures and subrecipient payments for all grants from the City was complete. Additionally, there were unreconciled amounts passed through to subrecipients.

Finance is responsible for preparing the schedule of expenditures of Federal awards based upon grant information obtained from the financial accounting records and other information provided by each department or agency. Per discussion with Finance, we became aware that grant information and documents are not maintained by Finance. Grant documents are necessary for Finance to obtain required information for the Schedule, such as AL titles and numbers, pass through identification information and subrecipient information.

**2023 Status:**

See finding 2023-006 in current year.

**CITY OF BALTIMORE**

**Summary Schedule of Prior Year Findings  
Year Ended June 30, 2023**

**Finding 2022-007**

**Programs:** All

**Significant Deficiency and Noncompliance Over Reporting**

**Repeat Finding:** Yes

***Condition:***

The City's single audit report and the data collection form were not completed within nine months after the end of the audit period.

***Criteria:***

In accordance with 2 CFR § 200.512, the audit must be completed and the data collection form must be submitted within the earlier of 30 calendar days after receipt of the auditor's report(s), or nine months after the end of the audit period.

**2023 Status:**

See finding 2023-007 in current year.

DRAFT



**CITY OF BALTIMORE**

**Summary Schedule of Prior Year Findings  
Year Ended June 30, 2023**

**Finding 2022-008**

**U.S. Department of Housing and Urban Development (HUD)**

**AL No. 14.241      Housing Opportunities for Persons with AIDS**

**Significant Deficiency over Eligibility**

**Repeat Finding:**      No

***Condition:***

For 10 out of 40 selections, Maryland Office of Homeless Services (MOHS) management did not have evidence of case manager review of the participant file for eligibility requirements.

**2023 Status:**

See finding 2023-009 in the current year.

DRAFT

**CITY OF BALTIMORE**

**Summary Schedule of Prior Year Findings  
Year Ended June 30, 2023**

**Finding 2022-009**

**U.S. Department of Housing and Urban Development (HUD)**

**AL No. 14.241      Housing Opportunities for Persons with AIDS**

**Significant Deficiency and Noncompliance over Reporting**

**Repeat Finding:**      Yes

***Condition:***

Management was unable to provide evidence to support the data included in the SF-425 report submitted to the Federal department.

***Criteria:***

In accordance with 2 CFR §200.303: The non-Federal entity must: (a) Establish and maintain effective internal control over the Federal award that provides reasonable assurance that the non-Federal entity is managing the Federal award in compliance with Federal statutes, regulations, and the terms and conditions of the Federal award.

Additionally, financial reporting requires an entity to complete the *SF-425, Federal Financial Report* – For HOPWA. Grantees are required to only complete the sections on Program Income (Part 10. L-O), and Indirect Expenses (Part 11).

**2023 Status:**

See finding 2023-010 in the current year.

**CITY OF BALTIMORE**

**Summary Schedule of Prior Year Findings  
Year Ended June 30, 2023**

**Finding 2022-010**

**U.S. Department of Housing and Urban Development (HUD)**

**AL No. 14.241      Housing Opportunities for Persons with AIDS**

**Material Weakness over Subrecipient Monitoring**

**Repeat Finding:**      **Yes**

***Condition:***

For 3 out of 4 selections, the Mayor's Office of Homeless Services (MOHS) management was unable to provide evidence that subrecipient monitoring was performed.

**2023 Status:**

See finding 2023-011 in the current year.

DRAFT

**CITY OF BALTIMORE**

**Summary Schedule of Prior Year Findings  
Year Ended June 30, 2023**

**Finding 2022-011**

**U.S. Department of Housing and Urban Development (HUD)**

**AL No. 14.241      Housing Opportunities for Persons with AIDS**

**Significant Deficiency and Noncompliance Over Special Tests – Housing Quality Standards**

**Repeat Finding:      No**

***Condition:***

For 11 out of 40 selections, MOHS management was unable to provide support for documenting proof of home inspections and the results in fiscal year 2022.

**2023 Status:**

See finding 2023-012 in the current year.

DRAFT

**CITY OF BALTIMORE**

**Summary Schedule of Prior Year Findings  
Year Ended June 30, 2023**

**Finding 2022-012**

**U.S. Department of Treasury**

**AL No. 21.019      Coronavirus Relief Fund (CARES)**

**Material Weakness over Subrecipient Monitoring**

**Repeat Finding:      Yes**

***Condition:***

For 1 out of 1 selection, there was no evidence that subrecipient monitoring was performed.

**2023 Status:**

Finding has been cleared in fiscal year 2023.

DRAFT

**CITY OF BALTIMORE**

**Summary Schedule of Prior Year Findings  
Year Ended June 30, 2023**

**Finding 2022-013**

**U.S. Department of Health and Human Services**

**AL No. 21.023      Emergency Rental Assistance Program**

**Significant Deficiency and Noncompliance over Reporting**

**Repeat Finding:**      **Yes**

***Condition:***

Management was unable to provide evidence that the SF-425 Federal Financial Report was filed.

**2023 Status:**

See finding 2023-013 in the current year.

DRAFT

**CITY OF BALTIMORE**

**Summary Schedule of Prior Year Findings  
Year Ended June 30, 2023**

**Finding 2022-014**

**U.S. Department of Health and Human Services**

**AL No. 93.568      Low-Income Home Energy Assistance Program**

**Significant Deficiency and Noncompliance over Eligibility**

**Repeat Finding:**      No

***Condition:***

For 11 out of 60 selections, no support was provided by management to verify all eligibility requirements of program participants.

**2023 Status:**

Finding has been cleared in fiscal year 2023.

DRAFT

**CITY OF BALTIMORE**

**Summary Schedule of Prior Year Findings  
Year Ended June 30, 2023**

**Finding 2022-015**

**U.S. Department of Health and Human Services**

**AL No. 93.568      Low-Income Home Energy Assistance Program**

**Significant Deficiency and Noncompliance over Period of Performance**

**Repeat Finding:      No**

***Condition:***

For 6 out of 40 selections, the transactions were incurred outside of the fiscal year 2022.

**2023 Status:**

Finding has been cleared in fiscal year 2023.

DRAFT



**CITY OF BALTIMORE**

**Summary Schedule of Prior Year Findings  
Year Ended June 30, 2023**

**Finding 2022-016**

**U.S. Department of Health and Human Services**

**AL No. 93.767 Children's Health Insurance Program (CHIP)**

**Material Weakness and Noncompliance Over Period of Performance**

**Repeat Finding: Yes**

***Condition:***

For 10 out of 60 expenditure transactions selected for testing, the transactions were incurred outside of the period of the performance for the grant.

**2023 Status:**

Finding has been cleared in fiscal year 2023.

DRAFT

**CITY OF BALTIMORE**

**Summary Schedule of Prior Year Findings  
Year Ended June 30, 2023**

**Finding 2022-017**

**U.S. Department of Health and Human Services**

**AL No. 93.767      Children's Health Insurance Program (CHIP)**

**Material Weakness and Noncompliance Over Reporting**

**Repeat Finding:      Yes**

***Condition:***

For 2 out of 3 selections, we were unable to agree the expenditure details from the general ledger to the amounts reported in the expenditure report to the state to ensure completeness, accuracy and compliance with required accounting basis.

**2023 Status:**

See finding 2023-018 in the current year.

DRAFT

**CITY OF BALTIMORE**

**Summary Schedule of Prior Year Findings  
Year Ended June 30, 2023**

**Finding 2022-018**

**U.S. Department of Health and Human Services**

**AL No. 93.778      Medical Assistance Program (Medicaid; Title XIX)**

**Material Weakness and Noncompliance over Period of Performance**

**Repeat Finding:**      No

***Condition:***

For 22 of 40 expenditure transactions selected for testing, the transactions were incurred outside of the period of the performance for the grant.

**2023 Status:**

Finding has been cleared in fiscal year 2023.

DRAFT

**CITY OF BALTIMORE**

**Summary Schedule of Prior Year Findings  
Year Ended June 30, 2023**

**Finding 2022-019**

**U.S. Department of Health and Human Services**

**AL No. 93.778      Medical Assistance Program (Medicaid; Title XIX)**

**Significant Deficiency and Noncompliance Over Reporting**

**Repeat Finding:      Yes**

***Condition:***

For 1 out of 2 selections, we were unable to agree the expenditure details from the general ledger to the amounts reported on the General Transportation report to ensure completeness, accuracy and compliance with required accounting basis.

Additionally, Baltimore City Health Department (BCHD) was unable to provide the Healthy Start Aggregate Data Report.

**2023 Status:**

See finding 2023-019 in the current year.

DRAFT

**CITY OF BALTIMORE**

**Summary Schedule of Prior Year Findings  
Year Ended June 30, 2023**

**Finding 2022-020**

**U.S. Department of Health and Human Services**

**AL No. 93.914      HIV Emergency Relief Project Grants**

**Material Weakness and Noncompliance over Cash Management**

**Repeat Finding:**      **Yes**

***Condition:***

For 1 out of 1 selection, we were unable to agree the drawdown amount to the general ledger to ensure funds were being expended prior to requesting the reimbursement.

**2023 Status:**

See finding 2023-020 in the current year.

DRAFT

**CITY OF BALTIMORE**

**Summary Schedule of Prior Year Findings  
Year Ended June 30, 2023**

**Finding 2022-021**

**U.S. Department of Health and Human Services**

**AL No. 93.940      HIV Prevention Activities Health Department Based**

**Material Weakness and Noncompliance over Cash Management**

**Repeat Finding:      Yes**

***Condition:***

We were not able to agree the expenditure amount per the drawdown request to the expenditure details per the general ledger.

**2023 Status:**

See finding 2023-022 in the current year.

DRAFT

**CITY OF BALTIMORE**

**Summary Schedule of Prior Year Findings  
Year Ended June 30, 2023**

**Finding 2022-022**

**U.S. Department of Health and Human Services**

**AL No. 93.940      HIV Prevention Activities Health Department Based**

**Material Weakness and Noncompliance Over Period of Performance**

**Repeat Finding:      Yes**

***Condition:***

For 10 out of 40 selections, the transactions were incurred outside of the grant's period of performance.

**2023 Status:**

Finding has been cleared in fiscal year 2023.

DRAFT

**CITY OF BALTIMORE**

**Summary Schedule of Prior Year Findings  
Year Ended June 30, 2023**

**Finding 2022-023**

**U.S. Department of Health and Human Services**

**AL No. 93.940      HIV Prevention Activities Health Department Based**

**Significant Deficiency and Noncompliance Over Reporting**

**Repeat Finding:      Yes**

***Condition:***

The Federal Financial Report was not approved by authorized personnel and the submission date was not provided. Additionally, management was unable to provide the Performance Progress and Monitoring Report.

**2023 Status:**

See finding 2023-024 in current year.

DRAFT



**CITY OF BALTIMORE**

**Summary Schedule of Prior Year Findings  
Year Ended June 30, 2023**

**Finding 2022-024**

**U.S. Department of Health and Human Services**

**AL No. 93.977      Sexually Transmitted Diseases (STD) Prevention and Control Grants**

**Significant Deficiency and Noncompliance over Period of Performance**

**Repeat Finding:**      No

***Condition:***

For 4 of 40 expenditure transactions selected for testing, the transactions were incurred outside of the period of the performance for the grant.

**2023 Status:**

Finding has been cleared in fiscal year 2023.

DRAFT

**SECTION V – CORRECTIVE ACTION PLANS**

DRAFT

This page intentionally left blank.

DRAFT

<p>CITY OF BALTIMORE BRANDON M. SCOTT MAYOR</p>		<p>DEPARTMENT OF FINANCE YOANNA X. MOISIDES ACTING DIRECTOR OF FINANCE  100 N. Holliday Street Room 454, City Hall Baltimore, Maryland 21202</p>
---	---	--

September 23, 2022

Mr. William Seymour  
SB & Company, LLC  
Certified Public Accountants  
10200 Grand Central Avenue Suite 250  
Owings Mills, MD 21117

Dear Mr. Seymour:

The following represents the City's responses and associated corrective action plans for the findings identified in the 2021 Single Audit.

Sincerely,  


Yoanna X. Moises  
Acting Director of Finance



## CITY OF BALTIMORE

### Corrective Action Plans Year Ended June 30, 2023

#### Finding 2023-001

**Programs:** All

#### Material Weakness over Grant Accounting Function

**Repeat Finding:** Yes

##### *Auditee's Corrective Action Plan:*

The City has purchased Workday, an Enterprise Resource Planning (ERP) system, and implemented the software with the assistance of Accenture consultants. Although Workday went “live” as of August 2022, the City is currently refining the software and utilizing all its functionality across all the agencies. The grants management module is robust with a workflow process for grant approval, grant budget tracking, and invoice scheduling. The enforcement of the Administrative Manual Grant Policies 413-00 through 413-70 was reviewed by Accenture and where possible the procedures to enforce the policies are configured into the software. The City developed a request system for new grants through Workday which documents the approvals process and requires an attachment for the Board of Estimates approval.

In addition, the Department of Finance is continuing to review our grants policies to determine what adjustments can be made to consolidate and enforce controls. A new policy is being developed for “Grant Sub-Recipient Monitoring and Management”, and several others are being revised. Within the Bureau of Accounting and Payroll Services (BAPS), additional staffing has been designated to assist agencies with their grants, specifically around grants implementation. The City has also retained a consultant to assist in ensuring that the grant module is implemented as intended for all agencies.

In FY24, the City implemented a citywide Grants Management Committee coordinated by the Mayor's Office of Performance Innovation. Through feedback from this workgroup, we identified an expanded scope of responsibility for the Grants Management Office; including oversight and compliance, technology, training and budget monitoring. In the short term a new Grants Director position was created and onboarding is to occur in the first quarter of FY25.

The Grants Management Office in collaboration with citywide stakeholders will implement a project plan covering critical areas to increase citywide training on components of grants management, identify and develop additional reporting tools to monitor compliance and the corrective action process. The plan is anticipated by December 2024.

##### **Contact Person:**

Michael Moiseyev, Chief Financial Officer, Baltimore City

##### **Completion Date:**

December 2024

## CITY OF BALTIMORE

### Corrective Action Plans Year Ended June 30, 2023

#### Finding 2023-002

**Programs:** All

#### Material Weakness over Financial Reporting

**Repeat Finding:** Yes

#### *Auditee's Corrective Action Plan:*

The City has purchased Workday, an Enterprise Resource Planning (ERP) system, and implemented the software with the assistance of Accenture consultants. Although Workday went “live” as of August 2022, the City is currently working to refine the software and fully utilize its functionality. The new system includes improved financial reporting and functionality. Specific improvements available are:

- Allocations which were calculated manually, such as overhead allocations, are being automatically calculated and created in Workday.
- There has been an extensive review of the chart of accounts, including the use of hierarchies, which more closely align the financial and budgetary reporting needs of the City.
- The City will be using “control” accounts for accounts receivable and accounts payable, which requires the subsidiary systems to reconcile to the general ledger.
- The City will be using multi-book accounting, which will allow for GAAP entries to be entered into a separate ledger.
- The City purchased Workiva, a cloud-based software, which will interface with Workday and update the Annual Comprehensive Financial Report (ACFR) document. It will provide an audit trail for changes to the ACFR document. Full implementation may not occur until fiscal year 2025 due to staffing transitions.

#### **Contact Person:**

Michael Moiseyev, Chief Financial Officer, Baltimore City

#### **Completion Date:**

December 2024

## CITY OF BALTIMORE

### Corrective Action Plans Year Ended June 30, 2023

#### Finding 2023-003

**Programs:** All

#### Material Weakness over Water and Wastewater Accounting

**Repeat Finding:** Yes

#### *Auditee's Corrective Action Plan:*

The Department of Public Works (DPW) took several steps to assess, evaluate, and improve water and wastewater billing functions, including the following:

- The Office of the Mayor led a review of unbilled properties that have no accounts established within the billing system. A minimal number of properties were found and, upon further investigation, the majority of those properties were improperly coded.
- Baltimore City and Baltimore County undertook a joint review of the entire water and wastewater utility, using a private consultant. This analysis provided a framework for how to improve the utility, including billing. Additionally, Baltimore City and Baltimore County have formed a strong partnership on utility-related issues, meeting every month. Both jurisdictions are tracking the findings of a joint Baltimore City and Baltimore County Office of Inspector General Report on billing-related issues. The City/County team continues to evaluate the issues identified in the OIG report with those identified by the consultant to find areas of overlap.
- There is an initiative to reform the DPW meter shop. This initiative involves a task force made up of DPW and Mayor's Office staff who immersed themselves full-time in the meter shop. Thus far, vehicle issues, equipment issues, logistical issues, and some training issues have been assessed and resolved, leading to improved morale and more effective operations.
- In late November 2020, DPW optimized water billing cycles and schedules through a software program called Route Smart. City customers are billed monthly. Route Smart realigned the billing cycles so that customers were evenly divided into the 15 groups and were also located in the same geographic area of the City. This allows the meter technicians to stay in one region when addressing meter issues rather than wasting time traveling back and forth throughout the City. Since optimization, DPW averages 99% of bills being issued for each cycle on a regular basis.
- In July 2021, the Customer Support and Services Division (CSSD) implemented an Escalations and Adjustments committee to review all adjustments over \$500.
- Any adjustment over \$500 cannot be entered into UMAX without approval from this committee. Adjustments are audited weekly to ensure the integrity of the process.
- All CSSD and Meter Shop supervisors have completed training to write and document standard operating procedures (SOPs). SOPs will be revised for all Billing, Customer Service, and Meter Operations. DPW staff anticipate the SOPs will be completed and finalized by January 31, 2023.

## CITY OF BALTIMORE

### Corrective Action Plans Year Ended June 30, 2023

#### Finding 2023-003 (continued)

##### *Auditee's Corrective Action Plan:* (continued)

- In July 2022, DPW launched an internal dashboard tracking a wide array of vital operational and performance metrics for CSSD and Meter Shop staff. Management is using the dashboard to benchmark and set KPIs for improving customer response times, work order completions, accurate billing, and revenue collections.
- Reorganization of CSSD and Meter Shop operations to include an Internal Process Improvement team (Quality Assurance) and a Data Team (Quality Control) for monthly billing and customer service response times.
- CSSD and the Meter Shop work collaboratively to ensure reads are entered and meters are fixed or replaced so that we can provide timely and accurate monthly billing
- In addition to the reactive training provided to CSSD staff from August 2021 to March 2022, CSSD has created a monthly training calendar to provide proactive and leadership development sessions since April 2022 to increase knowledge, skills, and abilities.
- In June 2024 planned updated to the water billing system went live which will allow additional capability to automate adjustments and remove portions of the manual process.

##### *Contact Person:*

Michael Moiseyev, Chief Financial Officer, Baltimore City  
Jason W. Mitchell, Director, Department of Public Works

##### *Completion Date:*

Completed June 2022. Currently in support phase for ongoing improvements.



## CITY OF BALTIMORE

### Corrective Action Plans Year Ended June 30, 2023

#### Finding 2023-004

**Programs:** All

#### Material Weakness over Fixed Asset Accounting

**Repeat Finding:** Yes

#### *Auditee's Corrective Action Plan:*

The City has purchased Workday, an Enterprise Resource Planning (ERP) system, and implemented the software with the assistance of Accenture consultants. Although Workday is “live” as of August 2022, the City is currently working to implement the business asset module. This module will allow assets to be flagged during the purchase process and the majority of existing assets to be uploaded and depreciated by Workday. Specific improvements are as follows:

- Depreciation will be run monthly rather than at the end of the year, allowing for a more regular review of the fixed assets.
- Workday reports which reconcile the subsidiary fixed asset module to the general ledger will be run monthly and reviewed.
- A new Workday role within each agency, an asset tracking specialist, will be responsible for reviewing the fixed asset listing and working with the Department of Finance ensuring that assets are capitalized properly.
- A Capital Assets policy has been drafted and is expected to be reviewed and approved.
- The City has uploaded assets in to Workday thru fiscal year 2021 and has agreed these to the ACFR publication for fiscal year 2021. The City has also uploaded the fiscal year 2022 assets and is in the process of paralleling the FY 22 results. Additionally, fiscal year 2023 assets purchased thru Workday have been capitalized in Workday using Workday functionality. The City expects to use Workday to calculate the fiscal year 2024 depreciation.

#### *Contact Person:*

Michael Moiseyev, Chief Financial Officer, Baltimore City.

#### *Completion Date:*

December 2023

## CITY OF BALTIMORE

### Corrective Action Plans Year Ended June 30, 2023

#### Finding 2023-005

**Programs:** All

#### Material Weakness over Information Technology Security

**Repeat Finding:** Yes

#### *Auditee's Corrective Action Plan:*

We concur with the findings.

The Baltimore City Office of Information & Technology (BCIT) has made significant progress in resolving this finding. Specific improvements are below:

#### **Vulnerability Management Status:**

- BCIT continues to make progress on addressing the backlog of vulnerabilities in our environment.
- We transitioned to a new vulnerability management tool, Tenable, to reduce the number of false positives and issues with reporting that we had with our original tool.
- We hired an experienced vulnerability lead to take over the planning tracking and monitoring of backlog initiatives.
- As we finish up current initiatives like Win 10 v1909, SMBv1 Workstation, Flash Uninstall and Internet Explorer - we tee up new initiatives.
- We are currently in the planning / scoping phase to remove old versions of Adobe Acrobat, Adobe Products and Mozilla Firefox.
- For operational patching, we are deploying 90% of patches on critical servers within 7 days, but we are only deploying 70% of workstation patches within 3 weeks.

#### **Upcoming Vulnerability Management Milestones:**

- We have a funded position to hire a full-time workstation vulnerability engineer to ensure workstation patching is at 95% completion after 3 weeks. We have reviewed resumes, selected a slate and plan to have a person join the team in May 2023.
- We have diagnosed the reason we are deploying 90% of patches on critical servers. We patch the operating system consistently, but we are not always patching applications on the servers. The server patching team has begun patching applications. For April 2023 critical server patches, we achieved 100% in 7 days. We will continue to monitor our corrective action.

#### **Privileged Access Entitlement Review Status:**

- Developed and implemented a process to review privileged credentials city-wide.
  - The user requesting admin privileges fills out a privilege access agreement (PAA) that documents the privileges required.
  - The admin's manager signs the request.
  - The user signs an acknowledgement of their responsibilities and attaches to form a ticket.

## CITY OF BALTIMORE

### Corrective Action Plans Year Ended June 30, 2023

#### Finding 2023-005 (continued)

##### Privileged Access Entitlement Review Status: (continued)

- The ticket results in computer-based training being assigned to the admin
- The ticket is forwarded to appropriate team in BCIT – server or desktop for their review / approval.
- When training is verified and BCIT approvals are completed, the user is authorized to continue using existing credentials or assigned the new credentials requested.
- BCIT leveraged this exercise to standardize admin account naming conventions aligned with best practices. We now require separate admin accounts for workstation or server administration. We are disabling / doing away with the legacy one size fits all generic admin accounts (P accounts).

##### Upcoming

##### Milestones:

- Complete the review and cleanup of the final wave of agencies – BCIT, BCHD, BCFD and some stragglers from DPW, DHR and DOF – May 2023
- Disable all privileged accounts that have not been used within 180 days – May 2023
- Review any remaining P accounts for disposition – June 2023
- Seek feedback from agencies on the FY 2023 Privileged Account review process and develop process improvements – 1st quarter FY 24
- Begin FY 24 Privilege entitlement review process – 2<sup>nd</sup> quarter FY 24.

##### Segregation of Duties:

The Blue Hill vendor now has a designated full-time Team Lead to oversee the City of Baltimore's contract. Now that we have a dedicated Blue Hill Team Lead, the VMLIB process and programmer rights will be modified to only allow the Blue Hill Team Lead or the BCIT Mainframe Manager to promote programs to production.

##### Mainframe Restoration:

To restore mainframe operations at the secondary data center, BCIT employs Blue Hill, who maintains an alternative backup site in New Jersey (BlueZone) should the main location in Pearl River, New York ever go down.

- Every night the data and code are replicated and transmitted to the backup site.
- Should a disaster occur, the backup (BlueZone) site will be operational in less than 48 hours.

##### Contact Person:

Todd Carter, CIO/CDO Baltimore City

##### Completion Date:

June 2024 and continuously reviewing.

## CITY OF BALTIMORE

### Corrective Action Plans Year Ended June 30, 2023

#### Finding 2023-006

**Programs:** All

#### Material Weakness over Schedule of Expenditures of Federal Awards (SEFA) Reporting

**Repeat Finding:** Yes

#### *Auditee's Corrective Action Plan:*

The City has purchased Workday, an Enterprise Resource Planning (ERP) system, and implemented the software with the assistance of Accenture consultants. Although Workday is “live” as of August 2022, the City is currently working to refine the software and fully utilize functionality. The Workday grants modules requires the grant funding source be defined prior to grant approval and fields are available for the AL titles and numbers and sub-recipients’ information. The implementation of the Workday grants modules centralizes much of the grant management function by requiring the agencies to upload the grant documents into Workday.

The City has:

- Held weekly meetings for two years with agency grant representatives to design and configure the Workday grant module.
- Uploaded the grant award, sponsor information and grant budget data into a Workday.
- Implemented a “new grant” request which uses a Workday business process.
- In the process of reviewing and correcting recoverable costs per grant award so it is properly recorded.
- Within Workday we are able to track grant performance period, CFDA, manage and capture grant related expenditures and calculate automated billing to sponsors on recoverable costs

Business processes have been developed and implemented in Workday’s grant management module to include: Definition of the grant funding source by creating a system-generated grant work tag (identifier) upon receipt of the Sponsor’s Notice of Award; populated fields in Workday with pass-through award data with Prime Sponsor and Bill to sponsor Billing data, and modification of the create award process to add the Grants Management Office to final approval.

In FY 24 the City implemented a citywide Grants Management Committee coordinated by the Mayor's Office of Performance and Innovation. Through feedback from this workgroup we identified an expanded scope of responsibility for the Grants Management Office; including oversight and compliance, technology, training and budget monitoring. In the short term a new Grants Director position was created and onboarding is to occur in the first quarter of FY25.

#### *Contact Person:*

Michael Moiseyev, Chief Financial Officer, Baltimore City.

#### *Completion Date:*

June 2024

## **CITY OF BALTIMORE**

### **Corrective Action Plans Year Ended June 30, 2023**

#### **Finding 2023-007**

**Programs:** All

#### **Significant Deficiency and Noncompliance over Reporting**

**Repeat Finding:** No

##### ***Auditee's Corrective Action Plan:***

The City has purchased Workday, an Enterprise Resource Planning (ERP) system, and implemented the software with the assistance of Accenture consultants. Although Workday is “live” as of August 2022, the City is currently working to refine the software and fully utilize functionality. The Workday grants modules requires the grant funding source be defined prior to grant approval and fields are available for the AL titles and numbers and sub-recipients' information. The implementation of the Workday grants modules centralizes much of the grant management function by requiring the agencies to upload the grant documents into Workday.

Prior to the completion of the SEFA, the City instituted training sessions with the agencies to ensure that the reporting is understood by the agencies, with special emphasis on subrecipient payments being reported properly. Additionally, the City will give access to the grant report upon which the SEFA is based. The City will keep a check list to ensure that all agencies respond to the grant certification to ensure that all agencies review the grant data. Based on FY 23 training and feedback the City is expanding that training schedule to begin with agency preparation in November 2024.

Additionally, the corrective actions for grants have included citywide trainings in the fourth quarter FY24 led by the Grants Management Office and BAPS on key grant accounting functions in Workday; including for example, Billing, Creating an Award, Sub Recipients with each training having between 50-70 agency grant staff attending.

##### ***Contact Person:***

Michael Moiseyev, Chief Financial Officer, Baltimore City

##### ***Completion Date:***

December 2024

**CITY OF BALTIMORE**

**Corrective Action Plans  
Year Ended June 30, 2023**

**Finding 2023-008**

**U.S. Department of Housing and Urban Development (HUD)**

**AL No. 14.241      Housing Opportunities for Persons with AIDS**

**Material Weakness in Internal Controls and Noncompliance over Cash Management**

**Repeat Finding:**      No

***Auditee's Corrective Action Plan:***

MOHS has developed a comprehensive standard operations procedure for our program compliance and fiscal teams. This manual includes a standardized process of completing drawer requests, having supporting documentation that aligns with the request stored in each contracts permanent file on the agencies shared "G drive which is accessible to all fiscal staff. In addition, our fiscal team is required to adopt a naming convention for each grant and draw request, Confirmation of payment posting to the GL and save supporting documentation to the Fiscal "G drive".

***Contact Person:***

MOHS Fiscal Director – Diamond Okojie

***Completion Date:***

July 2024

DRAFT

**CITY OF BALTIMORE**

**Corrective Action Plans  
Year Ended June 30, 2023**

**Finding 2023-009**

**U.S. Department of Housing and Urban Development (HUD)**

**AL No. 14.241      Housing Opportunities for Persons with AIDS**

**Material Weakness over Eligibility**

**Repeat Finding:**      **Yes**

***Auditee's Corrective Action Plan:***

**Condition #1 Response**

MOHS acknowledges the finding that 14 out of 40 files did not have management review.

**Corrective Action:**

The Program Manager will conduct quality control reviews for 30% of files that have been recertified each month. The quality control review will verify all eligibility components under the program were met.

**Condition #2 Response**

MOHS acknowledges the finding that 25 out of 40 selections did not have the supporting third-party documentation of income. MOHS followed the HOPWA guidance outlined in the Self-Certification of Income and Credible Information on HIV Status waivers released by HUD for September 2021 and March 2023. The waiver permits HOPWA grantees and project sponsors to rely upon a family member's self-certification of income and credible information on their HIV status. The HUD-CPD notices are referenced in Exhibits A-B of this response. The program accepted the self-certification of income until the waivers from HUD ended for COVID-19 on March 31, 2023.

**Corrective Action:**

MOHS has resumed following the process of requesting third party verification of income, assets, and medical expenses to ensure proper calculation of tenant rent. Client records are being updated with the appropriate verification of income documentation from the third-party source.

**Condition #3 Response**

MOHS acknowledges the finding 6 out of 40 selections did not have documentation of the rent reasonableness.

**Corrective Action:**

MOHS uses GoSection8, an online rent comparable website to conduct rent reasonableness. Rent reasonableness is conducted at the initial move-in and with each rent increase request. Documentation of the comparison is maintained in the client record.

**CITY OF BALTIMORE**

**Corrective Action Plans  
Year Ended June 30, 2023**

**Finding 2023-009** (continued)

***Contact Person:***

Lakeysha Williams – 410-396-4887 or [Lakeysha.williams@baltimorecity.gov](mailto:Lakeysha.williams@baltimorecity.gov)

***Completion Date:***

July 2024

DRAFT



**CITY OF BALTIMORE**

**Corrective Action Plans  
Year Ended June 30, 2023**

**Finding 2023-010**

**U.S. Department of Housing and Urban Development (HUD)**

**AL No. 14.241      Housing Opportunities for Persons with AIDS**

**Significant Deficiency in Internal Controls over Reporting**

**Repeat Finding:**      Yes

***Auditee's Corrective Action Plan:***

**Condition #1 Response**

MOHS acknowledges the finding that the Federal Financial Report was submitted in a timely manner.

**Corrective Action:**

MOHS will follow the City's Grant Management office's established process of establishing and maintaining grants. MOHS will maintain a shared calendar to project new and renewal applications, anticipated audits, expiration dates and grant closeout dates. MOHS will adhere to 2 CFR §200.329 by (1) submitting annually SF 425 report no later than 90 calendar days after the reporting period. Reports submitted quarterly or semiannually must be due no later than 30 calendar days after the reporting period. Alternatively, the Federal awarding agency or pass-through entity may require annual reports before the anniversary dates of multiple year Federal awards.

***Contact Person:***

Diamond Okojie – 410-215-8129 or [Diamon.Okojie@baltimorecity.gov](mailto:Diamon.Okojie@baltimorecity.gov)

***Completion Date:***

July 2024

**CITY OF BALTIMORE**

**Corrective Action Plans  
Year Ended June 30, 2023**

**Finding 2023-011**

**U.S. Department of Housing and Urban Development (HUD)**

**AL No. 14.241      Housing Opportunities for Persons with AIDS**

**Significant Deficiency and Internal Control Deficiency over Subrecipient Monitoring**

**Repeat Finding:**      Yes

***Auditee's Corrective Action Plan:***

**Condition #1 Response**

MOHS acknowledges the finding that 3 out of 3 subrecipient files did not disclose the federal award identification number of unique entity identifier on the sub award.

**Corrective Action:**

MOHS will follow the City's Grant Management office's established process of establishing and maintaining a hardcopy audit file. This file will include: a. Federal System Registrations: SAM; DUNS #s, Grants.gov information; b. Federal Financial Accountability and Transparency (FFATA) information; c. FFR Submissions (SF-425 Federal Financial Report); d. Grant Agreements; and, e. Prior Year Single Audits/Monitoring Reports

**Condition #1 Response**

MOHS acknowledges the finding that 3 out of 3 subrecipient files did not have evidence that prior year audit was verified.

**Corrective Action:**

MOHS will follow the City's Grant Management office's established process of establishing and maintaining a hardcopy audit file. This file will include: a. Federal System Registrations: SAM; DUNS #s, Grants.gov information; b. Federal Financial Accountability and Transparency (FFATA) information; c. FFR Submissions (SF-425 Federal Financial Report); d. Grant Agreements; and, e. Prior Year Single Audits/Monitoring Reports

***Contact Person:***

Lakeysha Williams – 410-396-4887 or Lakeysha.williams@baltimorecity.gov

***Completion Date:***

July 2024

**CITY OF BALTIMORE**

**Corrective Action Plans  
Year Ended June 30, 2023**

**Finding 2023-012**

**U.S. Department of Housing and Urban Development**

**AL No. 14.241      Housing Opportunities for Persons with AIDS**

**Material Weakness in Internal Controls and Noncompliance over Special Tests – Housing Quality Standards**

**Repeat Finding:      Yes**

***Auditee's Corrective Action Plan:***

MOHS has experienced leadership and staffing changes that have impacted its ability to maintain systematic processes necessary for service delivery and administration. One area impacted by MOHS' transition was our inspection services. During the review period, the contracted supplier had no access to the Housing Pro system, the database used to manage inspections for MOHS' subsidized units. MOHS has a recordkeeping process for inspections in its policies and procedures for the rental assistance program. Inspection checklists are maintained in the participant records by calendar year. Housing staff identify whether or not the inspection has been completed on the recertification checklist and sign the checklist to confirm the documentation is present in the file.

MOHS has resumed its recordkeeping practices to ensure staff maintain inspection checklists in the client files for the annual recertification year. Housing staff are expected to verify during the recertification that Housing Quality Standard (HQS) inspections have been conducted for the assisted unit. MOHS completed the upgrade to the new version of the Housing Pro system in March 2024. The inspections team now has access to the housing database via the web. MOHS is working with the inspections team to ensure inspection updates are entered into the inspection module timely. MOHS has a process in place to review inspection details monthly to ensure 1) inspections for each household has been conducted and 2) all inspection detail is updated in the Housing Pro system by the inspections team each week.

***Contact Person:***

HAP Program Manager – D'Andra Pollard

***Completion Date:***

June 2024

**CITY OF BALTIMORE**

**Corrective Action Plans  
Year Ended June 30, 2023**

**Finding 2023-013**

**U.S. Department of Department of Health and Human Services**

**AL No. 21.023      Emergency Rental Assistance Program**

**Significant Deficiency in Internal Control and Noncompliance over Reporting**

**Repeat Finding:      Yes**

***Auditee's Corrective Action Plan:***

As part of an overall goal of the Mayor's Office of Children and Family Success (MOCFS), this leadership is committed to ensuring that grant compliance to all Federal, State, and Local grants are prioritized as the agency is 85% grant funded. The agency is currently implementing internal grant management Standard Operating Process (SOP) that were not previously implemented due to staffing turnover. These processes will align with the City's Grants Management policy outlined in AM 413-60 and 413-6 to minimize and ultimately eliminate audit finding as a result of inadequate SOP or lack thereof. Additionally, the agency is hiring additional grant management staff to meet the demands of internal controls and to provide greater oversight of grant reporting processes.

***Contact Person:***

Chief Financial Officer – Jaime Cramer

***Completion Date:***

July 2024

**CITY OF BALTIMORE**

**Corrective Action Plans  
Year Ended June 30, 2023**

**Finding 2023-014**

**U.S. Department of Health and Human Services**

**AL No. 93.044, 93.045, 93.053      Aging Cluster**

**Significant Deficiency in Internal Controls and Noncompliance over Reporting**

**Repeat Finding:      No**

***Auditee's Corrective Action Plan:***

BCHD will continue to work with the Department of Finance to ensure parameters for generating reports are the same and there is an agreed upon reconciliation when the parameters for reporting are not the same. Policies and procedures will be updated to ensure what is reported on Federal Financial Reports are reconciled to general ledger details in addition to ensuring all submitted reports have proper approvals documented. Accounting staff will be trained appropriately.

***Contact Person:***

Chief Financial Officer – Unyime Ekpa

***Completion Date:***

December 2024

DRAFT

**CITY OF BALTIMORE**

**Corrective Action Plans  
Year Ended June 30, 2023**

**Finding 2023-015**

**U.S. Department of Health and Human Services**

**AL No. 93.686            Ending the HIV Epidemic: A Plan for America**

**Material Weakness in Internal Controls and Noncompliance over Cash Management**

**Repeat Finding:        No**

***Auditee's Corrective Action Plan:***

The process for requesting drawdowns begins with the fiscal team managing the grant. A member of BCHD's fiscal team enters the drawdown request into the Federal Payment Management System (PMX). An invoice is then created within Workday. When the City's Department of Treasury receives the funds, the funds should be matched to the invoice and cash posted to the general ledger. One of the challenges with the City's migration into Workday was billing and invoice matching for grant sponsors. This resulted in no posting of cash received from drawdown request to the general ledger. The Department of Finance has recently developed a process to resolve this issue. BCHD's fiscal team will work with DOF to develop a reconciliation process for cash draws received after the City's fiscal year end.

***Contact Person:***

Chief Financial Officer – Unyime Ekpa

***Completion Date:***

December 2024

**CITY OF BALTIMORE**

**Corrective Action Plans  
Year Ended June 30, 2023**

**Finding 2023-016**

**U.S. Department of Health and Human Services**

**AL No. 93.686            Ending the HIV Epidemic: A Plan for America**

**Significant Deficiency in Internal Controls and Noncompliance over Reporting**

**Repeat Finding:        No**

***Auditee's Corrective Action Plan:***

BCHD will continue to work with the Department of Finance to ensure parameters for generating reports are the same and there is an agreed upon reconciliation when the parameters for reporting are not the same. Policies and procedures will be updated to ensure what is reported on Federal Financial Reports are reconciled to general ledger details in addition to ensuring all submitted reports have proper approvals documented. Accounting staff will be trained appropriately.

***Contact Person:***

Chief Financial Officer – Unyime Ekpa

***Completion Date:***

December 2024

DRAFT

**CITY OF BALTIMORE**

**Corrective Action Plans  
Year Ended June 30, 2023**

**Finding 2023-017**

**U.S. Department of Health and Human Services**

**AL No. 93.686            Ending the HIV Epidemic: A Plan for America**

**Material Weakness in Internal Controls and Noncompliance over Subrecipient Monitoring**

**Repeat Finding:**        No

***Auditee's Corrective Action Plan:***

BCHD has updated its subrecipient monitoring policy to ensure compliance with Federal standards for monitoring of subawards. BCHD will use the contract unit's internal contract tracker via Smartsheet to develop the subrecipient monitoring schedule. The contract tracker now includes a column to identify if an agreement is a subaward, which will ensure all subrecipients are included in the monitoring schedule.

***Contact Person:***

Chief Financial Officer – Unyime Ekpa

***Completion Date:***

December 2024

DRAFT



**CITY OF BALTIMORE**

**Corrective Action Plans  
Year Ended June 30, 2023**

**Finding 2023-018**

**U.S. Department of Health and Human Services**

**AL No. 93.767      Children's Health Insurance Program (CHIP)**

**Significant Deficiency in Internal Controls and Noncompliance over Reporting**

**Repeat Finding:**      **Yes**

***Auditee's Corrective Action Plan:***

BCHD will continue to work with the Department of Finance to ensure parameters for generating reports are the same and there is an agreed upon reconciliation when the parameters for reporting are not the same. Policies and procedures will be updated to ensure what is reported on Federal Financial Reports are reconciled to general ledger details in addition to ensuring all submitted reports have proper approvals documented. Accounting staff will be trained appropriately.

***Contact Person:***

Chief Financial Officer – Unyime Ekpa

***Completion Date:***

December 2024

DRAFT

**CITY OF BALTIMORE**

**Corrective Action Plans  
Year Ended June 30, 2023**

**Finding 2023-019**

**U.S. Department of Health and Human Services**

**AL No. 93.778      Medical Assistance Program (Medicaid; Title XIX)**

**Material Weakness in Internal Controls and Noncompliance over Reporting**

**Repeat Finding:      Yes**

***Auditee's Corrective Action Plan:***

BCHD will continue to work with the Department of Finance to ensure parameters for generating reports are the same and there is an agreed upon reconciliation when the parameters for reporting are not the same. Policies and procedures will be updated to ensure what is reported on Federal Financial Reports are reconciled to general ledger details in addition to ensuring all submitted reports have proper approvals documented. Accounting staff will be trained appropriately.

***Contact Person:***

Chief Financial Officer – Unyime Ekpa

***Completion Date:***

December 2024

DRAFT

**CITY OF BALTIMORE**

**Corrective Action Plans  
Year Ended June 30, 2023**

**Finding 2023-020**

**U.S. Department of Health and Human Services**

**AL No. 93.914      HIV Emergency Relief Project Grants**

**Material Weakness in Internal Controls and Noncompliance over Cash Management**

**Repeat Finding:      Yes**

***Auditee's Corrective Action Plan:***

The process for requesting drawdowns begins with the fiscal team managing the grant. A member of BCHD's fiscal team enters the drawdown request into the Federal Payment Management System (PMX). An invoice is then created within Workday. When the City's Department of Treasury receives the funds, the funds should be matched to the invoice and cash posted to the general ledger. One of the challenges with the City's migration into Workday was billing and invoice matching for grant sponsors. This resulted in no posting of cash received from drawdown request to the general ledger. The Department of Finance has recently developed a process to resolve this issue. BCHD's fiscal team will work with DOF to develop a reconciliation process for cash draws received after the City's fiscal year end.

***Contact Person:***

Chief Financial Officer – Unyime Ekpa

***Completion Date:***

December 2024

**CITY OF BALTIMORE**

**Corrective Action Plans  
Year Ended June 30, 2023**

**Finding 2023-021**

**U.S. Department of Health and Human Services**

**AL No. 93.914      HIV Emergency Relief Project Grants**

**Material Weakness in Internal Controls and Noncompliance over Subrecipient Monitoring**

**Repeat Finding:**      No

***Auditee's Corrective Action Plan:***

BCHD has updated its subrecipient monitoring policy to ensure compliance with Federal standards for monitoring of subawards. BCHD will use the contract unit's internal contract tracker via Smartsheet to develop the subrecipient monitoring schedule. The contract tracker now includes a column to identify if an agreement is a subaward, which will ensure all subrecipients are included in the monitoring schedule.

***Contact Person:***

Chief Financial Officer – Unyime Ekpa

***Completion Date:***

December 31, 2024

DRAFT

**CITY OF BALTIMORE**

**Corrective Action Plans  
Year Ended June 30, 2023**

**Finding 2023-022**

**U.S. Department of Health and Human Services**

**AL No. 93.940      HIV Prevention Activities Health Department Based**

**Material Weakness in Internal Controls and Noncompliance over Cash Management**

**Repeat Finding:      Yes**

***Auditee's Corrective Action Plan:***

The process for requesting drawdowns begins with the fiscal team managing the grant. A member of BCHD's fiscal team enters the drawdown request into the Federal Payment Management System (PMX). An invoice is then created within Workday. When the City's Department of Treasury receives the funds, the funds should be matched to the invoice and cash posted to the general ledger. One of the challenges with the City's migration into Workday was billing and invoice matching for grant sponsors. This resulted in no posting of cash received from drawdown request to the general ledger. The Department of Finance has recently developed a process to resolve this issue. BCHD's fiscal team will work with DOF to develop a reconciliation process for cash draws received after the City's fiscal year end.

***Contact Person:***

Chief Financial Officer – Unyime Ekpa

***Completion Date:***

December 2024

**CITY OF BALTIMORE**

**Corrective Action Plans  
Year Ended June 30, 2023**

**Finding 2023-023**

**U.S. Department of Health and Human Services**

**AL No. 93.940      HIV Prevention Activities Health Department Based**

**Material Weakness in Internal Controls and Noncompliance over Reporting**

**Repeat Finding:      Yes**

***Auditee's Corrective Action Plan:***

BCHD will continue to work with the Department of Finance to ensure parameters for generating reports are the same and there is an agreed upon reconciliation when the parameters for reporting are not the same. Policies and procedures will be updated to ensure what is reported on Federal Financial Reports are reconciled to general ledger details in addition to ensuring all submitted reports have proper approvals documented. Accounting staff will be trained appropriately.

***Contact Person:***

Chief Financial Officer – Unyime Ekpa

***Completion Date:***

December 2024

DRAFT

**CITY OF BALTIMORE**

**Corrective Action Plans  
Year Ended June 30, 2023**

**Finding 2023-024**

**U.S. Department of Health and Human Services**

**AL No. 93.940            HIV Prevention Activities Health Department Based**

**Material Weakness in Internal Controls and Noncompliance over Subrecipient Monitoring**

**Repeat Finding:**        No

***Auditee's Corrective Action Plan:***

BCHD has updated its subrecipient monitoring policy to ensure compliance with Federal standards for monitoring of subawards. BCHD will use the contract unit's internal contract tracker via Smartsheet to develop the subrecipient monitoring schedule. The contract tracker now includes a column to identify if an agreement is a subaward, which will ensure all subrecipients are included in the monitoring schedule.

***Contact Person:***

Chief Financial Officer – Unyime Ekpa

***Completion Date:***

December 2024

DRAFT

**CITY OF BALTIMORE**

**Corrective Action Plans  
Year Ended June 30, 2023**

**Finding 2023-14.239J**

**U.S. Department of Housing and Urban Development (HUD)**

**AL No. 14.239      HOME Investment Partnerships Program**

**Material Weakness in Internal Controls and Noncompliance over Program Income**

**Repeat Finding:**      No

***Auditee's Corrective Action Plan:***

The Agency appreciates the comprehensive review of this program and concurs with this finding. The Department of Housing and Community Development (DHCD) understands that while the City of Baltimore's Department of Finance is responsible for recording and reporting program income into the general ledger, DHCD must ensure that funds are properly recorded in the accounting records.

Therefore, DHCD will work with the Department of Finance to ensure that program income deposits are documented correctly, are properly reflected on the general ledger and deposited into the correct accounts. Going forward, DHCD will request the general ledger details for all program income deposits on a minimum quarterly basis to ensure its accuracy and availability.

***Contact Person:***

Eugene Greene, HOME Program Manager

***Completion Date:***

December 2024



**CITY OF BALTIMORE**

**Corrective Action Plans  
Year Ended June 30, 2023**

**Finding 2023-14.239N**

**U.S. Department of Housing and Urban Development (HUD)**

**AL No. 14.239      HOME Investment Partnerships Program**

**Significant Deficiency in Internal Controls and Noncompliance over Special Tests - Housing Quality Standards**

**Repeat Finding:**      No

***Auditee's Corrective Action Plan:***

The Agency appreciates the comprehensive review of this program and concurs with this finding. It is the responsibility of DHCD to perform physical inspections annually. This process includes creating and maintaining inspection review forms and correspondence with the inspected properties.

We believe the oversights discovered were caused in part to an increase in the workload of the sole compliance officer performing the physical inspections. Because of this increase in workload, exacerbated by impromptu medical leave, the other compliance officers have received some cross training in HQS inspecting and are now available to assist in the record keeping process. The unit is also in the process of hiring an additional Compliance Officer to assume the physical inspection responsibilities. Additionally, all active compliance officers will review the program's standard operating procedures for inspections. If necessary, any needed adjustments to the plan will be made at this time. We will also review all FY 24 inspections to ensure that all Inspection Findings and Corrective Measures have been issued and are available in the department's shared drive.

***Contact Person:***

Eugene Greene, HOME Program Manager

***Completion Date:***

December 2024

This page intentionally left blank.

DRAFT

DRAFT



**SB & Company, LLC**

**Baltimore Office:**

10200 Grand Central Avenue, Suite 250

Owings Mills, Maryland 21117

410.584.0060 (P)

410.584.0061 (F)