

CITY OF SANTA ANA, CALIFORNIA
SINGLE AUDIT OF FEDERAL AWARDS
AND OTHER FINANCIAL INFORMATION
JUNE 30, 2021



WEALTH ADVISORY | OUTSOURCING
AUDIT, TAX, AND CONSULTING

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CITY OF SANTA ANA, CALIFORNIA
June 30, 2021
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INDEPENDENT AUDITORS' REPORT ON INTERNAL CONTROL OVER
FINANCIAL REPORTING AND ON COMPLIANCE AND OTHER MATTERS
BASED ON AN AUDIT OF FINANCIAL STATEMENTS PERFORMED
IN ACCORDANCE WITH *GOVERNMENT AUDITING STANDARDS*

Honorable City Council
of the City of Santa Ana
Santa Ana, California

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the City of Santa Ana, California (the City), as of and for the year ended June 30, 2021, and the related notes to the financial statements, which collectively comprise the City's basic financial statements and have issued our report thereon dated December 8, 2021.

Internal Control over Financial Reporting

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

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


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

Compliance and Other Matters

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

Purpose of This Report

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the City's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the City's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

A handwritten signature in cursive script that reads "CliftonLarsonAllen LLP".

CliftonLarsonAllen LLP

Irvine, California
December 8, 2021



INDEPENDENT AUDITORS' REPORT ON COMPLIANCE FOR EACH MAJOR FEDERAL PROGRAM, REPORT ON INTERNAL CONTROL OVER COMPLIANCE, REPORT ON THE SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS REQUIRED BY THE UNIFORM GUIDANCE, SCHEDULE OF EXPENDITURES OF STATE AWARDS REQUIRED BY THE STATE OF CALIFORNIA, AND HOUSING AUTHORITY OF THE CITY OF SANTA ANA FINANCIAL DATA SCHEDULES REQUIRED BY THE US DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT

Honorable City Council
of the City of Santa Ana
Santa Ana, California

Report on Compliance for Each Major Federal Program

We have audited the City of Santa Ana's (the City) compliance with the types of compliance requirements described 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, 2021. The City's major federal programs are identified in the summary of auditors' results section of the accompanying schedule of findings and questioned costs.

Management's Responsibility

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

Auditors' Responsibility

Our responsibility is to express an opinion on compliance for each of the City's major federal programs based on our audit of the types of compliance requirements referred to above. We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America, the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States, and the audit requirements of Title 2 US *Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance). Those standards and the Uniform Guidance require that we plan and perform the audit to obtain reasonable assurance about whether noncompliance with the types of compliance requirements referred to above that could have a direct and material effect on a major federal program occurred. An audit includes examining, on a test basis, evidence about the City's compliance with those requirements and performing such other procedures as we considered necessary in the circumstances.

We believe that our audit provides a reasonable basis for our opinion on compliance for each major federal program. However, our audit does not provide a legal determination of the City's compliance.

Opinion on Each Major Federal Program

In our opinion, the City complied, in all material respects, with the types of compliance requirements referred to above that could have a direct and material effect on each of its major federal programs for the year ended June 30, 2021.

Other Matters

The results of our auditing procedures disclosed an instance of noncompliance, which is required to be reported in accordance with the Uniform Guidance and which are described in the accompanying schedule of findings and questioned costs as item 2021-001. Our opinion on each major federal program is not modified with respect to this matter.

The City's response to the noncompliance findings identified in our audit is described in the accompanying schedule of findings and questioned costs. The City's response was not subjected to the auditing procedures applied in the audit of compliance and, accordingly, we express no opinion on the response.

Report on Internal Control over Compliance

Management of the City is responsible for establishing and maintaining effective internal control over compliance with the types of compliance requirements referred to above. In planning and performing our audit of compliance, we considered the City's internal control over compliance with the types of requirements that could have a direct and material effect on each major federal program to determine the auditing procedures that are appropriate in the circumstances for the purpose of expressing an opinion on compliance for each major federal program 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 internal control over compliance. Accordingly, we do not express an opinion on the effectiveness of the City's internal control over compliance.

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

Our consideration of internal control over compliance was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control over compliance that might be material weaknesses or significant deficiencies. We did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

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

Report on Schedule of Expenditures of Federal Awards Required by the Uniform Guidance, the Schedule of Expenditures of State Awards Required by the State of California, and the Housing Authority of the City of Santa Ana Financial Data Schedules Required by the US Department of Housing and Urban Development

We have audited the financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the City of Santa Ana as of and for the year ended June 30, 2021, and the related notes to the financial statements, which collectively comprise the City's basic financial statements. We issued our report thereon dated December 8, 2021, which contained unmodified opinions on those financial statements. Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the basic financial statements. The accompanying Schedule of Expenditures of Federal Awards, the Schedule of Expenditures of State Awards, and the Housing Authority of the City of Santa Ana Financial Data Schedules are presented for purposes of additional analysis as required by the Uniform Guidance, the State of California, and the US Department of Housing and Urban Development, respectively, and are not a required part of the basic financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. The information has been subjected to the auditing procedures applied in the audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the Schedule of Expenditures of Federal Awards, the Schedule of Expenditures of State Awards, and the Housing Authority of the City of Santa Ana Financial Data Schedules are fairly stated in all material respects in relation to the basic financial statements as a whole.

CliftonLarsonAllen LLP

CliftonLarsonAllen LLP

Irvine, California
June 17, 2022

CITY OF SANTA ANA, CALIFORNIA

**Schedule of Expenditures of Federal Awards
For the Fiscal Year Ended June 30, 2021**

Federal Grantor / Pass-Through Grantor / Program / Cluster Title	Federal Assistance Listing Number	Pass-Through Entity Identifying Number	Total Federal Expenditures	Passed Through to Subrecipients
U.S. Department of Housing and Urban Development				
Direct Programs:				
Community Development Block Grants - Entitlement Grants Cluster:				
Community Development Block Grants	14.218	N/A	\$ 7,511,180	\$ 720,338
COVID-19 - Community Development Block Grants	14.218	N/A	4,508,225	3,782,996
Neighborhood Stabilization Program 1	14.218	N/A	2,235	-
Neighborhood Stabilization Program 3	14.218	N/A	1,967	-
Subtotal Community Development Block Grants - Entitlement Grants Cluster			12,023,607	4,503,334
Emergency Solutions Grant Program	14.231	N/A	452,850	360,355
COVID-19 - Emergency Solutions Grant Program	14.231	N/A	3,560,234	3,102,596
Subtotal Emergency Solutions Grant Program			4,013,084	3,462,951
Housing Voucher Cluster:				
Section 8 Housing Choice Vouchers	14.871	N/A	39,132,051	-
COVID-19 - Section 8 Housing Choice Vouchers - CARES Act	14.871	N/A	1,260,045	-
COVID-19 - Housing Assistance Payments - CARES Act	14.871	N/A	1,127,700	-
Subtotal Section 8 Housing Choice Vouchers			41,519,796	-
Mainstream Vouchers	14.879	N/A	1,535,620	-
COVID-19 - Mainstream Vouchers - CARES Act	14.879	N/A	15,716	-
Subtotal Mainstream Vouchers			1,551,336	-
Subtotal Housing Voucher Cluster			43,071,132	-
Family Self-Sufficiency Program	14.896	N/A	71,322	-
Family Self-Sufficiency Program	14.896	N/A	97,419	-
Subtotal Family Self-Sufficiency Program			168,741	-
HOME Investment Partnerships Program	14.239	N/A	201,662	-
Total U.S. Department of Housing and Urban Development			59,478,226	7,966,285
U.S. Department of Labor				
Workforce Innovation and Opportunity Act (WIOA) Cluster:				
Passed through CA Employment Development Department:				
WIOA Adult Program	17.258	AA111027	682,155	-
WIOA Dislocated Worker Formula Grants	17.278	AA111027	601,790	-
WIOA Dislocated Worker Formula Grants (Rapid Response)	17.278	AA111027	239,472	-
Subtotal WIOA Dislocated Worker Formula Grants			841,262	-
WIOA Youth Activities	17.259	AA011027	196,341	-
WIOA Youth Activities	17.259	AA111027	561,499	345,027
Subtotal WIOA Youth Activities			757,840	345,027

(Continued)

See accompanying Notes to the Schedules of Expenditures of Federal and State Awards

CITY OF SANTA ANA, CALIFORNIA

**Schedule of Expenditures of Federal Awards
For the Fiscal Year Ended June 30, 2021 (Continued)**

Federal Grantor / Pass-Through Grantor / Program / Cluster Title	Federal Assistance Listing Number	Pass-Through Entity Identifying Number	Federal Expenditures	Passed Through to Subrecipients
Passed through County of Orange Community Resources Agency WIOA Adult Program	17.258	19-28-0070-RWS	\$ 18,686	\$ -
Passed through Goodwill Industries of Orange: WIOA Adult Program (Veterans Employment Assistance Program)	17.258	K9110010	6,837	-
Subtotal Workforce Innovation and Opportunity Act (WIOA) Cluster			2,306,780	345,027
Passed through CA Employment Development Department: WIOA National Dislocated Worker Grants	17.277	AA011027	158,358	-
Total U.S. Department of Labor			2,465,138	345,027
U.S. Department of Transportation				
Highway Planning and Construction Cluster:				
Passed through CA Department of Transportation:				
National Highway Performance Program	20.205	BRLS 5063(184)	597,152	-
Bicycle Corridor Improvement	20.205	CMAQ 5063(180) BCI	566,518	-
Bicycle Corridor Improvement	20.205	CMAQ 5063(181) BCI	17,546	-
Bicycle Corridor Improvement	20.205	CMAQ 5063(182) BCI	847,818	-
Bicycle Corridor Improvement	20.205	CMAQ 5063(183) BCI	906,619	-
Bicycle Corridor Improvement	20.205	CMAQ 5063(200) BCI	3,416	-
Regional Surface Transportation Program	20.205	STPL5063(176)	10,867	-
Highway Safety Improvement Program	20.205	HSIPL 5063(171)	142,280	-
Highway Safety Improvement Program	20.205	HSIPL 5063(186)	344,573	-
Highway Safety Improvement Program	20.205	HSIPL 5063(187)	456,795	-
Highway Safety Improvement Program	20.205	HSIPL 5063(188)	397,482	-
Highway Safety Improvement Program	20.205	HSIPL 5063(189)	7,772	-
Highway Safety Improvement Program	20.205	HSIPL 5063(190)	8,613	-
Subtotal Highway Planning and Construction Cluster			4,307,451	-
Highway Safety Cluster:				
State and Community Highway Safety:				
Passed through CA Office of Traffic Safety:				
Selective Traffic Enforcement	20.600	PT20164	186,798	-
Selective Traffic Enforcement	20.600	PT21066	24,800	-
Selective Traffic Enforcement	20.600	PT21189	308,590	-
Public Education on Bicycle Safety	20.600	PS20034	72,386	-
Subtotal State and Community Highway Safety Cluster			592,574	-
Total U.S. Department of Transportation			4,900,025	-

(Continued)

See accompanying Notes to the Schedules of Expenditures of Federal and State Awards.

CITY OF SANTA ANA, CALIFORNIA

**Schedule of Expenditures of Federal Awards
For the Fiscal Year Ended June 30, 2021 (Continued)**

Federal Grantor / Pass-Through Grantor / Program / Cluster Title	Federal Assistance Listing Number	Pass-Through Entity Identifying Number	Federal Expenditures	Passed Through to Subrecipients
U.S. Department of Justice				
Direct Programs:				
Equitable Sharing Program (Asset Forfeiture)	16.922	N/A	\$ 498,666	\$ -
Public Safety Partnership and Community Policing Grants	16.710	N/A	99,372	-
Body Worn Camera Policy and Implementation	16.835	N/A	28,598	-
COVID-19 - Coronavirus Emergency Supplemental Funding	16.034	N/A	23,383	-
Passed through County of Orange Sheriff's Department:				
Edward Byrne Memorial Justice Assistance Grant Program:				
Byrne Justice Assistance Grant 2017	16.738	2017-DJ-BX-0990	9,017	-
Byrne Justice Assistance Grant 2018	16.738	2018-DJ-BX-0820	40,356	-
Byrne Justice Assistance Grant 2019	16.738	2019-DJ-BX-0899	107,633	-
Byrne Justice Assistance Grant 2020	16.738	2020-DJ-BX-0773	7,022	-
Subtotal Edward Byrne Memorial Justice Assistance Grant Program			164,028	-
Passed through Human Options:				
Culturally and Linguistically Specific Services Program	16.016	2016-WE-AX-0054	104,206	-
Total U.S. Department of Justice			918,253	-
U.S. Department of Homeland Security				
Homeland Security Grant Program:				
Passed through CA Office of Emergency Services:				
Urban Area Security Initiative 2017	97.067	2017-00083 059-95010	291,455	293,619
Urban Area Security Initiative 2019	97.067	2019-0035 059-95010	819,858	9,829
Passed through City of Anaheim:				
Urban Area Security Initiative 2018	97.067	2018-0054	512,934	-
Subtotal Homeland Security Grant Program			1,624,247	303,448
Total U.S. Department of Homeland Security			1,624,247	303,448
U.S. Department of Health and Human Services				
Passed through County of Orange Social Services Agency:				
Temporary Assistance for Needy Families	93.558	WGM0319	552,607	-
U.S. Department of Treasury				
Direct Programs:				
Equitable Sharing Program (Asset Forfeiture)	21.016	N/A	179,995	-
COVID-19 - Emergency Rental Assistance Program	21.023	N/A	3,375,042	3,304,652
COVID-19 - Coronavirus State & Local Fiscal Recovery (ARPA)	21.027	N/A	265,000	-

(Continued)

See accompanying Notes to the Schedules of Expenditures of Federal and State Awards

CITY OF SANTA ANA, CALIFORNIA

**Schedule of Expenditures of Federal Awards
For the Fiscal Year Ended June 30, 2021 (Continued)**

Federal Grantor / Pass-Through Grantor / Program / Cluster Title	Federal Assistance Listing Number	Pass-Through Entity Identifying Number	Federal Expenditures	Passed Through to Subrecipients
Coronavirus Relief Fund:				
Passed through CA Department of Finance				
COVID-19 - Coronavirus Relief Fund	21.019	N/A	\$ 28,456,555	\$ 1,576,258
Passed through County of Orange:				
COVID-19 - Coronavirus Relief Fund	21.019	N/A	<u>3,393,353</u>	<u>-</u>
Subtotal Coronavirus Relief Fund			<u>31,849,908</u>	<u>1,576,258</u>
Total U.S. Department of Treasury			<u>35,669,945</u>	<u>4,880,910</u>
Total Expenditures of Federal Awards			<u><u>\$ 105,608,441</u></u>	<u><u>\$ 13,495,670</u></u>

See accompanying Notes to the Schedules of Expenditures of Federal and State Awards.

CITY OF SANTA ANA, CALIFORNIA

**Schedule of Expenditures of State Awards
For the Fiscal Year Ended June 30, 2021**

Grantor / Program Title	Program Identification Number	State Awards Expenditures
CA Business Consumer Services and Housing Agency		
Homeless Emergency Aid Program	18-HEAP-00007	\$ 2,266,783
Homeless Housing Assistance & Prevention COVID-19	20-HCFC-00019	1,158,916
Homeless Housing Assistance & Prevention	20-HHAP-00019	2,144,077
		<u>5,569,776</u>
CA Department of Education		
RSCCD - Strong Workforce Program	DO-18-2226-01	<u>8,955</u>
CA Department of Housing and Community Development		
Affordable Housing Sustainable Communities Program	16-AHSC-11200	1,150,649
SB2 Planning Grants Program	19-PGP-13895	56,300
Local Early Action Planning Program	20-LEAP-15676	28,633
		<u>1,235,582</u>
CA Department of Justice		
Sexual Assault Evidence Grant	2019-2020-02	<u>19,836</u>
CA Department of Motor Vehicles		
SCAQMD Mobile Source Air Pollution Reduction	2015 MSRC ML14012	<u>24,717</u>
CA Department of Resources Recycling and Recovery		
Oil Payment Program	OPP6, OPP8, OPP10	12,325
Beverage Container Payment Program	FY 13/14, 16/17, 17/18, 18/19	91,353
		<u>103,678</u>
CA Department of Transportation		
Active Transportation Program	ATPL-5063(170)	2,505,200
Active Transportation Program	ATPL-5063(172)	987,814
Active Transportation Program	ATPL-5063(177)	16,877
Active Transportation Program	ATPL-5063(178)	2,076,310
Active Transportation Program	ATPLNI-5063(185)	14,524
Active Transportation Program - SB1 Augmentation	ATPSB1L-5063(191)	215,704
Active Transportation Program - SB1 Augmentation	ATPSB1L-5063(193)	679,593
Active Transportation Program - SB1 Augmentation	ATPSB1L-5063(195)	146,832
Active Transportation Program - SB1 Augmentation	ATPSB1L-5063(196)	209,598
Active Transportation Program - SB1 Augmentation	ATPSB1L-5063(197)	410,950
Active Transportation Program - SB1 Augmentation	ATPSB1L-5063(198)	34,685
Active Transportation Program - SB1 Augmentation	ATPSB1L-5063(199)	27,388
Southern California Association of Government Gran	275-4823U3.01/4823E.01	14,800
		<u>7,340,275</u>
CA Natural Resources Agency		
Urban Greening Grant Program - Proposition 84	U59151-0	2,346
Statewide Park Development & Community Revitalization	C9801034	14,023
Advanced Metering Infrastructure	GF1806-0	1,272,188
		<u>1,288,557</u>
CA State Coastal Conservancy		
Santa Ana River Conservancy Program	19-098	<u>504,180</u>
CA State Library		
Mobile Library Solutions Grant	SVBT-026	<u>67,647</u>
CA Workforce Development Board		
Prison to Employment Program	M0113404	527,078
Prison to Employment Program	M0113521	508,505
		<u>1,035,583</u>
Total Expenditures of State Awards		<u>\$ 17,198,786</u>

See accompanying Notes to the Schedules of Expenditures of Federal and State Awards.

CITY OF SANTA ANA, CALIFORNIA
NOTES TO THE SCHEDULES OF EXPENDITURES OF FEDERAL AND STATE AWARDS
FOR THE YEAR ENDED JUNE 30, 2021

1. BASIS OF PRESENTATION

The accompanying Schedules of Expenditures of Federal and State Awards (the Schedules) include the federal and state award activities of the City of Santa Ana, California (the City), under programs of the federal government and the State of California, as well as federal and state financial assistance passed through other government agencies for the year ended June 30, 2021. The information in the Schedule of Expenditures of Federal Awards (SEFA) is presented in accordance with the requirements of Title 2 US *Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance). Because the Schedules present only a selected portion of the operations of the City, they are not intended to, and do not, present the financial statements of the City. The City's reporting entity is defined in Note 1 of the notes to the City's financial statements.

2. BASIS OF ACCOUNTING

The accompanying Schedules are presented using the modified accrual basis of accounting for governmental funds and the accrual basis for proprietary funds, which is described in the Note 1 of the notes to the City's financial statements. Such expenditures are recognized following the cost principles contained in the Uniform Guidance for all awards with the exception of Federal assistance listing number 21.019, which follows criteria determined by the Department of Treasury for allowability of costs. Under these principles, certain types of expenditures are not allowable or are limited as to reimbursement. The information in the SEFA is presented in accordance with the requirements of the Uniform Guidance. Therefore, some amounts presented in the SEFA may differ from amounts presented in, or used in the preparation of, the basic financial statements. Pass-through entity identifying numbers are identified where available.

3. INDIRECT COST RATE

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

CITY OF SANTA ANA, CALIFORNIA

Housing Authority of the City of Santa Ana
 Financial Data Schedule of Assets, Liabilities, and Equity
 June 30, 2021

Line Item No.	Account Description	Family Self Sufficiency Program	Housing Choice Vouchers	Mainstream Vouchers	Housing Choice Vouchers CARES ACT	Mainstream Vouchers CARES ACT	Emergency Housing Voucher ARPA	Total
Assets								
Current Assets:								
111	Cash - Unrestricted	\$ -	\$ 1,944,188	\$ 113,896	\$ 428	\$ -	\$ 35,600	\$ 2,094,112
113	Cash - Other Restricted	-	564,225	117,679	-	4,852	155,750	842,506
115	Cash - Restricted for Payment of Current Liabilities	-	188,075	368	669	-	-	189,112
100	Total Cash	-	2,696,488	231,943	1,097	4,852	191,350	3,125,730
Receivables:								
122	Accounts Receivable - HUD Other Projects	-	161,660	-	-	-	-	161,660
125	Accounts Receivable - Miscellaneous	-	-	-	-	-	-	-
128	Fraud Recovery	-	13,976	-	-	-	-	13,976
128.1	Allowance for Doubtful Accounts - Fraud	-	(5,031)	-	-	-	-	(5,031)
129	Accrued Interest Receivable	-	-	-	-	-	-	-
120	Total Receivables, Net of Allowances for Doubtful Accounts	-	170,605	-	-	-	-	170,605
142	Prepaid Expenses and Other Assets	-	20,683	-	-	-	-	20,683
150	Total Current Assets	-	2,887,776	231,943	1,097	4,852	191,350	3,317,018
Noncurrent Assets:								
Fixed Assets:								
164	Furniture, Equipment & Machinery - Administration	-	-	-	-	-	-	-
166	Accumulated Depreciation	-	-	-	-	-	-	-
160	Total Fixed Assets, Net of Accumulated Depreciation	-	-	-	-	-	-	-
174	Other Assets	-	-	-	-	-	-	-
180	Total Non-Current Assets	-	-	-	-	-	-	-
290	Total Assets and Deferred Outflows of Resources	\$ -	\$ 2,887,776	\$ 231,943	\$ 1,097	\$ 4,852	\$ 191,350	\$ 3,317,018
Liabilities and Equity								
Liabilities:								
312	Accounts Payable - HUD PHA Programs <=90 days	\$ -	\$ 92,509	\$ 368	\$ 669	\$ -	\$ -	\$ 93,546
322	Accrued Compensated Absences - Current Portion	-	25,871	-	-	-	-	25,871
331	Accounts Payable - HUD PHA Programs	-	-	-	-	-	-	-
342	Deferred Revenues	-	8,945	-	428	4,852	155,750	169,975
345	Other Current Liabilities	-	188,075	-	-	-	-	188,075
346	Accrued Liabilities - Other	-	-	-	-	-	-	-
310	Total Current Liabilities	-	315,400	368	1,097	4,852	155,750	477,467
Noncurrent Liabilities:								
353	Noncurrent Liabilities - Other	-	564,225	-	-	-	-	564,225
354	Accrued Compensated Absences - Non Current	-	77,613	-	-	-	-	77,613
350	Total Noncurrent Liabilities	-	641,838	-	-	-	-	641,838
300	Total Liabilities	-	957,238	368	1,097	4,852	155,750	1,119,305
Equity:								
509.3	Restricted Fund Balance	-	-	117,680	-	-	-	117,680
511.3	Assigned Fund Balance	-	1,930,538	113,895	-	-	35,600	2,080,033
513	Total Equity - Net Assets/Position	-	1,930,538	231,575	-	-	35,600	2,197,713
600	Total Liabilities, Deferred Inflows of Resources and Equity - Net Assets/Position	\$ -	\$ 2,887,776	\$ 231,943	\$ 1,097	\$ 4,852	\$ 191,350	\$ 3,317,018

CITY OF SANTA ANA, CALIFORNIA

Housing Authority of the City of Santa Ana
 Financial Data Schedule of Revenues, Expenses, and Changes in Equity
 For the Fiscal Year Ended June 30, 2021

Line Item No.	Account Description	Family Self Sufficiency Program	Housing Choice Vouchers	Mainstream Vouchers	Housing Choice Vouchers CARES ACT	Mainstream Vouchers CARES ACT	Emergency Housing Voucher ARPA	Total
Revenues								
70600	HUD PHA Operating Grants	\$ 168,741	\$ 39,086,743	\$ 1,733,990	\$ 2,387,745	\$ 15,716	\$ 35,600	\$ 43,428,535
71100	Investment Income - Unrestricted - ADMIN	-	349	20	-	-	-	369
71400	Fraud Recovery	-	12,738	-	-	-	-	12,738
71500	Other Revenue	-	55,336	-	-	-	-	55,336
72000	Investment Income - Restricted - HAP	-	-	-	-	-	-	-
70000	Total Revenue	168,741	39,155,166	1,734,010	2,387,745	15,716	35,600	43,496,978
Expenses								
Administrative:								
91100	Administrative Salaries	-	389,083	4,359	662,253	9,619	-	1,065,314
91200	Auditing Fees	-	18,247	222	13	-	-	18,482
91400	Advertising and Marketing	-	2,466	-	7,980	-	-	10,446
91500	Employee Benefit Contributions - Administrative	-	216,913	1,956	356,026	4,611	-	579,506
91600	Other Operating - Administrative	4,581	459,695	369	168,552	614	-	633,811
91800	Travel, Training & Transportation	-	-	-	-	-	-	-
91810	Allocated Overhead	-	35,562	312	54,346	795	-	91,015
91900	Other	-	2,325	-	10,875	-	-	13,200
91000	Total Operating - Administrative Expenses	4,581	1,124,291	7,218	1,260,045	15,639	-	2,411,774
Tenant Services:								
92100	Tenant Services - Salaries	89,636	-	-	-	-	-	89,636
92300	Employee Benefit Contributions - Tenant Services	74,524	-	-	-	-	-	74,524
92500	Total Tenant Services	164,160	-	-	-	-	-	164,160
General Expenses:								
96140	All Other Insurance	-	-	-	-	-	-	-
96200	Other General Expenses	-	696,271	-	-	77	-	696,348
96210	Compensated Absences	-	-	-	-	-	-	-
96000	Total Operating - General Expenses	-	696,271	-	-	77	-	696,348
96900	Total Operating Expenses	168,741	1,820,562	7,218	1,260,045	15,716	-	3,272,282
97000	Excess Operating Revenue over Operating Expenses	-	37,334,604	1,726,792	1,127,700	-	35,600	40,224,696
97300	Housing Assistance Payments	-	37,313,022	1,528,402	1,127,700	-	-	39,969,124
97350	HA Portability-In	-	26,981	-	-	-	-	26,981
90000	Total Expenses	168,741	39,160,565	1,535,620	2,387,745	15,716	-	43,268,387
10093	Transfers between Program & Project-In	-	-	-	-	-	-	-
10094	Transfers between Program & Project-Out	-	-	-	-	-	-	-
10000	Excess (Deficiency) of Operating Revenues Over (Under) Expenses	\$ -	\$ (5,399)	\$ 198,390	\$ -	\$ -	\$ 35,600	\$ 228,591
Memo Account Information:								
11030	Beginning Equity	-	1,935,937	33,185	-	-	-	1,969,122
11040	Prior period Adjustments and Equity Transfers	-	-	-	-	-	-	-
11050	Changes in Compensated Absence Balance	-	-	-	-	-	-	-
11200	Unit Months Available	-	32,388	2,064	-	-	-	34,452
11210	Number of Unit Months Leased	-	31,673	1,095	-	-	-	32,768
11170	Administrative Fee Equity	-	1,930,538	113,895	-	-	35,600	2,080,033
11180	Housing Assistance Payments Equity	-	-	117,680	-	-	-	117,680
	Line 11170 & 11180	-	1,930,538	231,575	-	-	35,600	\$ 2,197,713
	Line 513	-	1,930,538	231,575	-	-	35,600	
		\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	

**CITY OF SANTA ANA, CALIFORNIA
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
FOR THE YEAR ENDED JUNE 30, 2021**

Section I – Summary of Auditors’ Results

Financial Statements

1. Type of auditors’ report issued: Unmodified
2. Internal control over financial reporting:
- Material weakness(es) identified? _____ yes x no
 - Significant deficiency(ies) identified? _____ yes x none reported
3. Noncompliance material to financial statements noted? _____ yes x no

Federal Awards

1. Internal control over major federal programs:
- Material weakness(es) identified? _____ yes x no
 - Significant deficiency(ies) identified? _____ yes x none reported
2. Type of auditors’ report issued on compliance for major federal programs: Unmodified
3. Any audit findings disclosed that are required to be reported in accordance with 2 CFR 200.516(a)? x yes _____ no

Identification of Major Federal Programs

Assistance Listings Number(s)	Name of Federal Program or Cluster
14.231	Emergency Solutions Grant Program
17.258, 17.278, 17.259	WIOA Cluster
21.019	Coronavirus Relief Fund
21.023	Emergency Rental Assistance Program

- Dollar threshold used to distinguish between Type A and Type B programs: \$ 3,000,000
- Auditee qualified as low-risk auditee? x yes _____ no

**CITY OF SANTA ANA, CALIFORNIA
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
(CONTINUED)
FOR THE YEAR ENDED JUNE 30, 2021**

Section II – Financial Statement Findings

Our audit did not disclose any matters required to be reported in accordance with *Government Auditing Standards*.

Section III – Findings and Questioned Costs – Major Federal Programs

2021-001

Federal agency: U.S. Department of Labor (DOL)

Federal program title: WIOA Youth Activities

Federal Assistance Listing Number: 17.259

Award Period: April 10, 2020 through March 31, 2022

Type of Finding:

- Other Matter

Criteria or specific requirement: In accordance with (Section 129(c)(4)), WIOA, 128 Stat. 1510), Not less than 20 percent of Youth Activity funds allocated to the local area, except for the local area expenditures for administration, must be used to provide paid and unpaid work experiences.

Condition: Total WIOA Youth Activities expenditures used to provide paid and unpaid work experiences was less than 20% of total WIOA Youth Activities expenditures less administrative expenditures.

Questioned costs: None

Context: As of June 30, 2021, approximately only 17% of WIOA Youth Activities expenditures had been expended to provide paid and unpaid work experiences.

Cause: Due to COVID-19 restrictions, planned work experience opportunities could not be completed.

Effect: The City's expended less than the amount required to meet earmarking requirements for the WIOA Youth Activities grant.

**CITY OF SANTA ANA, CALIFORNIA
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
(CONTINUED)
FOR THE YEAR ENDED JUNE 30, 2021**

2021-001 (Continued)

Recommendation: We recommend the City adjust budgeted expenditure levels of nonwork experience WIOA Youth Activities expenditures whenever conditions exist where they do not expect to expend up to budgeted work experience amounts.

Views of responsible officials and planned corrective actions:

Due to the varying COVID-19 pandemic restrictions and limitations, the program was not able to meet the 20% minimum funding for paid and unpaid work experiences. Worksites were either closed or not accepting remote work for youth. This has continued to be a challenge for the program year 2021-22.

In order to prevent future findings, program staff are restructuring subrecipient agreements to include increasing the percentage of expenditure for work experience to be greater than 20% and to encourage meeting enrollment goals in the beginning of Q2 so that the youth can begin their work experience earlier in the contract year. These changes in the subrecipient agreements will also include corrective action plans for subrecipients that do not meet minimum requirements set forth by the City. Program staff will monitor these metrics once they are in place in order to ensure compliance with programmatic requirements.

**CITY OF SANTA ANA, CALIFORNIA
SUMMARY SCHEDULE OF PRIOR-YEAR AUDIT FINDINGS
FOR THE YEAR ENDED JUNE 30, 2021**

Section I – Financial Statement Findings

None noted.

Section II – Findings and Questioned Costs – Major Federal Programs

None noted.

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