

City of Aurora, Colorado

Single Audit Report

Year Ended December 31, 2021

City of Aurora, Colorado
December 31, 2021

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City of Aurora, Colorado
Schedule of Expenditures of Federal Awards
Year Ended December 31, 2021

<u>Federal Grantor/Pass-through Grantor/ Program or Cluster Title</u>	<u>Federal Assistance Listing Number</u>	<u>Pass-through Entity Identifying Number</u>	<u>Federal Expenditures</u>	<u>Amount Paid to Subrecipients</u>
<u>Department of Agriculture</u>				
Passed through from the Colorado Department of Public Health and Environment:				
Child and Adult Care Food Program	10.558	11 FLA 13568	\$ 4,696	\$ -
Total 10.558			<u>4,696</u>	<u>-</u>
Child Nutrition Cluster				
Passed through from the Colorado Department of Education:				
Summer Food Service Program for Children	10.559	4559	24,425	-
Total Child Nutrition Cluster			<u>24,425</u>	<u>-</u>
Total Department of Agriculture			<u>29,121</u>	<u>-</u>
<u>Department of Housing and Urban Development</u>				
Passed through from the Colorado Housing and Finance Authority:				
Housing Counseling Assistance Program	14.169	HC200841001	20,777	-
Housing Counseling Assistance Program	14.169	HC210841003	25,505	-
Total 14.169			<u>46,282</u>	<u>-</u>
Direct Payments:				
CDBG - Entitlement Grant Cluster				
Community Development Block Grants/ Entitlement Grants	14.218	N/A	2,523,453	-
COVID-19 Community Development Block Grants/ Entitlement Grants	14.218	N/A	738,458	-
Total CDBG - Entitlement Grant Cluster			<u>3,261,911</u>	<u>-</u>
Emergency Solutions Grant Program	14.231	N/A	236,044	217,396
COVID-19 Emergency Solutions Grant Program	14.231	N/A	1,737,206	1,248,498
Total 14.231			<u>1,973,250</u>	<u>1,465,894</u>
Home Investment Partnerships Program	14.239	N/A	133,206	-
Total 14.239			<u>133,206</u>	<u>-</u>
Total Department of Housing and Urban			<u>5,414,649</u>	<u>1,465,894</u>

City of Aurora, Colorado
Schedule of Expenditures of Federal Awards (continued)
Year Ended December 31, 2021

<u>Federal Grantor/Pass-through Grantor/ Program or Cluster Title</u>	<u>Federal Assistance Listing Number</u>	<u>Pass-through Entity Identifying Number</u>	<u>Federal Expenditures</u>	<u>Amount Paid to Subrecipients</u>
<u>Department of Justice</u>				
Direct payments:				
Bureau of Justice Assistance: Coronavirus Emergency Supplemental Funding	16.034	NA	362,362	-
Passed through from the Colorado Division of Criminal Justice:				
Bureau of Justice Assistance: Coronavirus Emergency Supplemental Funding	16.034	2020-VD-20-18-4	64,958	-
Total 16.034			<u>427,320</u>	<u>-</u>
Passed through from the City of Colorado Springs, Colorado:				
Missing Children's Assistance (Colorado Internet Crimes Against Children)	16.543	2018-MC-FX-K027	(11,373)	-
Total 16.543			<u>(11,373)</u>	<u>-</u>
Passed through from the Colorado Division of Criminal Justice:				
Project Safe Neighborhoods	16.609	2018-GP-19-1001	9,298	-
Total 16.609			<u>9,298</u>	<u>-</u>
Direct payments:				
Edward Byrne Memorial Justice Assistance Grant Program	16.738	N/A	207,906	50,250
Passed through from the Colorado Division of Criminal Justice:				
Edward Byrne Memorial Justice Assistance Grant Program	16.738	2018-DJ-19-1-3-1	129,611	-
Total 16.738			<u>337,517</u>	<u>50,250</u>
Direct payments:				
DNA Backlog Reduction Program	16.741	N/A	249,236	-
Total 16.741			<u>249,236</u>	<u>-</u>
Direct payments:				
Paul Coverdell Forensic Science Improvement Grant Program	16.742	N/A	68,623	-
Total 16.742			<u>68,623</u>	<u>-</u>

City of Aurora, Colorado
Schedule of Expenditures of Federal Awards (continued)
Year Ended December 31, 2021

<u>Federal Grantor/Pass-through Grantor/ Program or Cluster Title</u>	<u>Federal Assistance Listing Number</u>	<u>Pass-through Entity Identifying Number</u>	<u>Federal Expenditures</u>	<u>Amount Paid to Subrecipients</u>
<u>Department of Justice (continued)</u>				
Direct payments:				
Criminal and Juvenile Justice and Mental Health Collaboration Program	16.745	N/A	211,591	185,309
Total 16.745			<u>211,591</u>	<u>185,309</u>
Direct payments:				
Body-Worn Camera Policy and Implementation Program to Support Law Enforcement Agencies	16.835	N/A	325,887	-
Total 16.835			<u>325,887</u>	<u>-</u>
Direct payments:				
Equitable Sharing Program (Seizures-Federal)	16.922	N/A	61,292	-
Total 16.922			<u>61,292</u>	<u>-</u>
Total Department of Justice			<u>1,679,391</u>	<u>235,559</u>
<u>Department of Transportation</u>				
Highway Planning and Construction Cluster				
Passed through from the Colorado Department of Transportation:				
Highway Planning and Construction (Signal System Upgrade)	20.205	M055-048	38,240	-
Highway Planning and Construction (Nine Mile Bridge TIP)	20.205	M055-056	344,416	-
Highway Planning and Construction (Chambers Sand Creek Bridge Rehabilitation)	20.205	M055-051	85,772	-
Highway Planning and Construction (HSIP Grant 19/20)	20.205	M055-055	9,789	-
Highway Planning and Construction (Tollgate Extension IGA G21199 TIP Grant)	20.205	M055-043	1,125,674	-
Highway Planning and Construction (CCTV Expansion Grant)	20.205	M055-050	6,580	-
Highway Planning and Construction (13th Avenue Corridor Study)	20.205	M055-053	257,436	-
Highway Planning and Construction (25th Avenue Pedestrian Improvement Study)	20.205	M055-054	212	-
Total Highway Planning and Construction			<u>1,868,119</u>	<u>-</u>

City of Aurora, Colorado
Schedule of Expenditures of Federal Awards (continued)
Year Ended December 31, 2021

Federal Grantor/Pass-through Grantor/ Program or Cluster Title	Federal Assistance Listing Number	Pass-through Entity Identifying Number	Federal Expenditures	Amount Paid to Subrecipients
<u>Department of Transportation (continued)</u>				
Highway Safety Cluster				
Passed through from the Colorado Department of				
State and Community Highway Safety Cluster (2021 Distracted Drivers)	20.600	411024871	48,498	-
State and Community Highway Safety Cluster (2021 CDOT Speed Enforcement)	20.600	411024293	30,055	-
State and Community Highway Safety Cluster (2022 Traffic Services)	20.600	491002665	38,041	-
Total 20.600			<u>116,594</u>	<u>-</u>
National Priority Safety Program (2021 DUI Enforcement)	20.616	431006557	117,218	-
National Priority Safety Program (2021 CDOT Pedestrians Education and Safety Campaign)	20.616	411024905	53,136	-
National Priority Safety Program (2021 Seatbelt Enforcement)	20.616	411024940	62,607	-
National Priority Safety Program (2022 CDOT Pedestrians Education and Safety Campaign)	20.616	491002705	8,578	-
Total 20.616			<u>241,539</u>	<u>-</u>
Total Highway Safety Cluster			<u>358,133</u>	<u>-</u>
Minimum Penalties for Repeat Offenders for Driving While Intoxicated	20.608	491002684	5,755	-
Total 20.608			<u>5,755</u>	<u>-</u>
Total Department of Transportation			<u>2,232,007</u>	<u>-</u>
<u>Department of Treasury</u>				
Direct payments:				
Emergency Rental Assistance Program	21.023	N/A	12,595,081	9,414,482
Total 21.023			<u>12,595,081</u>	<u>9,414,482</u>
Coronavirus State and Local Fiscal Recovery Funds	21.027	N/A	2,126,185	-
Total 21.027			<u>2,126,185</u>	<u>-</u>
Total Department of Treasury			<u>14,721,266</u>	<u>9,414,482</u>

City of Aurora, Colorado
Schedule of Expenditures of Federal Awards (continued)
Year Ended December 31, 2021

<u>Federal Grantor/Pass-through Grantor/ Program or Cluster Title</u>	<u>Federal Assistance Listing Number</u>	<u>Pass-through Entity Identifying Number</u>	<u>Federal Expenditures</u>	<u>Amount Paid to Subrecipients</u>
<u>Small Business Administration</u>				
Passed through from the Colorado Office of Economic Development and International Trade:				
COVID-19 Small Business Development Centers (Host)	59.037	SBAHQ20C0014	153,430	-
Small Business Development Centers (Host)	59.037	CTGG1-2021-2835	155,000	-
Total 59.037			<u>308,430</u>	<u>-</u>
Direct payments:				
COVID-19 Shuttered Venues Operators Grant Program	59.075	N/A	79,811	-
Total 59.075			<u>79,811</u>	<u>-</u>
Total Small Business Administration			<u>388,241</u>	<u>-</u>
<u>Office of National Drug Control Policy</u>				
Passed through from Rocky Mountain High Intensity Drug Trafficking Area:				
High Intensity Drug Trafficking Areas Program	95.001	G20RM0002A	(6,719)	-
High Intensity Drug Trafficking Areas Program	95.001	G21RM0002A	464,961	-
Total 95.001			<u>458,242</u>	<u>-</u>
Total Office of National Drug Control Policy			<u>458,242</u>	<u>-</u>
<u>Department of Homeland Security</u>				
Passed through from the West Metro Fire Protection District:				
National Urban Search and Rescue Response System	97.025	83643	2,077	-
Total 97.025			<u>2,077</u>	<u>-</u>
Passed through from the Colorado Department of Public Safety Division of Homeland Security and Emergency Management:				
Emergency Management Performance Grants	97.042	21EM-22-58	92,000	-
Total 97.042			<u>92,000</u>	<u>-</u>
Direct payments:				
Assistance to Firefighters Grant: AFG	97.044	N/A	165,132	-
COVID-19 Assistance to Firefighters Grant: AFG	97.044	N/A	86,915	-
Total 97.044			<u>252,047</u>	<u>-</u>

City of Aurora, Colorado
Schedule of Expenditures of Federal Awards (continued)
Year Ended December 31, 2021

<u>Federal Grantor/Pass-through Grantor/ Program or Cluster Title</u>	<u>Federal Assistance Listing Number</u>	<u>Pass-through Entity Identifying Number</u>	<u>Federal Expenditures</u>	<u>Amount Paid to Subrecipients</u>
<u>Department of Homeland Security (continued)</u>				
Passed through from the Colorado Department of Public Safety Division of Homeland Security and Emergency Management:				
Pre-Disaster Mitigation (PDM)	97.047	18PDM20AUR	40,496	-
Total 97.047			40,496	-
Passed through from Arapahoe County				
Homeland Security Grant Program:	97.067	19SHS20NCR	51,320	-
Homeland Security Grant Program:	97.067	20SHS21NCR	57,540	-
Total 97.067			108,860	-
Direct payments:				
Staffing for Adequate Fire and Emergency Response (SAFER)	97.083	N/A	1,021,565	-
Total 97.083			1,021,565	-
Total Department of Homeland Security			1,517,045	-
Total Federal Awards			\$ 26,439,962	\$ 11,115,935

City of Aurora, Colorado
Notes to Schedule of Expenditures of Federal Awards
Year Ended December 31, 2021

(1) Basis of Presentation

The accompanying Schedule of Expenditures of Federal Awards (the Schedule) includes the federal grant activity of the primary government of the City of Aurora, Colorado (the City). The City's reporting entity is defined in Note 1 in the City's basic financial statements for the year ended December 31, 2021.

The information in this Schedule is presented in accordance with the requirements of Title 2 *U.S. Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance). Because this Schedule presents only a selected portion of the operations of the City, it is not intended to and does not present the financial position, changes in net position or cash flows of the City. The schedule of expenditures of federal awards includes federally funded projects received directly from federal agencies and the federal amount of pass-through awards received by the City through the state of Colorado or other non-federal entities.

(2) Summary of Significant Accounting Policies

Expenditures reported on the Schedule are recognized on the accrual or modified accrual basis of accounting. The City's summary of significant accounting policies is presented in Note 1 to the City's basic financial statements for the year ended December 31, 2021. Such expenditures are recognized following the cost principles contained in the Uniform Guidance or other applicable regulatory guidance, wherein certain types of expenditures are not allowable or are limited as to reimbursement. Therefore, some amounts presented in the schedule may differ from amounts presented in, or used in the preparation of, the basic financial statements or reports to federal agencies. Negative amounts shown on the Schedule represent adjustments or credits made in the normal course of business to amounts reported as expenditures in prior periods.

(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) Pass-through Entity Identifying Number

For federal awards expended by the City as a subrecipient, the Schedule includes identification of the pass-through grantor and the identifying number assigned to the grant by the pass-through grantor where the pass-through grantor has supplied such number to the City.

City of Aurora, Colorado
Notes to Schedule of Expenditures of Federal Awards (continued)
Year Ended December 31, 2021

(5) Revolving Loan Funds – Not Subject to Compliance

The City has certain revolving loan funds, which were originally financed with federal financial assistance through the Community Development Block Grant Program, the HOME Investment Partnership Program and the Brownfields Grant Program. The outstanding balances of these loan funds at December 31, 2021 were \$3,887,712 for the Community Development Block Grant Program, \$11,778,150 for the HOME Investment Partnership Program, and \$983,977 for the Brownfields Grant Program. Since there are no continuing compliance requirements other than continued loan payments, the outstanding loan balances have not been included in the Schedule. New loans made during the year under these programs are included in the Schedule.

(6) Revolving Loan Funds – Subject to Further Compliance

The City and the Department of Commerce, Economic Development Administration entered into an agreement to terminate the revolving loan fund. The amount recovered by the Department of Commerce is equal to \$174,975, which represent the Federal share of the revolving loan fund base.

(7) Noncash Awards – Equipment

The City received equipment that was purchased with Homeland Security funds by Arapahoe County. The amount reported on the schedule is the value of the property on the date it was received by the City and priced by Arapahoe County.



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**Report on Internal Control Over Financial Reporting and on
Compliance and Other Matters Based on an Audit of
Financial Statements Performed in Accordance with
Government Auditing Standards**

Independent Auditor's Report

Honorable Mayor and Members of City Council
City of Aurora, Colorado
Aurora, Colorado

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 and the aggregate remaining fund information of the City of Aurora, Colorado (the City), as of and for the year ended December 31, 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 June 8, 2022.

The financial statements of the Havana Business Improvement District, the Parkside City Centre Business Improvement District, and the Citadel on Colfax Business Improvement District, component units included in the financial statements of the aggregate discretely presented component units, were not audited in accordance with *Government Auditing Standards*, and accordingly, this report does not include reporting on internal control over financial reporting or instances of reportable noncompliance associated with the Havana Business Improvement District, the Parkside City Centre Business Improvement District, or the Citadel on Colfax Business Improvement District.

Report on 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.

Honorable Mayor and Members of City Council
City of Aurora, Colorado

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

Report on Compliance and Other Matters

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

FORVIS,LLP

Denver, Colorado
June 8, 2022



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Report on Compliance for Each Major Federal Program, Report on Internal Control Over Compliance, and Report on Schedule of Expenditures of Federal Awards Required by the Uniform Guidance

Independent Auditor's Report

Honorable Mayor and Members of City Council
City of Aurora, Colorado
Aurora, Colorado

Report on Compliance for the Major Federal Program

Opinion on Each Major Federal Program

We have audited the City of Aurora'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 December 31, 2021. The City's major federal programs are identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs.

In our opinion, the City complied, in all material respects, with the compliance requirements referred to above that could have a direct and material effect on each of its major federal programs for the year ended December 31, 2021.

Basis for Opinion on Each Major Federal Program

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

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

Honorable Mayor and Members of City Council
City of Aurora, Colorado

Responsibilities of Management for Compliance

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

Auditor's Responsibilities for the Audit of Compliance

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

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

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

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

Other Matters

The results of our auditing procedures disclosed 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 2021-001 and 2021-002. Our opinion on each major federal program is not modified with respect to these matters.

Honorable Mayor and Members of City Council
City of Aurora, Colorado

Government Auditing Standards requires the auditor to perform limited procedures on the City's response to the noncompliance findings identified in our 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. The City is responsible for preparing a corrective action plan to address each audit finding included in our auditor's report. The City's corrective action plan was not subjected to the auditing procedures applied in the audit of compliance and, accordingly, we express no opinion on it.

Report on Internal Control Over Compliance

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

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

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

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

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

We have audited the financial statements of the governmental activities, the business-type activities, the aggregate discretely presented component units, each major fund, and the aggregate remaining fund information of the City, as of and for the year ended December 31, 2021, and the related notes to the financial statements, which collectively comprise the City's basic financial statements. We have issued our report thereon dated June 8, 2022, which contained unmodified opinions on those financial statements, and referenced the reports of other auditors. Our audit was performed for the purpose of forming opinions on the financial statements that collectively comprise the basic financial statements as a whole. The accompanying schedule of expenditures of federal awards is presented for purposes of additional analysis as required by the Uniform Guidance and is not a required part of the basic financial

Honorable Mayor and Members of City Council
City of Aurora, Colorado

statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. The information has been subjected to the auditing procedures applied in the audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the schedule of expenditures of federal awards is fairly stated in all material respects in relation to the basic financial statements as a whole.

FORVIS,LLP

Denver, Colorado
June 8, 2022

City of Aurora, Colorado
Schedule of Findings and Questioned Costs
Year Ended December 31, 2021

Section I – Summary of Auditor’s Results

Financial Statements

1. Type of report the auditor issued on whether the financial statements audited were prepared in accordance with GAAP:
 Unmodified Qualified Adverse Disclaimer

2. Internal control over financial reporting:
 Material weakness(es) identified? Yes No
 Significant deficiency(ies) identified? Yes None reported

3. Noncompliance material to the financial statements noted? Yes No

Federal Awards

4. Internal control over major federal awards programs:
 Material weakness(es) identified? Yes No
 Significant deficiency(ies) identified? Yes None reported

5. Type of auditor’s report issued on compliance for major federal award program(s):
 Unmodified Qualified Adverse Disclaimer

6. Any audit findings disclosed that are required to be reported by 2 CFR 200.516(a)? Yes No

7. Identification of major federal programs:

Assistance Listing Number(s)	Name of Federal Program or Cluster
14.231	Highway Planning and Construction Cluster
21.023	Emergency Solutions Grant Program
21.027	Emergency Rental Assistance Program
97.083	Coronavirus State and Local Fiscal Recovery Funds
	Federal Emergency Management Agency (Staffing for Adequate Fire and Emergency Response) (SAFER)

8. Dollar threshold used to distinguish between Type A and Type B programs: \$ 793,199

9. Auditee qualified as a low-risk auditee? Yes No

City of Aurora, Colorado
Schedule of Findings and Questioned Costs (continued)
Year Ended December 31, 2021

Section II – Financial Statement Findings

Reference Number	Finding
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No matters are reportable

City of Aurora, Colorado
Schedule of Findings and Questioned Costs (continued)
Year Ended December 31, 2021

Section III – Federal Award Findings and Questioned Costs

Reference Number	Finding
2021-001	<p>Finding: Reporting</p> <p>Program: Emergency Rental Assistance Program</p> <p>Assistance Listing Number: 21.023</p> <p>Sponsoring Agency: Department of Treasury</p> <p>Sponsor Award Number: ERA1 1505-0266 and ERA2 1505-0270</p> <p>Criteria: The Emergency Rental Assistance (ERA) Program Reporting Guide requires that all ERA1 and ERA2 Recipients gather and track required information throughout each reporting period and submit required reports using Treasury’s online reporting portal. The ERA program requires ERA Recipients to certify and submit quarterly reports. The reporting guide further outlines the submission deadline for each required quarterly report.</p> <p>Condition: The City of Aurora was unable to submit the quarterly reports due in October 2021.</p> <p>Questioned Costs: None</p> <p>Context: Three Quarterly Reports under the ERA1 grant award and two Quarterly Reports under the ERA2 grant award were required to be submitted by October 29, 2021. None of the quarterly reports due in October 2021 have been submitted by the City.</p> <p>Effect: The City has not complied with reporting requirements associated with the ERA1 and ERA2 grant awards and therefore the Department of Treasury may not have all the information associated with the activity of the program they need to monitor the program.</p> <p>Cause: The City has attempted to file the reports; however, issues within the Department of Treasury portal have prevented the City from being able to finalize the reports due in October 2021. The City has submitted and has several open tickets for assistance from the Department of Treasury; however, the issue has not been resolved.</p> <p>Identification as a repeat finding: Not applicable.</p> <p>Recommendation: We recommend the City continue to work with the Department of Treasury to attempt to resolve the issues preventing the submission of the reports and submit the past-due reports as soon as possible.</p> <p>Views of Responsible Officials: The City agrees with the finding. See separate report for planned corrective actions.</p>

City of Aurora, Colorado
Schedule of Findings and Questioned Costs (continued)
Year Ended December 31, 2021

Reference Number	Finding
2021-002	<p>Finding: Eligibility</p> <p>Program: Emergency Rental Assistance Program</p> <p>Assistance Listing Number: 21.023</p> <p>Sponsoring Agency: Department of Treasury</p> <p>Sponsor Award Number: ERA1 1505-0266</p> <p>Criteria: The Emergency Rental Assistance (ERA) funds may be used for rent and rental arrears. The Treasury ERA Frequently Asked Questions (FAQs) dated August of 2021 outline the requirements grantees are to follow in making eligibility determinations and how those determinations should be documented. Question 5 of the FAQs addresses how a grantee should document where an applicant resides and the amount of rent or rental arrears owed. It specifically states "Grantees must obtain, if available, a current lease, signed by the applicant and the landlord or sublessor, that identifies the unit where the applicant resides and establishes the rental payment amount. If a household does not have a signed lease, documentation of residence may include evidence of paying utilities for the residential unit, an attestation by a landlord who can be identified as the verified owner or management agent of the unit, or other reasonable documentation as determined by the grantee. In the absence of a signed lease, evidence of the amount of a rental payment may include bank statements, check stubs, or other documentation that reasonably establishes a pattern of paying rent, a written attestation by a landlord who can be verified as the legitimate owner or management agent of the unit, or other reasonable documentation as defined by the grantee in its policies and procedures."</p> <p>Condition: The City of Aurora did not have formal documentation supporting the residence was verified prior to making a rental assistance payment to one recipient whose application was supported by an expired lease.</p> <p>Questioned Costs: \$2,550</p> <p>Context: The City of Aurora paid rental assistance of \$3,129,167 to 618 recipients. We selected a sample of 25 recipients for testing and noted the above condition. A non-statistical sampling methodology was used to select the samples.</p> <p>Effect: The recipient may not have qualified for the level of funding they received.</p> <p>Cause: The City did not formally document the steps it took to confirm the recipients documentation of residence after receiving an expired lease.</p> <p>Identification as a repeat finding: Not applicable.</p> <p>Recommendation: We recommend the City ensure formal documentation is received and retained to support all eligibility determinations.</p> <p>Views of Responsible Officials: The City agrees with the finding. See separate report for planned corrective actions.</p>



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Summary Schedule of Prior Audit Findings Year Ended December 31, 2021

Reference Number	Summary of Finding	Status
2020-001	Finding: Capital Assets - Recording of Disposals - The City should provide training to those individuals involved in the inventory process and institute a verification over disposals that requires requests for disposals to be approved by the respective department and/or relevant project manager. Additionally, a general review over the listing of disposals to identify unusual and/or unexpected activity during the fiscal year should occur.	Implemented