CITY OF CINCINNATI
HAMILTON COUNTY

SINGLE AUDIT

FOR THE YEAR ENDED JUNE 30, 2019

OHIO AUDITOR OF STATE
KEITH FABER

CITY OF CINCINNATI
HAMILTON COUNTY

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CITY OF CINCINNATI, OHIO
Schedule of Receipts and Expenditures of Federal Awards
(Non-GAAP Budgetary Basis)
For Fiscal Year ended June 30, 2019

(Amount in Thousands)

Grantor/ Program Title	Fund	CFDA#	Grant #	Fund Class	Agency	Federal Revenue Received	Contributions & Other Revenue (Non-Federal)	Federal Expenditures	Advances (Repayments) or Adjustments	Amount provided to Sub recipients
U.S. DEPARTMENT OF AGRICULTURE										
* *Passed through Ohio Department of Health*										
Hamilton County WIC Program	391	10.557	03120011WA1118	NAM	Health	$ 1,186	$ 5			
Hamilton County WIC Program	391	10.557	03120011WA1219	NAM	Health	2,044	8	$ 3,203		
	Total for CFDA No. 10.557					3,230	13	3,203		
* *Passed through Ohio Department of Education*										
Child and Adult Care Food Program (CACFP)	324	10.558	55x2031	NAR	Recreation			4		
	Total for CFDA No. 10.558							4		
TOTAL U.S. DEPARTMENT OF AGRICULTURE						3,230	13	3,207		
U.S. DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT										
CDBG - Entitlement Grants Cluster:										
Community Development Block Grants/ Entitlement Grants	304	14.218	B14MC390003	NAC	DCED	869		811		
Community Development Block Grants/ Entitlement Grants	304	14.218	B15MC390003	NAC	DCED	1,598		1,457		$ 200
Community Development Block Grants/ Entitlement Grants	304	14.218	B16MC390003	NAC	DCED	823		651		40
Community Development Block Grants/ Entitlement Grants	304	14.218	B17MC390003	NAC	DCED	3,171		2,893		1,116
Community Development Block Grants/ Entitlement Grants	304	14.218	B18MC390003	NAC	DCED	4,714	709	5,257		2,962
Community Development Block Grants/ Entitlement Grants	304	14.218	B19MC390003	NAC	DCED		258	960		
	Total for CFDA No. 14.218 i					11,175	967	12,029	-	4,318
				Total for CDBG - Entitlement Grants Cluster		11,175	967	12,029	-	4,318
Emergency Solutions Grant Program - 2017 Grant	445	14.231	E17 MC 39 0003	NAO	DCED	9		9		9
Emergency Solutions Grant Program - 2018 Grant	445	14.231	E18 MC 39 0003	NAO	DCED	949		949		948
	Total for CFDA No. 14.231					958	-	958	-	957
HOME Investment Partnerships Program - 2014	411	14.239	M14MC390213	NAC	DCED	1,118		1,145		
HOME Investment Partnerships Program - 2015	411	14.239	M15MC390213	NAC	DCED	107		112		
HOME Investment Partnerships Program - 2016	411	14.239	M16MC390213	NAC	DCED	177		177		
HOME Investment Partnerships Program - 2017	411	14.239	M17MC390213	NAC	DCED	239		265		8
HOME Investment Partnerships Program - 2018	411	14.239	M18MC390213	NAC	DCED	243	93	243		141
HOME Investment Partnerships Program - 2019	411	14.239	M19MC390213	NAC	DCED		165			
	Total for CFDA No. 14.239 i					1,884	258	1,942	-	149
Housing Opportunities for Persons with AIDS - 2016	465	14.241	OHH 16001	NAO	DCED	46		43		43
Housing Opportunities for Persons with AIDS - 2017	465	14.241	OHH 17001	NAO	DCED	311		335		335
Housing Opportunities for Persons with AIDS - 2018	465	14.241	OHH 18001	NAO	DCED	506		485		485
	Total for CFDA No. 14.241					863	-	863	-	863
CDBG Section 108 Loan Guarantees	305	14.248	B12MC 390003	NAO	DCED		151	319		
	Total for CFDA No. 14.248 i					-	151	319	-	-
Lead Hazard Reduction Demonstration Grant Program	381	14.905	OHLHB0582-14	NAM	Health	98		52		
Lead Hazard Reduction Demonstration Grant Program	387	14.905	OHLHD031117	NAO	Finance	35		124		
	Total for CFDA No. 14.905					133	-	176	-	-
TOTAL FOR U.S. DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT						15,013	1,376	16,287	-	6,287
U.S DEPARTMENT OF INTERIOR										
Fish and Wildlife Cluster:										
* *Passed through Ohio Department of Natural Resources, Division of Wildlife*										
Sport Fish Restoration	324	15.605	AQ18-31102	NAR	Recreation			7		
Sport Fish Restoration	324	15.605	AQ19-31102	NAR	Recreation	8		1		
	Total for CFDA No. 15.605					8	-	8	-	-
				Total for Fish and Wildlife Cluster		8	-	8	-	-
TOTAL FOR U.S. DEPARTMENT OF INTERIOR						8	-	8	-	-

(continued)

CITY OF CINCINNATI, OHIO
Schedule of Receipts and Expenditures of Federal Awards
(Non-GAAP Budgetary Basis)
For Fiscal Year ended June 30, 2019

(Amount in Thousands)

Grantor/ Program Title	Fund	CFDA#	Grant #	Fund Class	Agency	Federal Revenue Received	Contributions & Other Revenue (Non-Federal)	Federal Expenditures	Advances (Repayments) or Adjustments	Amount provided to Sub recipients
U.S. DEPARTMENT OF JUSTICE										
* *Passed through Ohio Attorney General*										
Crime Victim Assistance (18VALU & 18VALU ADD-ON)	368	16.575	2018-VOCA-109309512 / 128496696	NAS	Police	$ 36		$ 44		
Crime Victim Assistance (19VALU)	368	16.575	2019-VOCA-132135903	NAS	Police	99		104		
	Total for CFDA No. 16.575					135	-	148	-	-
* *Passed through Ohio Office of Criminal Justice Services*										
Violence Against Women Formula Grants (17VAWA)	368	16.588	2017-WF-VA5-8583	NAS	Police	44		44		$ 44
Violence Against Women Formula Grants (18VAWA)	368	16.588	2017-WF-VA5-8583a / 2018-WF-VA5-8583	NAS	Police	13		13		13
	Total for CFDA No. 16.588					57	-	57	-	57
Public Safety Partnership and Community Policing Grants (15COPS)	368	16.710	2015-UL-WX-0030	NAS	Police	343		343		
Public Safety Partnership and Community Policing Grants (16COPS)	368	16.710	2016-UL-WX-0050	NAS	Police	726		673		
	Total for CFDA No. 16.710					1,069	-	1,016	-	-
2016 Technology Innovation for Public Safety (16TIPS)	368	16.738	2016-DG-BX-K052	NAS	Police	32		72	$ (40)	
Edward Byrne Memorial Justice Assistance Grant Program (16JAG)	478	16.738	2016-DJ-BX-0213	NAS	Police		$ 1	56	70	56
Edward Byrne Memorial Justice Assistance Grant Program (17JAG)	478	16.738	2017-DJ-BX-0116	NAS	Police	302	3	154		154
Edward Byrne Memorial Justice Assistance Grant Program (18JAG)	478	16.738	2018-DJ-BX-0599	NAS	Police	295		133		133
	Total for CFDA No. 16.738					629	4	415	30	343
Body Worn Camera Policy and Implementation	980	16.835	2016-BC-BX-K061	CP	Police	150		178		
	Total for CFDA No. 16.835					150	-	178	-	-
Equitable Sharing Program	366	16.922		NAS	Police	483		88	124	
Equitable Sharing Program	367	16.922		NAS	Police	(21)	6	233	(85)	
	Total for CFDA No. 16.922					462	6	321	39	-
TOTAL FOR U.S. DEPARTMENT OF JUSTICE						2,502	10	2,135	69	400
U.S. DEPARTMENT OF TRANSPORTATION										
Airport Improvement Program (FAA Local Match 142329)	980	20.106	3-39-0018-022-2014	CP	DOTE			350		
Airport Improvement Program (FAA/ODOT Local Match 172329)	980	20.106	3-39-0018-024-2017	CP	DOTE	1,434		3,495		
	Total for CFDA No. 20.106					1,434	-	3,845	-	-
Highway Planning and Construction Cluster:										
* *Passed through Ohio Department of Transportation*										
Highway Planning and Construction	980	20.205	PID 87036	CP	DOTE	299	292	595		
Highway Planning and Construction	980	20.205	PID 94068	CP	DOTE	154	49	203		
Highway Planning and Construction	980	20.205	PID 94484	CP	DOTE	1,993	1,767	3,761		
Highway Planning and Construction	980	20.205	PID 96693	CP	DOTE	45		45		
Highway Planning and Construction	980	20.205	PID 98757	CP	DOTE	97		97		
Highway Planning and Construction	980	20.205	PID 99782	CP	DOTE	75		75		
Highway Planning and Construction	980	20.205	PID 102062	CP	DOTE	42	32	60		
Highway Planning and Construction	980	20.205	PID 107981	CP	DOTE	12		241		
Highway Planning and Construction	980	20.205	PID 107982	CP	DOTE	155		366		
Highway Planning and Construction	980	20.205	PID 101886	CP	DOTE	1,413	471	2,049		
	Total for CFDA No. 20.205					4,285	2,611	7,492	-	-
			Total for Highway Planning and Construction Cluster			4,285	2,611	7,492	-	-
Federal Transit Cluster:										
* *Passed through Southwest Ohio Regional Transit Authority*										
Federal Transits-Capital Investment Grants	980	20.500	OH-03-0303-00	CP	DOTE			3,366		
	Total for CFDA No. 20.500 ii					-	-	3,366	-	-
					Total for Federal Transit Cluster	-	-	3,366	-	-

(continued)

CITY OF CINCINNATI, OHIO
Schedule of Receipts and Expenditures of Federal Awards
(Non-GAAP Budgetary Basis)
For Fiscal Year ended June 30, 2019

(Amount in Thousands)

Grantor/ Program Title	Fund	CFDA#	Grant #	Fund Class	Agency	Federal Revenue Received	Contributions & Other Revenue (Non-Federal)	Federal Expenditures	Advances (Repayments) or Adjustments	Amount provided to Sub recipients
<u>Highway Safety Cluster:</u>										
* *Passed through Blue Ash Police Department*										
State and Community Highway Safety	368	20.600	2017 MOA-Sub-recipient	NAS	Police	$ 11		$ 11		
State and Community Highway Safety	368	20.600	2018 MOA-Sub-recipient	NAS	Police	6		6		
* *Passed through Ohio Traffic Safety Office*										
State and Community Highway Safety	368	20.600	IDEP/STEP-2018-Cinti Police Dept-00026	NAS	Police	16		16		
State and Community Highway Safety	368	20.600	IDEP/STEP-2019-Cinti Police Dept-00012	NAS	Police	19		19		
State and Community Highway Safety	368	20.600	GG-2019-Cincinnati Police Dept-00024	NAS	Police	8		15		
	Total for CFDA No. 20.600					60	-	67	-	-
* *Passed through Ohio Traffic Safety Office*										
National Priority Safety Programs	368	20.616	DDEP-2019-00033	NAS	Police	6		6		
	Total for CFDA No. 20.616					6	-	6	-	-
					Total for Highway Safety Cluster	66	-	73	-	-
* *Passed through Ohio Traffic Safety Office*										
Minimum Penalties for Repeat Offenders for Driving While Intoxicated	368	20.608	IDEP/STEP-2018-Cinti Police Dept-00026	NAS	Police	31		31		
Minimum Penalties for Repeat Offenders for Driving While Intoxicated	368	20.608	IDEP/STEP-2019-Cinti Police Dept-00012	NAS	Police	27		27		
	Total for CFDA No. 20.608					58	-	58	-	-
TOTAL FOR U.S. DEPARTMENT OF TRANSPORTATION						5,843	$ 2,611	14,834	-	-
U.S. DEPARTMENT OF HEALTH AND HUMAN SERVICES										
* *Passed through Council On Aging of Southwest Ohio*										
Special Programs for the Aging, Title III, Part D, Disease Prevention and Health Promotion Services	324	93.043		NAR	Recreation	1		1		
	Total for CFDA No. 93.043					1	-	1	-	-
<u>Aging Cluster:</u>										
* *Passed through Council On Aging of Southwest Ohio*										
Special Programs for the Aging, Title III, Part B, Grants for Supportive Services and Senior Centers	324	93.044	65x2076	NAR	Recreation	10	4	5		
	Total for CFDA No. 93.044					10	4	5	-	-
Special Programs for the Aging, Title III, Part C, Nutrition Services	324	93.045	65x2076	NAR	Recreation	76		110		
	Total for CFDA No. 93.045					76	-	110	-	-
Nutrition Services Incentive Program	324	93.053	65x2076	NAR	Recreation	10		8		
	Total for CFDA No. 93.053					10	-	8	-	-
					Total for Aging Cluster	96	4	123	-	-
* *Passed through National Recreation and Parks Association*										
Chronic Diseases: Research, Control and Prevention	324	93.068		NAR	Recreation			1		
	Total for CFDA No. 93.068					-	-	1	-	-
* *Passed through Ohio Department of Health*										
Hospital Preparedness Program (HPP) and Public Health Emergency Preparedness (PHEP) Aligned Cooperative Agreements	350	93.074	03120012PH1019	NAM	Health	64		64		
Hospital Preparedness Program (HPP) and Public Health Emergency Preparedness (PHEP) Aligned Cooperative Agreements	350	93.074	03120012PH0918	NAM	Health	46				
	Total for CFDA No. 93.074					110	-	64	-	-
* *Passed through Ohio Department of Health*										
Family Planning Services	350	93.217	03120011RH0819	NAM	Health	250	27	276		
Family Planning Services	350	93.217	03120011RH0920	NAM	Health		10	556	$ 10	
Family Planning Services	350	93.217	03120011RH0718	NAM	Health	116	17	135		
	Total for CFDA No. 93.217					366	54	967	10	-
<u>Health Center Program Cluster</u>										
Health Center Program (Community Health Centers, Migrant Health Centers, Health Care for the Homeless, and Public Housing Primary Care)	446	93.224	H80CS25683	NAM	Health	2,884		2,843		
* *Passed through Cincinnati Health Network*										
Health Center Program (Community Health Centers, Migrant Health Centers, Health Care for the Homeless, and Public Housing Primary Care)	448	93.224	H80CS00189	NAM	Health	257		221		
	Total for CFDA No. 93.224					3,141	-	3,064	-	-
					Total for Health Center Program Cluster	3,141	-	3,064	-	-

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CITY OF CINCINNATI, OHIO
Schedule of Receipts and Expenditures of Federal Awards
(Non-GAAP Budgetary Basis)
For Fiscal Year ended June 30, 2019

(Amount in Thousands)

Grantor/ Program Title	Fund	CFDA#	Grant #	Fund Class	Agency	Federal Revenue Received	Contributions & Other Revenue (Non-Federal)	Federal Expenditures	Advances (Repayments) or Adjustments	Amount provided to Sub recipients
* *Passed through Ohio Department of Health*										
Immunization Cooperative Agreements	415	93.268	03120012GV0119	NAM	Health	$ 211		$ 238		
Immunization Cooperative Agreements	415	93.268	03120012IM1017	NAM	Health	42				
	Total for CFDA No. 93.268					253	-	238	-	-
* *Passed through Ohio Department of Health*										
Tobacco Use Prevention and Cessation	350	93.305	03120014TU0218	NAM	Health	50				
Tobacco Use Prevention and Cessation	350	93.305	03120014TU0319	NAM	Health	42		75		
	Total for CFDA No. 93.305					92	-	75	-	-
Grants for Capital Development in Health Centers	446	93.526	15CFCAA-HIP	NAM	Health	510		629		
	Total for CFDA No. 93.526					510	-	629	-	-
TANF Cluster:										
* *Passed through Ohio Department of Jobs and Family Services*										
Temporary Assistance for Needy Families	323	93.558	05x2034 & 05x2035	APR	Recreation	380	$ 136	643		
	Total for CFDA No. 93.558					380	136	643	-	-
					Total for TANF Cluster	380	136	643	-	-
* *Passed through Ohio Department of Jobs and Family Services*										
Refugee and Entrant Assistance State/Replacement Designee Administered Programs	350	93.566	G-1415-17-0841	NAM	Health	107		107		
	Total for CFDA No. 93.566					107	-	107	-	-
CCDF Cluster										
* *Passed through Ohio Department of Jobs and Family Services*										
Child Care and Development Block Grant	323	93.575	05x2034 & 05x2035	APR	Recreation	191	68	321		
	Total for CFDA No. 93.575					191	68	321	-	-
* *Passed through Ohio Department of Jobs and Family Services*										
Social Services Block Grant	323	93.667	05x2034 & 05x2035	APR	Recreation	191	68	321		
	Total for CFDA No. 93.667					191	68	321	-	-
* *Passed through Ohio Department of Health*										
Preventive Health and Health Services Block Grant funded solely with Prevention and Public Health Funds	425	93.758	03120014CC0918	NAM	Health	52		87		
Preventive Health and Health Services Block Grant funded solely with Prevention and Public Health Funds	425	93.758	03120014CC1019	NAM	Health	39		11		
	Total for CFDA No. 93.758					91	-	98	-	-
* *Passed through Ohio Department of Developmental Disabilities*										
Medical Assistance Program	324	93.778		NAR	Recreation	7		11		
	Total for CFDA No. 93.778					7	-	11	-	-
* *Passed through Ohio Department of Health*										
Maternal and Child Health Services Block Grant to States	350	93.994	03120011RH0819	NAM	Health	138		138		
Maternal and Child Health Services Block Grant to States	350	93.994	03120011RH0718	NAM	Health	125		125		
	Total for CFDA No. 93.994					263	-	263	-	-
TOTAL FOR US. DEPARTMENT OF HEALTH AND HUMAN SERVICES						5,799	330	6,926	$ 10	-
U.S. DEPARTMENT OF HOMELAND SECURITY										
* *Passed through Ohio Department of Natural Resources, Division of Parks and Watercraft*										
Boating Safety Financial Assistance	324	97.012	19-13	NAR	Recreation	11				
	Total for CFDA 97.012					11	-	-	-	-
* *Passed through Ohio Department of Public Safety*										
Disaster Grants - Public Assistance (Presidentially Declared Disasters)	479	97.036	FEMA-4360-DR-15000-00	NAO	Finance	417	121	537		
	Total for CFDA No. 97.036					417	121	537	-	-
Assistance to Firefighters Grant	472	97.044	EMW-2016-FO-06950	NAS	Fire	186		186		
Assistance to Firefighters Grant	472	97.044	EMW-2017-FO-06892	NAS	Fire	1,225		1,216		
	Total for CFDA No. 97.044					1,411	-	1,402	-	-
Port Security Grant Program	368	97.056	EMW-2013-PU-00176	NAS	Police	3				
Port Security Grant Program	368	97.056	EMW-2016-PU-00391	NAS	Police	1		5		
Port Security Grant Program	368	97.056	EMW-2017-PU-00197	NAS	Police	31		14		
	Total for CFDA No. 97.056					35	-	19	-	-
Staffing for Adequate Fire and Emergency Response	472	97.083	EMW-2015-FH-00547	NAS	Fire	2,142		2,142		
Staffing for Adequate Fire and Emergency Response	472	97.083	EMW-2017-FH-00573	NAS	Fire	632		632		
	Total for CFDA No. 97.083					2,774	-	2,774	-	-
TOTAL FOR U.S. DEPARTMENT OF HOMELAND SECURITY						4,648	121	4,732	-	-
TOTAL FEDERAL GRANTS & SUBSIDIES (Non-GAAP Basis)						$ 37,043	$ 4,461	$ 48,129	$ 79	$ 6,687

(continued)

CITY OF CINCINNATI, OHIO
Schedule of Receipts and Expenditures of Federal Awards
(Non-GAAP Budgetary Basis)
For Fiscal Year ended June 30, 2019

(Amount in Thousands)

Notes to the Schedule of Receipts and Expenditures of Federal Awards

Basis of Presentation - The schedule of receipts and expenditures of federal awards (the "Schedule") includes the federal award activity of the City under programs of the federal government for the fiscal year ended June 30, 2019. The information in this Schedule is presented in accordance with the requirements of Title 2 U.S. Code of Federal Regulations Part 200, Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards (Uniform Guidance). Because the Schedule presents only a selected portion of the operations of the City, it is not intended to and does not present the financial position, changes in financial position, or cash flows of the City.

Summary of Significant Accounting Policies - Expenditures reported on the Schedule are reported on the Non-GAAP budgetary basis of accounting. Such expenditures are recognized following, as applicable, either the cost principles in OMB Circular A-87, Cost Principles for State, Local, and Indian Tribal Governments, or the cost principles contained in Title 2 U.S. Code of Federal Regulations Part 200, Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards, wherein certain type of expenditures are not allowed or are limited as to reimbursement. Therefore, some amounts presented in this Schedule may differ from amounts presented in, or used in the preparation of, the basic financial statements.

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

i Total Department of Community & Economic Development (DCED) loans outstanding at June 30, 2019 totaled $9,213,374 under CFDA 14.218, $44,548,249 under CFDA 14.239, $319,283 under CFDA 14.248, and $6,547,483 under CFDA 14.256.

ii In 2012 the City entered into an intergovernmental cooperative agreement with SORTA to administer the grants awarded to the City as a sub-recipient. The City is responsible for the assurance that invoices paid are in compliance with the grants. The remaining grant covered under this agreement is:

The Urban Circulator Grant	CFDA 20.500	$	24,990,000.00

* Indicates Federal monies passed through another agency to the City of Cincinnati

Reconciliation of Schedule of Receipts and Expenditures of Federal Awards to Budgetary Statements

	Budgetary Statements	SEFA
Special Recreation Fund (APR)	$ 762	$ 762
Community Development (NAC)	13,059	13,059
Health (NAM)	8,261	8,261
Other Grants (NAO)	2,273	2,273
Recreation Grants (NAR)	123	123
Safety (NAS)	6,696	6,696
Capital Projects (CP)	5,869	5,869
		$ 37,043

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Corporate Centre of Blue Ash
11117 Kenwood Road
Blue Ash, Ohio 45242-1817
(513) 361-8550 or (800) 368-7419
SouthwestRegion@ohioauditor.gov

INDEPENDENT AUDITOR'S REPORT ON INTERNAL CONTROL OVER FINANCIAL REPORTING AND ON COMPLIANCE AND OTHER MATTERS REQUIRED BY *GOVERNMENT AUDITING STANDARDS*

City of Cincinnati
Hamilton County
801 Plum Street
Cincinnati, Ohio 45202

To the Honorable Mayor and Members of the City Council:

We have audited, in accordance with auditing standards generally accepted in the United States and the Comptroller General of the United States' *Government Auditing Standards*, the financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the City of Cincinnati, Hamilton County, (the City) as of and for the year ended June 30, 2019, 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 30, 2019.

Internal Control Over Financial Reporting

As part of our financial statement audit, we considered the City's internal control over financial reporting (internal control) to determine the audit procedures appropriate in the circumstances to the extent necessary to support our opinion on the financial statements, but not to the extent necessary to opine on the effectiveness of the City's internal control. Accordingly, we have not opined on it.

A *deficiency in internal control* exists when the design or operation of a control does not allow management or employees, when performing their assigned functions, to prevent, or detect and timely correct misstatements. A *material weakness* is a deficiency, or combination of internal control deficiencies resulting in a reasonable possibility that internal control will not prevent or detect and timely correct a material misstatement of the City's financial statements. 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 internal control deficiencies that might be material weaknesses or significant deficiencies. Given these limitations, we did not identify any deficiencies in internal control that we consider material weaknesses. However, unidentified material weaknesses may exist.

Compliance and Other Matters

As part of reasonably assuring whether the City's financial statements are free of material misstatement, we tested its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could directly and materially affect the determination of financial statement amounts. However, opining on compliance with those provisions was not an objective of our audit and accordingly, we do not express an opinion. The results of our tests disclosed no instances of noncompliance or other matters we must report under *Government Auditing Standards*.

Purpose of this Report

This report only describes the scope of our internal control and compliance testing and our testing results, and does not opine on the effectiveness of the City's internal control or on compliance. This report is an integral part of an audit performed under *Government Auditing Standards* in considering the City's internal control and compliance. Accordingly, this report is not suitable for any other purpose.

Keith Faber
Auditor of State

Columbus, Ohio

December 30, 2019

OHIO AUDITOR OF STATE
KEITH FABER

Corporate Centre of Blue Ash
11117 Kenwood Road
Blue Ash, Ohio 45242-1817
(513) 361-8550 or (800) 368-7419
SouthwestRegion@ohioauditor.gov

INDEPENDENT AUDITOR'S REPORT ON COMPLIANCE WITH REQUIREMENTS APPLICABLE TO EACH MAJOR FEDERAL PROGRAM AND ON INTERNAL CONTROL OVER COMPLIANCE REQUIRED BY THE UNIFORM GUIDANCE

City of Cincinnati
Hamilton County
801 Plum Street
Cincinnati, Ohio 45202

To the Honorable Mayor and Members of the City Council:

Report on Compliance for each Major Federal Program

We have audited the City of Cincinnati's (the City) compliance with the applicable requirements described in the U.S. Office of Management and Budget (OMB) *Compliance Supplement* that could directly and materially affect each of the City of Cincinnati's major federal programs for the year ended June 30, 2019. The *Summary of Auditor's Results* in the accompanying schedule of findings identifies the City's major federal programs.

Management's Responsibility

The City's Management is responsible for complying with federal statutes, regulations, and the terms and conditions of its federal awards applicable to its federal programs.

Auditor's Responsibility

Our responsibility is to opine on the City's compliance for each of the City's major federal programs based on our audit of the applicable compliance requirements referred to above. Our compliance audit followed auditing standards generally accepted in the United States of America; the standards for financial audits included in 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). These standards and the Uniform Guidance require us to plan and perform the audit to reasonably assure whether noncompliance with the applicable compliance requirements referred to above that could directly and materially affect 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 our audit provides a reasonable basis for our compliance opinion on each of the City's major programs. 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 of Cincinnati complied, in all material respects with the compliance requirements referred to above that could directly and materially affect each of its major federal programs for the year ended June 30, 2019.

Report on Internal Control Over Compliance

The City's management is responsible for establishing and maintaining effective internal control over compliance with the applicable compliance requirements referred to above. In planning and performing our compliance audit, we considered the City's internal control over compliance with the applicable requirements that could directly and materially affect a major federal program, to determine our auditing procedures appropriate for opining on each major federal program's compliance and to test and report on internal control over compliance in accordance with the Uniform Guidance, but not to the extent needed to opine on the effectiveness of internal control over compliance. Accordingly, we have not opined 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, when performing their assigned functions, to prevent, or to timely detect and correct, noncompliance with a federal program's applicable compliance requirement. 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 federal program compliance requirement will not be prevented, or timely detected and corrected. A *significant deficiency in internal control over compliance* is a deficiency, or a combination of deficiencies, in internal control over compliance with federal program's applicable compliance requirement 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 would not necessarily 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.

This report only describes the scope of our internal control over compliance tests and the results of this testing based on Uniform Guidance requirements. 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 also 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 Cincinnati (the City) as of and for the year ended June 30, 2019, and the related notes to the financial statements, which collectively comprise the City's basic financial statements. We issued our unmodified report thereon dated December 30, 2019. We conducted our audit to opine on the City's basic financial statements as a whole. The accompanying schedule of expenditures of federal awards presents additional analysis required by the Uniform Guidance and is not a required part of the basic financial statements. The schedule is management's responsibility, and was derived from and relates directly to the underlying accounting and other records management used to prepare the basic financial statements. We subjected this schedule to the auditing procedures we applied to the basic financial statements. We also applied certain additional procedures, including comparing and reconciling this schedule 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, this schedule is fairly stated, in all material respects, in relation to the basic financial statements taken as a whole.

Keith Faber
Auditor of State

Columbus, Ohio

January 30, 2020

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CITY OF CINCINNATI
HAMILTON COUNTY

SCHEDULE OF FINDINGS
2 CFR § 200.515
JUNE 30, 2019

1. SUMMARY OF AUDITOR'S RESULTS

(d)(1)(i)	**Type of Financial Statement Opinion**	Unmodified
(d)(1)(ii)	**Were there any material weaknesses in internal control reported at the financial statement level (GAGAS)?**	No
(d)(1)(ii)	**Were there any significant deficiencies in internal control reported at the financial statement level (GAGAS)?**	No
(d)(1)(iii)	**Was there any reported material noncompliance at the financial statement level (GAGAS)?**	No
(d)(1)(iv)	**Were there any material weaknesses in internal control reported for major federal programs?**	No
(d)(1)(iv)	**Were there any significant deficiencies in internal control reported for major federal programs?**	No
(d)(1)(v)	**Type of Major Programs' Compliance Opinion**	Unmodified
(d)(1)(vi)	**Are there any reportable findings under 2 CFR § 200.516(a)?**	No
(d)(1)(vii)	**Major Programs (list):**	Emergency Solutions Grant CFDA #14.231 HOME Investment Partnerships Program CFDA #14.239 Highway Planning and Construction CFDA #20.205 Airport Improvement Program CFDA #20.106 Assistance to Firefighters Grant CFDA #97.044
(d)(1)(viii)	**Dollar Threshold: Type A\B Programs**	Type A: > $ 1,443,870 Type B: all others
(d)(1)(ix)	**Low Risk Auditee under 2 CFR § 200.520?**	Yes

2. FINDINGS RELATED TO THE FINANCIAL STATEMENTS REQUIRED TO BE REPORTED IN ACCORDANCE WITH GAGAS

None

3. FINDINGS AND QUESTIONED COSTS FOR FEDERAL AWARDS

None

4. OTHER – FINDINGS FOR RECOVERY

In addition, we identified the following other issues related to Findings for Recovery. These issues did not impact our GAGAS or Single Audit Compliance and Controls reports.

FINDING NUMBER 2019-001

Finding for Recovery – Brian Coates

State ex rel. McClure v. Hagerman, 155 Ohio St. 320 (1951), provides that expenditures made by a governmental unit should serve a public purpose.

The City of Cincinnati approved Brian Coates' Police Sergeant salary at $38.88 an hour beginning June 1, 2017 ($37.38 an hour for the period prior to June 1, 2017). Between the period of January 19, 2017 through January 19, 2018, Mr. Coates was paid for 22 days in which he was absent from work and did not use available leave. As a result, an overpayment of $6,734 occurred.

Description		Rate		Total
72 hours paid but not worked	x	$37.38 per hour	=	$2,691
104 hours paid but not worked	x	$38.88 per hour	=	4,043
Overpayment				**$6,734**

In accordance with the foregoing facts and pursuant to Ohio Rev. Code § 117.28, a Finding for Recovery for public monies illegally expended is hereby issued against Brian Coates in the amount of $6,734, and in favor of the City of Cincinnati General Fund, in the amount of $6,734.

Officials' Response:

The City of Cincinnati reached a settlement agreement with Lakisha Gross. Upon her return on May 17, 2020, she will repay the City $8,692.00 via payroll deduction from her bi-weekly paycheck, spread evenly over 39 pay periods. The City is currently negotiating a settlement agreement for full repayment with Brian Coates's attorney. The City sent a demand letter for a repayment plan on February 18, 2020 to Darren Sellers.

FINDING NUMBER 2019-002

Finding for Recovery Partially Repaid– Lakisha Gross

State ex rel. McClure v. Hagerman, 155 Ohio St. 320 (1951), provides that expenditures made by a governmental unit should serve a public purpose.

The City of Cincinnati approved Lakisha Gross' Police Sergeant salary at $40.44 beginning May 23, 2018 ($38.88 for the period prior to May 23, 2018). Between the period of May 5, 2018 thru April 6, 2019, Ms. Gross was paid for 215.48 hours over 54 days in which she arrived late and/or left work early but did not use available leave. As a result, an overpayment of $8,692 occurred.

FINDING NUMBER 2019-002
(Continued)

Description		Rate		Total
13.40 hours paid but not worked	x	$38.88 per hour	=	$520
202.08 hours paid but not worked	x	$40.44 per hour	=	8,172
Overpayment				**$8,692**

In accordance with the foregoing facts and pursuant to Ohio Rev. Code § 117.28, a Finding for Recovery for public monies illegally expended is hereby issued against Lakisha Gross in the amount of $8,692, and in favor of the City of Cincinnati General Fund, in the amount of $8,692. Ms. Gross has entered into a repayment plan with the City.

Officials' Response:

The City of Cincinnati reached a settlement agreement with Lakisha Gross. Upon her return on May 17, 2020, she will repay the City $8,692.00 via payroll deduction from her bi-weekly paycheck, spread evenly over 39 pay periods. The City is currently negotiating a settlement agreement for full repayment with Brian Coates's attorney. The City sent a demand letter for a repayment plan on February 18, 2020 to Darren Sellers.

FINDING NUMBER 2019-003

Finding for Recovery – Darren Sellers

State ex rel. McClure v. Hagerman, 155 Ohio St. 320 (1951), provides that expenditures made by a governmental unit should serve a public purpose.

The City of Cincinnati approved Darren Sellers' Police Officer salary at $34.67. Between the period of May 5, 2018 through March 5, 2019, Mr. Sellers was paid for 62.2 hours over 19 days in which he arrived late for work but did not use available leave. As a result, an overpayment of $2,156 occurred.

Description		Rate		Total
62.2 hours paid but not worked	x	$34.67 per hour	=	$2,156
Overpayment				**$2,156**

In accordance with the foregoing facts and pursuant to Ohio Rev. Code § 117.28, a Finding for Recovery for public monies illegally expended may be hereby issued against Darren Sellers in the amount of $2,156, and in favor of the City of Cincinnati General Fund, in the amount of $2,156.

Officials' Response:

The City of Cincinnati reached a settlement agreement with Lakisha Gross. Upon her return on May 17, 2020, she will repay the City $8,692.00 via payroll deduction from her bi-weekly paycheck, spread evenly over 39 pay periods. The City is currently negotiating a settlement agreement for full repayment with Brian Coates's attorney. The City sent a demand letter for a repayment plan on February 18, 2020 to Darren Sellers.

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