

CITY OF CRANSTON, RHODE ISLAND

**INDEPENDENT AUDITORS' REPORTS REQUIRED BY TITLE 2 U.S. *CODE OF
FEDERAL REGULATIONS* PART 200, *UNIFORM ADMINISTRATIVE
REQUIREMENTS, COST PRINCIPLES, AND AUDIT REQUIREMENTS FOR FEDERAL
AWARDS* (UNIFORM GUIDANCE) AND *GOVERNMENT AUDITING STANDARDS***

FOR THE YEAR ENDED JUNE 30, 2022

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CITY OF CRANSTON, RHODE ISLAND

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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*

The Honorable President and Members of the City Council
City of Cranston, Rhode Island

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, each major fund, and the aggregate remaining fund information of the City of Cranston, Rhode Island as of and for the year ended June 30, 2022, and the related notes to the financial statements, which collectively comprise the City of Cranston, Rhode Island's basic financial statements and have issued our report thereon dated February 27, 2023.

Report on Internal Control Over Financial Reporting

In planning and performing our audit of the financial statements, we considered the City of Cranston, Rhode Island'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 City of Cranston, Rhode Island's internal control. Accordingly, we do not express an opinion on the effectiveness of the City of Cranston, Rhode Island's internal control.

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

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies and therefore, material weaknesses or significant deficiencies may exist that were not identified. We identified certain deficiencies in internal control, described in the accompanying schedule of findings and questioned costs as items 2022-001 and 2022-002 that we consider to be material weaknesses.

Report on Compliance and Other Matters

As part of obtaining reasonable assurance about whether City of Cranston, Rhode Island'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*.

City of Cranston, Rhode Island's Response to Findings

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

Purpose of This Report

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

Providence, RI
March __, 2023

INDEPENDENT AUDITORS' REPORT ON COMPLIANCE FOR EACH MAJOR FEDERAL PROGRAM; REPORT ON INTERNAL CONTROL OVER COMPLIANCE; AND REPORT ON THE SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS REQUIRED BY UNIFORM GUIDANCE

The Honorable President and Members of the City Council
City of Cranston, Rhode Island

Report on Compliance for Each Major Federal Program

Opinion on Each Major Federal Program

We have audited the City of Cranston, Rhode Island's 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 its major federal programs for the year ended June 30, 2022. The City of Cranston, Rhode Island's major federal programs are identified in the summary of auditors' results section of the accompanying schedule of findings and questioned costs.

In our opinion, the City of Cranston, Rhode Island 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, 2022.

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 Auditors' Responsibilities for the Audit of Compliance section of our report.

We are required to be independent of the City of Cranston, Rhode Island 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 of Cranston, Rhode Island's compliance with the compliance requirements referred to above.

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 of Cranston, Rhode Island's federal programs.

Auditors' 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 of Cranston, Rhode Island'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 generally accepted auditing standards, *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 of Cranston, Rhode Island's compliance with the requirements of each major federal program as a whole.

In performing an audit in accordance with generally accepted auditing standards, *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 of Cranston, Rhode Island'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 of Cranston, Rhode Island'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 of Cranston, Rhode Island'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.

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 Auditors' 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, each major fund, and the aggregate remaining fund information of the City of Cranston, Rhode Island, as of and for the year ended June 30, 2022, and the related notes to the financial statements, which collectively comprise the City of Cranston, Rhode Island's basic financial statements. We issued our report thereon dated February 27, 2023, 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 is presented for purposes of additional analysis as required by the Uniform Guidance and is not a required part of the basic financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. The information has been subjected to the auditing procedures applied in the audit of the 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.

Providence, RI
March __, 2023 except for the report on the
schedule of expenditures of federal awards
which is dated February 27, 2023

CITY OF CRANSTON, RHODE ISLAND
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
FOR THE YEAR ENDED JUNE 30, 2022

Federal Grantor/Pass-Through Grantor/Program Title or Cluster Title	Assistance Listing Number	Pass-Through Entity Identifying Number	Passed Through to Subrecipients	Federal Expenditures Incurred
U.S. Department of Housing and Urban Development				
<i>Direct Programs:</i>				
<i>Office of Housing and Community Development</i>				
Community Development Block Grants - Entitlement Grants Cluster				
Community Development Block Grant/Entitlement Grants	14.218	N/A	\$ 705,751	\$ 1,925,694
Total U.S. Department of Housing and Urban Development			<u>705,751</u>	<u>1,925,694</u>
U.S. Department of the Treasury				
<i>Passed through the State of Rhode Island, Department of Revenue:</i>				
COVID-19 - Coronavirus State and Local Fiscal Recovery Funds	21.027		--	8,086,106
<i>Passed through the State of Rhode Island, Department of Education:</i>				
COVID 19 - Coronavirus Relief Fund	21.019		--	3,008,656
Total U.S. Department of Treasury			<u>--</u>	<u>11,094,762</u>
U.S. Department of Education				
<i>Passed through the State of Rhode Island, Department of Education:</i>				
Title I Grants to Local Educational Agencies	84.010		--	2,680,144
Career & Technical Education - Basic Grants to States	84.048		--	283,853
Supporting Effective Instruction State Grant	84.367		--	577,015
Twenty-First Century Community Learning Grants	84.287		--	328,603
Adult Education - Basic Grants to States	84.002		--	32,018
English Language Acquisition State Grants	84.365		--	132,479
Preschool Development Grant	84.419		--	7,134
Student Support and Academic Enrichment Program	84.424		--	336,364
Comprehensive Literacy	84.371		--	100,178
COVID-19 - Education Stabilization Fund	84.425		--	2,482,260
<i>Special Education Cluster (IDEA):</i>				
Special Education Grants to States	84.027		--	2,820,193
Special Education Preschool Grants	84.173		--	136,227
Total Special Education Cluster			<u>--</u>	<u>2,956,420</u>
Total U.S. Department of Education			<u>--</u>	<u>9,916,468</u>
U.S. Department of Transportation				
<i>Passed through the State of Rhode Island, Department of Transportation:</i>				
<i>Highway Safety Cluster:</i>				
State and Community Highway Safety	20.600		--	79,594
Alcohol Impaired Driving Countermeasures Incentive Grants I	20.601		--	3,414
Total U.S. Department of Transportation			<u>--</u>	<u>83,008</u>
U.S. Justice Department				
<i>Direct Programs</i>				
Edward Byrne Memorial Justice Assistance Grant Program	16.738	N/A	--	13,940
Total U.S. Department of Justice			<u>--</u>	<u>13,940</u>

See notes to schedule of expenditures of federal awards.

CITY OF CRANSTON, RHODE ISLAND
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS (CONTINUED)
FOR THE YEAR ENDED JUNE 30, 2022

	Assistance Listing Number	Pass-Through Entity Identifying Number	Passed Through to Subrecipients	Federal Expenditures Incurred
<i>U.S. Department of Homeland Security</i>				
<i>Direct Programs</i>				
Disaster Grants - Public Assistance (Presidentially Declared Disasters)	97.036	N/A	--	576,771
Assistance to Firefighters Grant	97.044	N/A	--	337,777
Staffing for Adequate Fire and Emergency Response (SAFER)	97.083	N/A	--	690,192
<i>Total U.S. Department of Homeland Security</i>			--	<u>1,604,740</u>
<i>U.S. Department of Health & Human Services</i>				
<i>Passed through State of Rhode Island:</i>				
Substance Abuse and Mental Health Services Projects of Regional and National Significance	93.243		--	539,795
Every Student Succeeds Act - Preschool Development Grants	93.434		--	170,014
Special Programs for the Aging Title II, Part D - Disease Prevention and Health Promotion Services	93.043		--	18,888
<i>Aging Cluster:</i>				
Special Programs for the Aging Title II, Part B - Grants for Supportive Services and Senior Centers	93.044		--	65,458
<i>Total U.S. Department of Health & Human Services</i>			--	<u>794,155</u>
<i>U.S. Department of Agriculture</i>				
<i>Passed through State of Rhode Island Department of Education:</i>				
Child Nutrition Discretionary Grants Limited Availability	10.579		--	24,008
Child and Adult Care Food Program	10.558		--	17,663
<i>Child Nutrition Cluster:</i>				
School Breakfast Program	10.553		--	1,349,001
National School Lunch Program	10.555		--	4,532,831
Fresh Fruit and Vegetable Program	10.582		--	100,643
Total Child Nutrition Cluster			--	<u>5,982,475</u>
<i>Total U.S. Department of Agriculture</i>			--	<u>6,024,146</u>
<i>U.S. Department of Commerce</i>				
<i>Direct Program:</i>				
<i>Economic Development Cluster:</i>				
Economic Adjustment Assistance (Loan Program)	11.307	N/A	--	180,374
<i>Total U.S. Department of Treasury</i>			--	<u>180,374</u>
<i>U.S. Corporation for National and Community Service</i>				
<i>Passed through State of Rhode Island:</i>				
Retired and Senior Volunteer Program	94.002		--	72,979
<i>Total U.S. Department of Treasury</i>			--	<u>72,979</u>
<i>Total Expenditures of Federal Awards</i>			<u>\$ 705,751</u>	<u>\$ 31,710,266</u>

See notes to schedule of expenditures of federal awards.

CITY OF CRANSTON, RHODE ISLAND

NOTES TO SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS

FOR THE YEAR ENDED JUNE 30, 2022

NOTE 1 – BASIS OF PRESENTATION

The accompanying schedule of expenditures of federal awards (the “schedule”) includes the federal award activity of the City of Cranston, Rhode Island under programs of the federal government for the year ended June 30, 2022. 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 of Cranston, Rhode Island, it is not intended to and does not present the financial position, changes in net position/fund balance, or cash flows of the City of Cranston, Rhode Island.

NOTE 2 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Expenditures reported on the schedule are reported on the accrual basis of accounting. Such expenditures are recognized following the cost principles contained in the Uniform Guidance, wherein certain types of expenditures are not allowable or are limited as to reimbursement.

NOTE 3 – INDIRECT COST RATE

City of Cranston, Rhode Island has elected not to use the 10-percent de Minimis indirect cost rate.

NOTE 4 – CALCULATION OF FEDERAL EXPENDITURES – CFDA 11.307

Federal expenditures for the Business Economic Development Administration Revolving Loan Fund (RFL) (CFDA 11.307) were calculated as follows per program requirements:

Balance of RLF principal outstanding on loans at the end of the recipient's fiscal year	\$	241,351
Administrative expenses paid out of the RLF income during the recipient's fiscal year		<u>(852)</u>
Adjusted base	\$	<u>240,499</u>
Federal participation rate		75%
Federal expenditures	\$	180,374

NOTE 5 – NONCASH AWARDS

Donated commodities in the amount of \$216,693 are included in the Department of Agriculture’s National School Lunch Program, CFDA #10.555. The amount represents the market value of commodities received.

CITY OF CRANSTON, RHODE ISLAND

NOTES TO SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS

FOR THE YEAR ENDED JUNE 30, 2022

NOTE 6 – DISASTER GRANTS – PUBLIC ASSISTANCE (PRESIDENTIALLY DECLARED DISASTERS) (CFDA 97.036)

After a presidentially declared disaster, FEMA provides Disaster Grants – Public Assistance (Presidentially Declared Disasters) (CFDA 97.036) to reimburse eligible costs associated with repair, replacement or restoration of disaster-damaged facilities. The federal government makes reimbursements in the form of cost-shared grants that require state matching funds.

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CITY OF CRANSTON, RHODE ISLAND
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
FOR THE YEAR ENDED JUNE 30, 2022

SECTION I – SUMMARY OF AUDITORS’ RESULTS

Financial Statements

Type of auditors’ report issued on whether the financial statements audited were prepared in accordance with GAAP:

Unmodified Opinion

Internal control over financial reporting:

Material weakness(es) identified?

 X Yes No

Significant deficiency(ies) identified not considered to be material weaknesses?

 Yes X None Reported

Non-compliance material to financial statements noted?

 Yes X No

Federal Awards

Internal control over major federal award programs:

Material weakness(es) identified?

 Yes X No

Significant deficiency(ies) identified not considered to be material weakness(es)?

 Yes X None reported

Type of auditors’ report issued on compliance for major federal award programs:

Unmodified Opinion

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

 Yes X No

Identification of Major Federal Programs:

CFDA Number

Name of Federal Program or Cluster

10.553

10.555

Child Nutrition Cluster

10.582

97.083

Coronavirus State and Local Fiscal Recovery Funds

Dollar threshold used to distinguish between Type A and Type B programs:

\$951,308

Auditee qualified as low risk auditee?

 Yes X No

CITY OF CRANSTON, RHODE ISLAND
SCHEDULE OF FINDINGS AND QUESTIONED COSTS (CONTINUED)
FOR THE YEAR ENDED JUNE 30, 2022

SECTION II – FINDINGS – RELATED TO AUDIT OF FINANCIAL STATEMENTS

CURRENT YEAR FINDINGS:

Material Weakness
#2022-001

Federal Award Expenditure Reporting

Criteria

Management is responsible for the completeness and accuracy of the schedule of expenditures of federal awards in regard to ensuring all reimbursement requests are properly computed and reported, not only for single audit purposes, but also for the financial statements of the City and School as a whole. Policies and procedures must provide for the accurate summarization and recording of amounts that are in the financial statements.

Condition

The City did not provide a complete and accurate schedule of expenditures of federal awards. The City allows each department to reconcile their own federal awards and prepare the information for the schedule, much of which is not reconciled to the City's finance department. Management was required to gather information from all different departments through emails and records of expenses. There is a risk that material reimbursement requests from outside departments are not being communicated timely to the finance department for proper accrual at year end so that the total expenses for the federal grant can match the revenues.

Questioned Costs

None.

Context

The City of Cranston does not have adequate policies or procedures in place for communication from decentralized departments to the finance department in regard to federal grant funds that have been expended during a certain period, but for which funds have not been requested yet. There have been instances of outside departments expending funds and the information not being communicated timely so that the proper receivable can be recorded for that period to match the federal revenues with the expenditures of the same period.

Effect

Inaccurate amounts and grant identification numbers could occur, leading to an inaccurate schedule of expenditures of federal awards.

CITY OF CRANSTON, RHODE ISLAND
SCHEDULE OF FINDINGS AND QUESTIONED COSTS (CONTINUED)
FOR THE YEAR ENDED JUNE 30, 2022

SECTION II – FINDINGS – RELATED TO AUDIT OF FINANCIAL STATEMENTS (CONTINUED)

Current Year Findings (Continued)

Material Weakness
#2022-001

Recommendation

We recommend that the City centralize the tracking of the schedule of expenditures of federal awards. We understand the City's various departments are tracking their grants as they come in, but this process should be summarized by the City's finance department. On a monthly basis, the accounting department should be requesting the totals of all federal funds expended by CFDA number, a copy of the grant award (including CFDA number) and what reimbursement requests were filed during that period. The accounting department should be able to reconcile this activity back to the general ledger activity for the respective department.

Management's Response

Please see City's Corrective Action Plan included in this reporting package.

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CITY OF CRANSTON, RHODE ISLAND
SCHEDULE OF FINDINGS AND QUESTIONED COSTS (CONTINUED)
FOR THE YEAR ENDED JUNE 30, 2022

SECTION II – FINDINGS – RELATED TO AUDIT OF FINANCIAL STATEMENTS (CONTINUED)

Current Year Findings (Continued)

Material Weakness
#2022-002

Financial Statement Reporting

Criteria

Management is responsible for the selection and application of accounting principles; for the preparation and fair presentation of the financial statements, schedule of expenditures of federal awards, and all accompanying information in conformity with U.S. generally accepted accounting principles.

Condition

The City provided financial statements that required corrections of material misstatements.

Questioned Costs

\$8,086,106

Context

The City of Cranston did not have adequate policies or procedures in place to reconcile and identify the errors in the City's financial statements to prevent material misstatements.

Effect

Revenues in the current year financials were materially overstated, which resulted in a significant adjusting entry.

Recommendation

We recommend that the City develop procedures internally to ensure all accounts are reconciled back to subsidiary ledgers and financial reports are reviewed for accuracy to ensure the current year activity is being recorded properly within the respective fiscal year.

Management's Response

Please see City's Corrective Action Plan included in this reporting package.

CITY OF CRANSTON, RHODE ISLAND
SCHEDULE OF FINDINGS AND QUESTIONED COSTS (CONTINUED)
FOR THE YEAR ENDED JUNE 30, 2022

SECTION III – FINDINGS AND QUESTIONED COSTS – MAJOR FEDERAL AWARD PROGRAMS

CURRENT YEAR FINDINGS:

No matters were reported.

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CITY OF CRANSTON, RHODE ISLAND
SUMMARY SCHEDULE OF PRIOR YEAR AUDIT FINDINGS
FOR THE YEAR ENDED JUNE 30, 2022

SECTION II – FINANCIAL STATEMENT FINDINGS

Prior Year Findings:

Material Weakness
#2021-001

Financial Statement Reporting

Condition

The City did not provide a complete and accurate schedule of expenditures of federal awards. The City allows each department to reconcile their own federal awards and prepare the information for the schedule, much of which is not reconciled to the City's finance department. Management was required to gather information from all different departments through emails and records of expenses. There is a risk that material reimbursement requests from outside departments are not being communicated timely to the finance department for proper accrual at year end so that the total expenses for the federal grant can match the revenues.

Current Status: Finding repeated as 2022-001

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CITY OF CRANSTON, RHODE ISLAND
SUMMARY SCHEDULE OF PRIOR YEAR AUDIT FINDINGS
FOR THE YEAR ENDED JUNE 30, 2022

SECTION III – FEDERAL AWARD FINDINGS AND QUESTIONED COSTS

Prior Year Findings:

None reported

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