

CITY OF BLOOMINGTON

Monroe County, Indiana

**SINGLE AUDIT REPORT IN
ACCORDANCE WITH UNIFORM GUIDANCE**

Year ended December 31, 2021

CITY OF BLOOMINGTON
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SINGLE AUDIT REPORT IN
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CITY OF BLOOMINGTON
SCHEDULE OF OFFICIALS (Unaudited)
December 31, 2021

<u>Office</u>	<u>Official</u>	<u>Term</u>
City Controller	Jeffrey Underwood	01-01-21 to 12-31-21
Mayor	John Hamilton	01-01-21 to 12-31-21
President of the Board of Public Works	Kyla Cox Deckard	01-01-21 to 12-31-21
President of the Common Council	Sue Sgambelluri	01-01-21 to 12-31-21

INDEPENDENT AUDITOR'S 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

To the Honorable Chief Executive and
Members of the City Council
City of Bloomington, Indiana

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of the governmental activities, the business-type activities, the discretely presented component unit, each major fund, and the aggregate remaining fund information of the City of Bloomington (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 December 20, 2023.

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 opinion 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 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. 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 have not been 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 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 entity's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.


Crowe LLP

Indianapolis, Indiana
December 20, 2023

INDEPENDENT AUDITOR'S 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 THE UNIFORM GUIDANCE

To the Honorable Chief Executive and
Members of the City Council
City of Bloomington, Indiana

Report on Compliance for Each Major Federal Program

Opinion on Each Major Federal Program

We have audited the City of Bloomington'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 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.

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.

(Continued)

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.

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.

(Continued)

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 discretely presented component unit, 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 issued our report thereon dated December 20, 2023, which contained an unmodified opinion on those basic financial statements. Our audit was conducted for the purpose of forming an opinion 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.


Crowe LLP

Indianapolis, Indiana
December 20, 2023

CITY OF BLOOMINGTON
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
Year ended December 31, 2021

Federal Grantor Agency Cluster Title/Program Title/Project Title	Pass-Through Entity or Direct Grant	Assistance Listing Number	Pass-Through Entity (or Other) Identifying Number	Total Passed Through to Subrecipient	Total Federal Awards Expended
<u>Department of Agriculture</u>					
<i>Child Nutrition Cluster</i>					
Summer Food Service Program for Children 2021 Summer Food Grant 201-18-G21008	Indiana Department of Education	10.559	FY2021	\$ -	\$ 11,631
Local Food Promotion Program USDA Local Food Promotion Program 249-04-G18013	Purdue	10.172	AM180100XXXXG124	-	21,820
Total U.S. Department of Agriculture				-	33,451
<u>Department of Housing and Urban Development</u>					
<i>CDBG - Entitlement Grants Cluster:</i>					
Community Development Block Grant/ Entitlement Grant	Direct Grant				
CDBG 250-15-150000		14.218	B19MC180013	-	133,911
CDBG 250-15-150000		14.218	B20MC180013	-	602,621
CDBG COVID 161-15-150000		14.218	B20MW180013	-	221,650
CDBG 250-15-150000		14.218	B21MC180013	-	122,586
Total - CDBG/Entitlement Grant/Cluster				-	1,080,768
Home Investment Partnerships Program	Direct Grant				
HOME 254-15-150000		14.239	M15MC180200	-	5,432
HOME 254-15-150000		14.239	M16MC180200	-	31,092
HOME 254-15-150000		14.239	M17MC180200	-	95,944
HOME 254-15-150000		14.239	M19MC180200	-	39,306
HOME 254-15-150000		14.239	M20MC180200	-	54,164
HOME 254-15-150000		14.239	M21MC180200	-	2,538
Total - Home Investment Partnerships Program				-	228,476
Total U.S. Department of Health and Human Services				-	1,309,244
<u>Department of the Interior</u>					
<i>Fish and Wildlife Cluster</i>					
Pittman-Robertson Wildlife Restoration Program 2020 DEER CULL 201-18-G20025	Indiana Department of Natural Resources	15.611	2020 Deer Cull	-	25,000

See accompanying notes to the schedule of expenditure of federal awards.

CITY OF BLOOMINGTON
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
Year ended December 31, 2021

Federal Grantor Agency Cluster Title/Program Title/Project Title	Pass-Through Entity or Direct Grant	Pass-Through Assistance Listing Number	Total Entity (or Other) Identifying Number	Total Passed Through to Subrecipient	Federal Awards Expended
<u>Department of Transportation</u>					
<i>Highway Planning and Construction Cluster</i>					
Highway Planning and Construction	Indiana Department of Transportation				
Sare Rd Multi Use Path 978-6-06016B		20.205	835664	\$ -	\$ 68,077
MPO Reimbursement FY 2020 101-13-130000		20.205	PO 20021893	<u>20,883</u>	<u>271,361</u>
Total - Highway Planning and Construction/Cluster				20,883	339,438
<i>Highway Safety Cluster</i>					
State and Community Highway Safety	Indiana Criminal Justice Institute				
2021 CHIRP ADMIN 249-14-G20022		20.600	NA	131	131
2021 CHIRP CLICK IT 249-14-G20023		20.600	NA	<u>4,708</u>	<u>10,442</u>
Total - State and Community Highway Safety/Cluster				4,839	10,573
Minimum Penalties for Repeat Offenders for Driving While Intoxicated	Indiana Criminal Justice Institute				
2021 CHIRP DUI 249-14-G20021		20.608	NA	<u>1,311</u>	<u>1,585</u>
National Priority Safety Programs	Indiana Criminal Justice Institute				
2021 CHIRP MOTORCYCLE 249-14-G20024		20.616	NA	<u>-</u>	<u>1,074</u>
Total Department of Transportation				<u>27,033</u>	<u>352,670</u>
<u>Department of the Treasury</u>					
Coronavirus State And Local Fiscal Recovery Funds					
American Rescue Plan ARPA SLFRF 176-06-G2100	Direct Grant	21.027	NA	<u>50,000</u>	<u>197,417</u>
<u>National Endowment for the Humanities</u>					
Promotion of the Arts Partnership Agreements	Direct Grant				
FY2020 Cultural District Grant 249-04-G20003		45.025	32949	-	625
NEA Cultural District Community Engagement					
Grant CY21 249-04-G21003		45.025	1863296-61-20	-	3,000
NEA Cultural District Support ARPA 249-04-G21024		45.025	1863369-61-20	<u>-</u>	<u>3,000</u>
Total Promotion of the Arts Partnership Agreements				<u>-</u>	<u>6,625</u>
Promotion of the Humanities Federal/State Partnership	Indiana Humanities Council				
2020 Humanities 312-09-G20012		45.129	20-1037	<u>-</u>	<u>1,000</u>
Total National Endowment for the Humanities				<u>-</u>	<u>7,625</u>

See accompanying notes to the schedule of expenditure of federal awards.

CITY OF BLOOMINGTON
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
Year ended December 31, 2021

Federal Grantor Agency Cluster Title/Program Title/Project Title	Pass-Through Entity or Direct Grant	Pass-Through Assistance Listing Number	Total Entity (or Other) Identifying Number	Total Passed Through to Subrecipient	Federal Awards Expended
<u>Department of Education</u>					
Twenty-First Century Community Learning Centers 2020-2021 21st CCLC Grant for Monroe County School Corporation 201-18-G20019	Monroe County Community School Corp	84.287	FY2020	\$ -	\$ 13,840
2021-2022 21st CCLC Grant for Monroe County School Corporation 201-18-G21012		84.287	FY2021	-	9,162
Total Department of Education				-	23,002
<u>Department of Health and Human Services</u>					
Developmental Disabilities Basic Support and Advocacy Grants 2021 Increasing Mobility Accessibility for All	Governor's Planning Council for People with Disabilities	93.630	Contract #0050026	-	3,000
2021 ADA COROS Grant 312-09-G21010					
Maternal and Child Health Services Block Grant to the States Youth & Adolescent Physical Activity 2021 YAPA Grant 201-18-G17014	Indiana Department of Health	93.994	SCM#0022365 PO18524512	-	8,467
Total Department of Health and Human Services				-	11,467
Total Federal awards expended				\$ 77,033	\$ 1,959,876

See accompanying notes to the schedule of expenditure of federal awards.

CITY OF BLOOMINGTON
NOTES TO SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
Year ended December 31, 2021

NOTE 1 - BASIS OF PRESENTATION

The accompanying schedule of expenditures of federal awards (the "Schedule") includes the federal grant activity of the City of Bloomington (the "City"), under programs of the federal government 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 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 or changes in financial position of the City.

NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Expenditures reported on the Schedule are reported on the cash basis of accounting. Such expenditures are recognized following cost principles contained in the Uniform Guidance, wherein certain types of expenditures are not allowed or are limited as to reimbursement. When federal grants are received on a reimbursement basis, the federal awards are considered expended when the reimbursement is received.

NOTE 3 - INDIRECT COST RECOVERY

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

CITY OF BLOOMINGTON
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
Year ended December 31, 2021

SECTION 1 - SUMMARY OF AUDITOR'S RESULTS

Financial Statements

Type of report the audit issued on whether the
Financial statements audited were prepared
In accordance with GAAP:

Unmodified

Internal control over financial reporting:

Material weakness(es) identified?

_____ Yes X No

Significant deficiencies identified not
considered to be material weaknesses?

_____ Yes X None Reported

Noncompliance material to financial statements noted?

_____ Yes X No

Federal Awards

Internal Control over major programs:

Material weakness(es) identified?

_____ Yes X No

Significant deficiency(ies) identified

_____ Yes X None Reported

Type of auditor's report issued on compliance for
major programs:

Unmodified

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

_____ Yes X No

Identification of major programs:

Assistance Listing Number(s)
14.218
21.027

Name of Federal Program or Cluster
Community Development Block Grant
COVID 19 - Coronavirus State and Local Fiscal
Recovery Funds

Dollar threshold used to distinguish between Type A and Type B programs: \$750,000

Auditee qualified as low-risk auditee?

_____ Yes X No

PART II – FINANCIAL STATEMENT FINDINGS

None

PART III – FEDERAL AWARDS FINDINGS AND QUESTIONED COSTS

None



**JOHN HAMILTON
MAYOR**

**JEFFREY H. UNDERWOOD, CPA
CONTROLLER**

CITY OF BLOOMINGTON

CONTROLLER'S OFFICE

401 N Morton St
Post Office Box 100
Bloomington IN 47402

p 812.349.3416
f 812.349.3456
controller@bloomington.in.gov

SUMMARY SCHEDULE OF PRIOR AUDIT FINDINGS

FINDING 2020-001

Subject: Financial Accounting and Reporting under US GAAP
Audit Findings: Material Weakness

Condition and Context: The City did not have adequate controls over financial reporting and the year-end close process to ensure the completeness and accuracy of converting year-end general ledger account balances from the regulatory basis to GAAP basis for financial reporting purposes.

Status of Audit Finding: Resolved.

FINDING 2020-002

Subject: Revenue Recognition
Audit Findings: Material Weakness

Condition and Context: The City did not have adequate controls over revenue recognition and the year-end close process to ensure the completeness and accuracy of accounts receivable accruals supporting reconciliations, closing entries, and other documentation when converting balances from the regulatory basis to GAAP basis.

Status of Audit Finding: Resolved.

FINDING 2020-003

Subject: Late issuance of the 2020 Single Audit Reporting Package

Condition and Context: The City's submission of the 2020 single audit reporting package was formally due to the Federal Audit Clearinghouse by March 31, 2022, but was not submitted by the due date.

Status of Audit Finding: The report is late for the 2021 submission as well.