

CITY OF CONCORD, CALIFORNIA
SINGLE AUDIT REPORT
FOR THE FISCAL YEAR ENDED JUNE 30, 2017

CITY OF CONCORD, CALIFORNIA

SINGLE AUDIT REPORT

FOR THE FISCAL YEAR ENDED JUNE 30, 2017

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VAVRINEK, TRINE, DAY & CO., LLP
Certified Public Accountants

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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 Mayor and
Members of the City Council
City of Concord, California

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the City of Concord (City), California as of and for the year ended June 30, 2017, and the related notes to the financial statements, which collectively comprise the City's basic financial statements and have issued our report thereon dated November 28, 2017.

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) to determine the 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 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. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

Compliance and Other Matters

As part of obtaining reasonable assurance about whether the City's financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. 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.

Vavrinik, Trine, Day & Co. LLP

Sacramento, California
November 28, 2017



INDEPENDENT AUDITORS' 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

The Honorable Mayor and
Members of the City Council
City of Concord, California

Report on Compliance for Each Major Federal Program

We have audited the City of Concord, California's (City), compliance with the types of compliance requirements described in the *OMB Compliance Supplement* that could have a direct and material effect on each of the City's major federal programs for the year ended June 30, 2017. The City's major federal programs are identified in the summary of auditors' results section of the accompanying schedule of findings and questioned costs.

Management's Responsibility

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

Auditors' Responsibility

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

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

Opinion on Each Major Federal Program

In our opinion, the City complied, in all material respects, with the types of compliance requirements referred to above that could have a direct and material effect on each of its major federal programs for the year ended June 30, 2017.

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 finding and questioned costs as items 2017-001, 2017-002, 2017-003, and 2017-004. Our opinion on each major federal program is not modified with respect to the matter.

The City's responses to the noncompliance findings identified in our audit are described in the accompanying schedule of findings and questioned costs and separate corrective action plan. The City's responses were not subjected to the auditing procedures applied in the audit of compliance and, accordingly, we express no opinion on the responses.

Report on Internal Control over Compliance

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

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

Our consideration of internal control over compliance was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control over compliance that might be material weaknesses or significant deficiencies and therefore, material weaknesses or significant deficiencies may exist that have not been identified. We did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses. However, we identified certain deficiencies in internal control over compliance, as described in the accompanying schedule of findings and questioned costs as items 2017-001, 2017-002, 2017-003, and 2017-004, that we consider to be significant deficiencies.

The City's responses to the internal control over compliance findings identified in our audit are described in the accompanying schedule of findings and questioned costs and separate corrective action plan. The City's responses were not subjected to the auditing procedures applied in the audit of compliance and, accordingly, we express no opinion on the responses.

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 as of and for the year ended June 30, 2017, and the related notes to the financial statements, which collectively comprise City's basic financial statements. We issued our report thereon dated November 28, 2017, 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.

Vavrinik, Trine, Day & Co. LLP

Sacramento, California
November 28, 2017

CITY OF CONCORD, CALIFORNIA

**SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
FOR THE FISCAL YEAR ENDED JUNE 30, 2017**

Federal Grantor/Pass-Through Grantor/Program Title/Cluster	CFDA Number	Grant Identification Number	Federal Award Expenditures	Expenditures To Subrecipients
Department of Housing and Urban Development				
<i>Direct Program</i>				
Community Development Block Grant - Entitlement Grants Cluster:				
Community Development Block Grant Entitlement Program	14.218	B-15-MC-06-0009	\$ 1,015,238	\$ 177,518
Community Development Block Grant Entitlement Program	14.218	Loans	320,112	-
Community Development Block Grant Entitlement Program	14.218	Loans	11,888	-
Total Department of Housing and Urban Development			1,347,238	177,518
Department of Transportation				
<i>Passed through California Department of Transportation</i>				
Highway Planning and Construction Cluster:				
Highway Planning and Construction-Bridge Preventative Maintenance	20.205	BPMP-5135(039)	210,423	-
Highway Planning and Construction-Traffic Signal Upgrade	20.205	HSIPCML-5135(043)	1,762,091	-
Highway Planning and Construction-Downtown Concord Bike Lane Improvements	20.205	RPSTPL-5135(052)	98,646	-
Highway Planning and Construction-Pavement Rehabilitation	20.205	STPL-5135(053)	620,793	-
<i>Passed through Metropolitan Transportation Commission</i>				
Highway Planning and Construction-Local Government EV Fleet Project	20.205	CML 5933(109)	116,779	-
Subtotal Highway Planning and Construction Cluster			<u>2,808,732</u>	<u>-</u>
<i>Passed through California Office of Traffic Safety</i>				
Highway Safety Cluster:				
State and Community Highway Safety	20.600	PT1726	66,940	-
Minimum Penalties for Repeat Offenders for Driving While Intoxicated	20.608	PT1726	57,285	-
Subtotal Highway Safety Cluster			<u>124,225</u>	<u>-</u>
Total Department of Transportation Programs			2,932,957	-
U.S. Department of Defense				
<i>Direct Program</i>				
Community Economic Adjustment Assistance	12.607	RA0588-14-07	9,913	-
Total U.S. Department of Defense Programs			9,913	-
U.S. Department of Justice				
<i>Passed through the County of Contra Costa</i>				
Edward Byrne Memorial Justice Assistance Grant Program	16.738	2016-DJ-BX-0261	33,988	-
Equitable Sharing Program	16.922	N/A	25,000	-
Total U.S. Department of Justice Programs			58,988	-
Total Expenditures of Federal Awards			\$ 4,349,096	\$ 177,518

See accompanying notes to schedule of expenditures of federal awards.

CITY OF CONCORD, CALIFORNIA

**NOTES TO SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
FOR THE FISCAL YEAR ENDED JUNE 30, 2017**

NOTE #1 – BASIS OF PRESENTATION

The accompanying schedule of expenditures of federal awards (Schedule) includes the federal award activity of the City of Concord, California (City) under programs of the federal government for the year ended June 30, 2017. 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 net position, or cash flows of the City.

NOTE #2 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Expenditures reported on the Schedule are reported on the modified 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

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

NOTE #4 – FEDERAL CATALOG OF FEDERAL DOMESTIC ASSISTANCE (CFDA) NUMBERS

The CFDA numbers included in this report were determined based on the program name, review of grant contract information, and the Office of Management and Budget's Catalog of Federal Domestic Assistance.

NOTE #5 – PASS-THROUGH ENTITIES' IDENTIFYING NUMBER

When federal awards were received from a pass-through entity, the Schedule will show, if available, the identifying number assigned by the pass-through entity. When no identifying number is shown, the City has determined that no identifying number is assigned for the program or the City was unable to obtain an identifying number from the pass-through entity.

CITY OF CONCORD, CALIFORNIA

**NOTES TO SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
FOR THE FISCAL YEAR ENDED JUNE 30, 2017**

NOTE #6 – SUBRECIPIENTS

Of the Federal expenditures presented in the accompanying Schedule, the City provided Federal awards to subrecipients from the following program:

CFDA No.	Program Title	Pass-Through Entity	Amount
14.218	Community Development Block Grant	Bay Area Legal Aid - Tenant Landlord Counseling	\$ 10,000
14.218	Community Development Block Grant	CC Health Svcs - Adult Interim Housing	10,000
14.218	Community Development Block Grant	Contra Costa Crisis Ctr - Homeless Hotline/211 CC	10,000
14.218	Community Development Block Grant	Court Appointed Special Advocates - Children at Risk (CASA)	10,000
14.218	Community Development Block Grant	Food Bank of CC - Collaborative Food Distribution	10,000
14.218	Community Development Block Grant	Ombudsman of Contra Costa	10,000
14.218	Community Development Block Grant	ECHO (Eden Council for Hope & Opportunity)	10,000
14.218	Community Development Block Grant	Monument Crisis Center - Nutritional Resources	12,500
14.218	Community Development Block Grant	Monument Impact	20,000
14.218	Community Development Block Grant	Workforce Development	20,018
14.218	Community Development Block Grant	Senior Outreach Services - Meals on Wheels	12,500
14.218	Community Development Block Grant	Senior Outreach Services - Care Management	10,000
14.218	Community Development Block Grant	Senior Outreach Services - Senior Nutrition	12,500
14.218	Community Development Block Grant	SHELTER, Inc. - Homeless Prevention	10,000
14.218	Community Development Block Grant	STAND! Against DV - Emergency Shelter	10,000
	Total		<u>\$ 177,518</u>

NOTE #7 – LOAN PROGRAM WITH CONTINUING COMPLIANCE REQUIREMENTS

The City administers loans that are made from funds provided by the Community Development Block Grant (CFDA No. 14.218), and the balances and transactions relating to the program are included in the City’s basic financial statements. Loans outstanding at the beginning of the year and loans made decreasing the year are included in the federal expenditures presented in the Schedule. As of June 30, 2017, the outstanding loan receivable balance is as follows:

CFDA No.	Program Title	Outstanding Balance at June 30, 2017
14.218	Community Development Block Grant	<u>\$ 332,000</u>

CITY OF CONCORD, CALIFORNIA

**SCHEDULE OF FINDINGS AND QUESTIONED COSTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2017**

I. SUMMARY OF AUDITORS' RESULTS

FINANCIAL STATEMENTS

Type of auditors' report issued on whether the financial statements audited were prepared in accordance with GAAP:	<u>Unmodified</u>
Internal control over financial reporting:	
Material weakness(es) identified?	<u>No</u>
Significant deficiency(ies) identified?	<u>None Reported</u>
Noncompliance material to financial statements noted?	<u>No</u>

FEDERAL AWARDS

Internal control over major federal programs:	
Material weakness(es) identified?	<u>No</u>
Significant deficiency(ies) identified?	<u>Yes</u>
Type of auditors' report issued on compliance for major federal programs:	<u>Unmodified</u>

Any audit findings disclosed that are required to be reported in accordance with 2 CFR 200.516(a)?	<u>Yes</u>
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Identification of major federal programs:

<u>CFDA Numbers</u>	<u>Name of Federal Programs or Clusters</u>
<u>14.218</u>	<u>Community Development Block Grant - Entitlement Grants Cluster</u>

Dollar threshold used to distinguish between Type A and Type B programs:	<u>\$ 750,000</u>
Auditee qualified as low-risk auditee?	<u>Yes</u>

CITY OF CONCORD, CALIFORNIA

**SCHEDULE OF FINDINGS AND QUESTIONED COSTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2017**

II. FINANCIAL STATEMENT FINDINGS

None reported.

CITY OF CONCORD, CALIFORNIA

**SCHEDULE OF FINDINGS AND QUESTIONED COSTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2017**

III. FEDERAL AWARD FINDINGS AND QUESTIONED COSTS

FINDING 2017-001

Program: Community Development Block Grant – Entitlement Grants Cluster

CFDA No.: 14.218

Federal Agency: U.S. Department Housing and Urban Development

Passed-through: N/A

Award Year: 2016-2017

Compliance Requirement: Subrecipient Monitoring

Criteria:

Per the *June 2017 Compliance Supplement* and Title 2 CFR Section 200.331(a) of the Uniform Guidance states that the pass-through entity must identify the award and applicable requirements to the subrecipient with certain information as well as all the requirements imposed by the pass-through entity on the subrecipient so that the Federal award is used in accordance with Federal statutes, regulations, and the terms and conditions of the award.

Condition Found:

Significant Deficiency, Instance of Non-Compliance – Of the three sub-awards tested, we noted two of the sub-awards where the City did not identify all of the required elements of the subaward in accordance with 2 CFR 200.331(a) of the *Uniform Grant Guidance*.

Questioned Costs:

No questioned costs were identified as a result of our procedures.

Context:

The condition noted above was identified during our testing over subrecipient monitoring requirements of the program.

Effect:

The City did not identify the required elements of the subaward to the subrecipient which increased the likelihood of noncompliance in relation to the program. Moreover, the risk of passthrough recipients not complying with the grant requirements also increased.

Cause:

The City's procedures did not ensure that the subawards contain the required elements pursuant to 2 CFR 200.331(a).

Recommendation:

It is recommended that the City prepare subawards agreements that contain all of the required elements as specified in 2 CFR 200.331(a)(1).

CITY OF CONCORD, CALIFORNIA

**SCHEDULE OF FINDINGS AND QUESTIONED COSTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2017**

III. FEDERAL AWARD FINDINGS AND QUESTIONED COSTS

Views of Responsible Officials and Planned Corrective Actions:

The City concurs. Refer to separate Corrective Action Plan Report for management's response.

FINDING 2017-002

Program: Community Development Block Grant – Entitlement Grants Cluster

CFDA No.: 14.218

Federal Agency: U.S. Department Housing and Urban Development

Passed-through: N/A

Award Year: 2016-2017

Compliance Requirement: Cash Management

Criteria:

Per the *June 2017 Compliance Supplement* and Title 2 CFR Section 200.302(b)(6) of the Uniform Guidance, non-Federal entities are required to establish written procedures to implement the cash management requirements of 2 CFR 200.305 (Payment) and 2 CFR 200.302(b)(6).

Condition Found:

Significant Deficiency, Instance of Non-Compliance – As a result of our audit procedures over cash management, we noted the City has not established written procedures to implement the cash management requirements of 2 CFR 200.305 (Payment).

Questioned Costs:

No questioned costs were identified as a result of our procedures.

Context:

The condition noted above was identified during our testing over cash management.

Effect:

The City has not complied with the specific requirements for written procedures over cash management as described in 2 CFR 200.302(b)(6), which increased the risk of cash draws that are not in compliance with federal regulations.

Cause:

The City did not ensure the required written procedures were developed and implemented in accordance with 2 CFR 200.302(b)(6).

CITY OF CONCORD, CALIFORNIA

**SCHEDULE OF FINDINGS AND QUESTIONED COSTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2017**

III. FEDERAL AWARD FINDINGS AND QUESTIONED COSTS

Recommendation:

It is recommended that the City implement written policies and procedures to comply with the requirements of 2 CFR 200.302(b)(6).

Views of Responsible Officials and Planned Corrective Actions:

The City concurs. Refer to separate Corrective Action Plan Report for management's response.

FINDING 2017-003

Program: Community Development Block Grant – Entitlement Grants Cluster

CFDA No.: 14.218

Federal Agency: U.S. Department Housing and Urban Development

Passed-through: N/A

Award Year: 2016-2017

Compliance Requirement: Allowable Costs/Cost Principles

Criteria:

Per the *June 2017 Compliance Supplement* and Title 2 CFR Section 200.302(b)(7) of the Uniform Guidance, non-Federal entities are required to establish written procedures for determining the allowability of costs in accordance with Subpart E – Cost Principles and conditions of the Federal award.

Condition Found:

Significant Deficiency, Instance of Non-Compliance – As a result of our audit procedures over allowable costs and activities, we noted the City has not established written procedures for determining the allowability of costs as required by 2 CFR Section 200.302(b)(7).

Questioned Costs:

No questioned costs were identified as a result of our procedures.

Context:

The condition noted above was identified during our testing over allowable costs and activities.

Effect:

The City has not complied with the specific requirements for written procedures over allowable costs and activities as described in 2 CFR 200.302(b)(7), which increased the risk of incurring costs and activities that are not allowable under federal regulations.

CITY OF CONCORD, CALIFORNIA

**SCHEDULE OF FINDINGS AND QUESTIONED COSTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2017**

III. FEDERAL AWARD FINDINGS AND QUESTIONED COSTS

Cause:

The City did not ensure the required written procedures were developed and implemented in accordance with 2 CFR 200.302(b)(7).

Recommendation:

It is recommended that the City implement written policies and procedures to comply with the requirements of 2 CFR 200.302

Views of Responsible Officials and Planned Corrective Actions:

The City concurs. Refer to separate Corrective Action Plan Report for management's response.

FINDING 2017-004

Program: Community Development Block Grant – Entitlement Grants Cluster

CFDA No.: 14.218

Federal Agency: U.S. Department Housing and Urban Development

Passed-through: N/A

Award Year: 2016-2017

Compliance Requirement: Special Tests and Provisions – Affordability Requirements

Criteria:

Per the regulatory agreement with the loan recipient, each year the borrower should submit an annual report to the Lender that covers each assisted unit covered by the agreement, the rent and income and family size of the household occupying the assisted unit. The Lender must review rents for compliance and approve or disapprove them every year.

Condition Found:

Significant Deficiency, Instance of Non-Compliance – For two (2) of the two (2) outstanding loans selected for review, the City did not perform annual reviews of the information on rents and occupancy of the units to determine compliance with the program.

Questioned Costs:

No questioned costs were identified as a result of our procedures.

Context:

The condition noted above was identified during our testing over special tests and provisions requirements of the program.

CITY OF CONCORD, CALIFORNIA

**SCHEDULE OF FINDINGS AND QUESTIONED COSTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2017**

III. FEDERAL AWARD FINDINGS AND QUESTIONED COSTS

Effect:

By not performing the annual reviews of program assisted housing projects, the City increases its risk of non-compliance with provisions of the program.

Cause:

The City did not perform the annual reviews of information on rents and occupancy of the CDBG-assisted units as required by the program.

Recommendation:

It is recommended that the City adhere to the requirements for the annual review of information on rents and occupancy of CDBG-assisted housing units in accordance with the program.

Views of Responsible Officials and Planned Corrective Actions:

The City concurs. Refer to separate Corrective Action Plan Report for management's response.

CITY OF CONCORD, CALIFORNIA

**SUMMARY SCHEDULE OF PRIOR AUDIT FINDINGS
FOR THE FISCAL YEAR ENDED JUNE 30, 2017**

Summarized below is the current status of the corrective action on audit findings reported in the prior year schedule of audit findings and questioned costs.

Finding No.	Program Name/Description	CFDA No.	Compliance Requirement	Status of Corrective Action
2016-001	Human Resources Approval of Personnel Changes	N/A	N/A	Implemented
2016-002	Highway Planning and Construction Cluster	20.205	Special Tests and Provisions – Administration of Engineering and Design-Related Service Contracts	Implemented