CITY OF NEW ORLEANS, LOUISIANA

SINGLE AUDIT REPORT

For the Year Ended December 31, 2023

CITY OF NEW ORLEANS, LOUISIANA

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INDEPENDENT AUDITORS' REPORT

To the Honorable Latoya Cantrell, Mayor
And Members of the City Council
City of New Orleans
New Orleans, Louisiana

Report on the Audit of the Schedule of Expenditures of Federal Awards

Opinion

We have audited the schedule of expenditures of federal awards of the City of New Orleans, Louisiana (the "City") for the year ended December 31, 2023, and the related notes (the "Schedule").

In our opinion, the accompanying schedule of expenditures of federal awards presents fairly, in all material respects, the expenditures of federal awards of the City for the year ended December 31, 2023, in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinion

We conducted our audit 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). Our responsibilities under those standards are further described in the Auditors' Responsibilities for the Audit of the Schedule section of our report.

We are required to be independent of the City and to meet our other ethical responsibilities, in accordance with the 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 audit opinion.

Responsibilities of Management for the Schedule of Expenditures of Federal Awards

Management is responsible for the preparation and fair presentation of the schedule in accordance with accounting principles generally accepted in the United States of America and for the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of the schedule that is free from material misstatement, whether due to fraud or error.

Auditors' Responsibilities for the Audit of the Schedule of Expenditures of Federal Awards

Our objectives are to obtain reasonable assurance about whether the schedule as a whole is free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. 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 a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the schedule.

In performing an audit in accordance with generally accepted auditing standards, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.

- Identify and assess the risks of material misstatement of the schedule, 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 amounts and disclosures in the schedule.

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the City's internal control. Accordingly, no such opinion is expressed.

- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the schedule.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit, significant audit findings, and certain internal control-related matters that we identified during the audit.

Other Matters

The basic financial statements of the City of New Orleans, Louisiana as of and for the year ended December 31, 2023 were audited by other auditors whose opinion dated July 1, 2024 expressed an unmodified opinion on those basic financial statements.

The City of New Orleans, Louisiana is subject to audit by federal agencies or their designees for compliance with contractual and programmatic requirements with regard to its federal programs for the year ended December 31, 2023. The determination of whether any instances of noncompliance that will ultimately result in the remittance of any ineligible or disallowed cost cannot be presently determined.

Bruno & Tervalon LLP

New Orleans, Louisiana
July 1, 2024

SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS

Award Information	*AL/other #*	*Pass-Through Entity Name*	*Pass-Through Entity #*	*Passed-through to Subrecipients ($)*	*Federal Expenditures ($)*
Economic Development Cluster-Cluster					
Department of Commerce					
Investments for Public Works and Economic Development Facilities					
Investments for Public Works and Economic Development Facilities	11.300			$ -	$ 804,481
Total Investments for Public Works and Economic Development Facilities				-	804,481
Total Department of Commerce					804,481
Total Economic Development Cluster-Cluster					804,481
CDBG - Entitlement Grants-Cluster					
Department of Housing and Urban Development					
Community Development Block Grants/Entitlement Grants					
Community Development Block Grants/Entitlement Grants	14.218			6,273,062	13,833,866
Total Community Development Block Grants/Entitlement Grants				6,273,062	13,833,866
Total Department of Housing and Urban Development				6,273,062	13,833,866
Total CDBG - Entitlement Grants-Cluster				6,273,062	13,833,866
CDBG—Disaster Recovery Grants—Pub. L. No. 113-2 Cluster-Cluster					
Department of Housing and Urban Development					
Hurricane Sandy Community Development Block Grant Disaster Recovery Grants (CDBG-DR)					
Hurricane Sandy Community Development Block Grant Disaster Recovery Grants (CDBG-DR)	14.269			-	4,352,532
Total Hurricane Sandy Community Development Block Grant Disaster Recovery Grants (CDBG-DR)				-	4,352,532
National Disaster Resilience Competition					
National Disaster Resilience Competition	14.272			842,983	2,573,642
Total National Disaster Resilience Competition				842,983	2,573,642
Total Department of Housing and Urban Development				842,983	6,926,174
Total CDBG—Disaster Recovery Grants—Pub. L. No. 113-2 Cluster-Cluster				842,983	6,926,174
WIOA Cluster-Cluster					
Department of Labor					
WIOA Adult Program					
WIOA Adult Program	17.258	State of LA Dept of Labor	AA-23A55AY0003	1,286,345	1,705,785
Total WIOA Adult Program				1,286,345	1,705,785
WIOA Youth Activities					
WIOA Youth Activities	17.259	State of LA Dept of Labor	AA-23A55AY0003	1,054,235	1,911,886
Total WIOA Youth Activities				1,054,235	1,911,886
WIOA Dislocated Worker Formula Grants					
WIOA Dislocated Worker Formula Grants	17.278	State of LA Dept of Labor	2000360198, 2000516542, 2000601960, 20006953525, 2000458878, AA-23A55AY00034	769,197	1,119,662
Total WIOA Dislocated Worker Formula Grants				769,197	1,119,662
Total Department of Labor				3,109,777	4,737,333
Total WIOA Cluster-Cluster				3,109,777	4,737,333
Health Centers Cluster-Cluster					
Department of Health and Human Services					
Health Center Program (Community Health Centers, Migrant Health Centers, Health Care for the Homeless, and Public Housing Primary Care)					
Health Center Program (Community Health Centers, Migrant Health Centers, Health Care for the Homeless, and Public Housing Primary Care)	93.224			-	734,051
Total Health Center Program (Community Health Centers, Migrant Health Centers, Health Care for the Homeless, and Public Housing Primary Care)				-	734,051
Grants for New and Expanded Services under the Health Center Program					
Grants for New and Expanded Services under the Health Center Program	93.527			150,000	2,744,509
Total Grants for New and Expanded Services under the Health Center Program				150,000	2,744,509
Total Department of Health and Human Services				150,000	3,478,560
Total Health Centers Cluster-Cluster				150,000	3,478,560
Other Programs (Treated individually for major program determination)					
Department of Transportation					
Airport Improvement Program, COVID-19 Airports Programs, and Infrastructure Investment and Jobs Act Programs					
AIP-New Orleans International Airport	20.106			-	4,670,585
Airport Improvement Plan	20.106			-	5,756,292
Airport Rescue Grant	20.106			-	7,377,000
Total Airport Improvement Program, COVID-19 Airports Programs, and Infrastructure Investment and Jobs Act Programs				-	17,803,877

SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
Year Ended December 31, 2023

Award Information	*AL/other #*	*Pass-Through Entity Name*	*Pass-Through Entity #*	*Passed-through to Subrecipients ($)*	*Federal Expenditures ($)*
Highway Planning and Construction					
Highway Planning and Construction	20.205	State of LA Dept of Transportation	H.004727	-	15,866
Highway Planning and Construction	20.205	State of LA Dept of Transportation	H.007271	-	170,623
Highway Planning and Construction	20.205	State of LA Dept of Transportation	H.007273	-	994,067
Highway Planning and Construction	20.205	State of LA Dept of Transportation	H.012373	-	2,679,228
Total Highway Planning and Construction				-	3,859,784
Recreational Trails Program					
Recreational Trails Program	20.219	State of LA - Dept of Culture, Rec & Tourism	H.013511	-	3,159
Total Recreational Trails Program				-	3,159
Alcohol Open Container Requirements					
Alcohol Open Container Requirements	20.607	State of LA Dept of Transportation	H.006567	-	111
Total Alcohol Open Container Requirements				-	111
Minimum Penalties for Repeat Offenders for Driving While Intoxicated					
Minimum Penalties for Repeat Offenders for Driving While Intoxicated	20.608	LA Dept of Transportation	2023-30-42	-	24,287
Total Minimum Penalties for Repeat Offenders for Driving While Intoxicated				-	24,287
State and Community Highway Safety Grants					
State and Community Highway Safety Grants	20.600	Louisiana Highway Safety Grants	2023-30-42	-	16,386
Total State and Community Highway Safety Grants				-	16,386
Total Department of Transportation				-	21,707,604
United States Department of Agriculture					
WIC Special Supplemental Nutrition Program for Women, Infants, and Children					
WIC Special Supplemental Nutrition Program for Women, Infants, and Children	10.557	State of LA - Dept of Social Services	2000579477	-	523,855
WIC Special Supplemental Nutrition Program for Women, Infants, and Children	10.557	State of LA - Dept of Social Services	2000342515	-	160,058
WIC Special Supplemental Nutrition Program for Women, Infants, and Children	10.557	State of LA - Dept of Social Services	Not Applicable	-	2,077,030
Total WIC Special Supplemental Nutrition Program for Women, Infants, and Children				-	2,760,943
Total United States Department of Agriculture				-	2,760,943
Department of Commerce					
Office for Coastal Management					
Office for Coastal Management	11.473			-	412,557
Total Office for Coastal Management				-	412,557
Total Department of Commerce				-	412,557
Department of Housing and Urban Development					
Community Development Block Grants/State's program and Non-Entitlement Grants in Hawaii					
Community Development Block Grants/State's program and Non-Entitlement Grants in Hawaii	14.228	State of Louisiana Office of Community Development	CFMS#661158	-	4,638,409
Total Community Development Block Grants/State's program and Non-Entitlement Grants in Hawaii				-	4,638,409
Emergency Solutions Grant Program					
Emergency Solutions Grant Program	14.231			2,575,306	3,616,725
Total Emergency Solutions Grant Program				2,575,306	3,616,725
Home Investment Partnerships Program					
Home Investment Partnerships Program	14.239			2,360,019	5,426,176
Total Home Investment Partnerships Program				2,360,019	5,426,176
Housing Opportunities for Persons with AIDS					
Housing Opportunities for Persons with AIDS	14.241			2,902,610	3,094,726
Total Housing Opportunities for Persons with AIDS				2,902,610	3,094,726
Continuum of Care Program					
Continuum of Care Program	14.267			-	416,842
Total Continuum of Care Program				-	416,842
Total Department of Housing and Urban Development				7,837,935	17,192,878

CITY OF NEW ORLEANS, LOUISIANA

SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
Year Ended December 31, 2023

Award Information	*AL/other #*	*Pass-Through Entity Name*	*Pass-Through Entity #*	*Passed-through to Subrecipients ($)*	*Federal Expenditures ($)*
United States Department of Justice					
Crime Victim Assistance					
Crime Victim Assistance	16.575	State of Louisiana - Commisssion Law Enforcement	2020-VA-99-6361, 2021-VA-99-7114	-	16,778
Total Crime Victim Assistance				-	16,778
Crime Victim Assistance/Discretionary Grants					
Crime Victim Assistance/Discretionary Grants	16.582			-	257,944
Total Crime Victim Assistance/Discretionary Grants				-	257,944
Violence Against Women Formula Grants					
Violence Against Women Formula Grants	16.588	State of Louisiana - Commission Law Enforcement	2021-WF-01-6778	-	71,729
Violence Against Women Formula Grants	16.588	State of Louisiana - Commission Law Enforcement	2022-WF-01-7716	-	57,206
Total Violence Against Women Formula Grants				-	128,935
Project Safe Neighborhoods					
Project Safe Neighborhoods	16.609			-	427,281
Total Project Safe Neighborhoods				-	427,281
Edward Byrne Memorial Justice Assistance Grant Program					
Edward Byrne Memorial Justice Assistance Grant Program	16.738	Direct		-	271,191
Edward Byrne Memorial Justice Assistance Grant Program	16.738	State of Louisiana - Commission Law Enforcement	2021-DJ-06-7065	-	39,108
Total Edward Byrne Memorial Justice Assistance Grant Program				-	310,299
DNA Backlog Reduction Program					
DNA Backlog Reduction Program	16.741			-	9,750
Total DNA Backlog Reduction Program				-	9,750
Paul Coverdell Forensic Sciences Improvement Grant Program					
Paul Coverdell Forensic Sciences Improvement Grant Program	16.742	State of Louisiana - Commission Law Enforcement	2021-CD-01-6616	-	28,799
Total Paul Coverdell Forensic Sciences Improvement Grant Program				-	28,799
National Sexual Assault Kit Initiative					
National Sexual Assault Kit Initiative	16.833			-	99,231
Total National Sexual Assault Kit Initiative				-	99,231
Comprehensive Opioid, Stimulant, and other Substances Use Program					
Comprehensive Opioid, Stimulant, and other Substances Use Program	16.838			-	459,894
Total Comprehensive Opioid, Stimulant, and other Substances Use Program				-	459,894
STOP School Violence					
STOP School Violence	16.839			-	4,130
Total STOP School Violence				-	4,130
Consolidated And Technical Assistance Grant Program to Address Children and Youth Experiencing Domestic and Sexual Violence and Engage Men and Boys as Allies					
Consolidated And Technical Assistance Grant Program to Address Children and Youth Experiencing Domestic and Sexual Violence and Engage Men and Boys as Allies	16.888			-	142,646
Total Consolidated And Technical Assistance Grant Program to Address Children and Youth Experiencing Domestic and Sexual Violence and Engage Men and Boys as Allies				-	142,646
Equitable Sharing Program					
Equitable Sharing Program	16.922			-	47,199
Total Equitable Sharing Program				-	47,199
Total United States Department of Justice				-	1,932,886
Department of Labor					
Reentry Employment Opportunities					
Reentry Employment Opportunities	17.270			-	36,585
Total Reentry Employment Opportunities				-	36,585
WIOA National Dislocated Worker Grants / WIA National Emergency Grants					
WIOA National Dislocated Worker Grants / WIA National Emergency Grants	17.277			-	1,389,204
WIOA National Dislocated Worker Grants / WIA National Emergency Grants	17.277	State of LA Dept of Labor	DW-37000-21-60-A-22	1,452,024	278,802
Total WIOA National Dislocated Worker Grants / WIA National Emergency Grants				1,452,024	1,668,006
Total Department of Labor				1,452,024	1,704,591
Department of the Treasury					
Emergency Rental Assistance Program					
Emergency Rental Assistance Program	21.023			-	9,091,683
Total Emergency Rental Assistance Program				-	9,091,683

Award Information	*AL/other #*	*Pass-Through Entity Name*	*Pass-Through Entity #*	*Passed-through to Subrecipients ($)*	*Federal Expenditures ($)*
Coronavirus State and Local Fiscal Recovery Funds (Alternative Compliance Examination)					
Coronavirus State and Local Fiscal Recovery Funds (Alternative Compliance Examination)	21.027			-	15,166,150
Total Coronavirus State and Local Fiscal Recovery Funds (Alternative Compliance Examination)				-	15,166,150
CORONAVIRUS STATE AND LOCAL FISCAL RECOVERY FUNDS					
CORONAVIRUS STATE AND LOCAL FISCAL RECOVERY FUNDS	21.027			-	40,073,860
Total CORONAVIRUS STATE AND LOCAL FISCAL RECOVERY FUNDS				-	40,073,860
Total Department of the Treasury				-	64,331,693
Various Agencies – 2					
Delta Regional Authority					
Delta Regional Authority	90.200	Delta Regional Authority	RW0413-02	-	68,600
Total Delta Regional Authority				-	68,600
Total Various Agencies – 2				-	68,600
Department of Health and Human Services					
Medical Reserve Corps Small Grant Program					
Medical Reserve Corps Small Grant Program	93.008	National Association of County	5 HITEP 200045-02-00, 6HITEP200045-02-06	-	7,601
Total Medical Reserve Corps Small Grant Program				-	7,601
Public Health Emergency Preparedness					
Public Health Emergency Preparedness	93.069	State of Louisiana Department of Health and Hospitals	2000598466	-	13,087
Total Public Health Emergency Preparedness				-	13,087
Environmental Public Health and Emergency Response					
Environmental Public Health and Emergency Response	93.070			-	23,157
Total Environmental Public Health and Emergency Response				-	23,157
Prevention of Disease, Disability, and Death by Infectious Diseases					
Prevention of Disease, Disability, and Death by Infectious Diseases	93.084			-	16,440
Total Prevention of Disease, Disability, and Death by Infectious Diseases				-	16,440
Community Programs to Improve Minority Health Grant Program					
Community Programs to Improve Minority Health Grant Program	93.137			-	710,363
Total Community Programs to Improve Minority Health Grant Program				-	710,363
Strengthening Public Health Systems and Services through National Partnerships to Improve and Protect the Nation's Health					
Strengthening Public Health Systems and Services through National Partnerships to Improve and Protect the Nation's Health	93.421	Natl Association of County & City Health Officials	2022-032115	-	4,176
Strengthening Public Health Systems and Services through National Partnerships to Improve and Protect the Nation's Health	93.421	Natl Association of County & City Health Officials	6NU38OT0000306-02-10	-	62,467
Total Strengthening Public Health Systems and Services through National Partnerships to Improve and Protect the Nation's Health				-	66,643
Ending the HIV Epidemic: A Plan for America — Ryan White HIV/AIDS Program Parts A and B					
Ending the HIV Epidemic: A Plan for America — Ryan White HIV/AIDS Program Parts A and B	93.686			20,554	1,155,325
Total Ending the HIV Epidemic: A Plan for America — Ryan White HIV/AIDS Program Parts A and B				20,554	1,155,325
HIV Emergency Relief Project Grants					
HIV Emergency Relief Project Grants	93.914			8,245,160	9,938,011
Total HIV Emergency Relief Project Grants				8,245,160	9,938,011
Healthy Start Initiative					
Healthy Start Initiative	93.926			185,863	1,379,659
Total Healthy Start Initiative				185,863	1,379,659
HIV Prevention Activities Health Department Based					
HIV Prevention Activities Health Department Based	93.940	State of Louisiana Department of Health and Hospitals	NU6SP924620, NU62PS924620	-	59,820
Total HIV Prevention Activities Health Department Based				-	59,820
Centers for Disease Control and Prevention Collaboration with Academia to Strengthen Public Health					
Centers for Disease Control and Prevention Collaboration with Academia to Strengthen Public Health	93.967	State of Louisiana Department of Health and Hospitals	200750212	-	161,887
Total Centers for Disease Control and Prevention Collaboration with Academia to Strengthen Public Health				-	161,887
Total Department of Health and Human Services				8,451,577	13,531,993

SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
Year Ended December 31, 2023

Award Information	*AL/other #*	*Pass-Through Entity Name*	*Pass-Through Entity #*	*Passed-through to Subrecipients ($)*	*Federal Expenditures ($)*
Corporation for National and Community Service					
AmeriCorps Volunteers In Service to America 94.013					
AmeriCorps Volunteers In Service to America 94.013	94.013			-	73,279
Total AmeriCorps Volunteers In Service to America 94.013				-	73,279
Total Corporation for National and Community Service				-	73,279
Department of Homeland Security					
Flood Mitigation Assistance					
Flood Mitigation Assistance	97.029	State of LA - Gov Office of Homeland Security	FMA-PJ-06-LA-2017-002	-	1,006,030
Flood Mitigation Assistance	97.029	State of LA - Gov Office of Homeland Security	FMA-PJ-06-LA-2018-005	-	82,744
Flood Mitigation Assistance	97.029	State of LA - Gov Office of Homeland Security	FMA-PJ-06-LA 2018-008, FMA-EMT-2020-FM-053-0030(FM30), FMA-PJ-06-LA-2019-002, FMA-PJ-06-LA-2019-003, FMA-PJ-06-LA-2018-006	-	2,628,806
Flood Mitigation Assistance	97.029	State of LA - Gov Office of Homeland Security	FMA-PJ-06-LA-2013-004	-	85
Total Flood Mitigation Assistance				-	3,717,665
Disaster Grants - Public Assistance (Presidentially Declared Disasters)					
Disaster Grants - Public Assistance (Presidentially Declared Disasters)	97.036	State of LA - Gov Office of Homeland Security	071-55000 & Various others	-	179,524,614
Disaster Grants - Public Assistance (Presidentially Declared Disasters)	97.036	State of LA - Gov Office of Homeland Security	'PA-06-LA-4484-PW-00005	-	88,348
Total Disaster Grants - Public Assistance (Presidentially Declared Disasters)				-	179,612,962
Hazard Mitigation Grant					
Hazard Mitigation Grant	97.039	State of LA - Gov Office of Homeland Security	1603DRLA0079, 16030710006, 1603X0710043, 1603-0710020, 1603-0710036, 4080-071-027, 1603X-071-0034, FEMA 1603-DR-LA-0432, FEMA 1603-DR-LA-0429, 1603-DR-LA-0433 & Various others	-	2,228,578
Total Hazard Mitigation Grant				-	2,228,578
Emergency Management Performance Grants					
Emergency Management Performance Grants	97.042	State of LA - Gov Office of Homeland Security	EMT-2022-EP-00003-S01	-	140,952
Total Emergency Management Performance Grants				-	140,952
Assistance to Firefighters Grant					
Assistance to Firefighters Grant	97.044			-	322,121
Total Assistance to Firefighters Grant				-	322,121
BRIC: Building Resilient Infrastructure and Communities					
BRIC: Building Resilient Infrastructure and Communities	97.047	State of LA - Gov Office of Homeland Security	EMT-2021-BR-091-0027	-	50,927
Total BRIC: Building Resilient Infrastructure and Communities				-	50,927
Port Security Grant Program					
Port Security Grant Program	97.056			-	61,631
Total Port Security Grant Program				-	61,631
Homeland Security Grant Program					
Homeland Security Grant Program	97.067	State of LA - Gov Office of Homeland Security	EMW-2020-SS-00011-S01, EMW-2021-SS-00019-S01, EMW-2022-SS-00042-S01	-	1,177,276
Total Homeland Security Grant Program				-	1,177,276
Staffing for Adequate Fire and Emergency Response (SAFER)					
Staffing for Adequate Fire and Emergency Response (SAFER)	97.083			-	5,071,800
Total Staffing for Adequate Fire and Emergency Response (SAFER)				-	5,071,800
Securing the Cities Program					
Securing the Cities Program	97.106			-	2,527,932
Total Securing the Cities Program				-	2,527,932
Total Department of Homeland Security					194,911,844
Total Other Programs (Treated individually for major program determination)				17,741,536	318,628,868
Total Expenditures of Federal Awards				28,117,358	348,409,282

NOTES TO THE SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS

NOTE 1 - BACKGROUND

The City of New Orleans (the "City") was incorporated in 1805. The City's system of government is established by the Home Rule Charter which became effective in 1954. The City operates under a Mayor-Council form of government. The City provides the following types of services as authorized by its charter: public health and safety, streets, sanitation, water and sewerage, planning and zoning, recreation and general and administrative services. Education and welfare are administered by other governmental entities.

NOTE 2 - BASIS OF PRESENTATION

The accompanying Schedule of Expenditures of Federal Awards (the Schedule) presents the activity of the federal awards of the City of New Orleans (the City). 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 assets, or cash flows of the City.

NOTE 3 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Grant expenditures in the Schedule are generally recognized under the accrual basis of accounting when the related liability is incurred, if measurable. Vacation and sick leave are recognized when paid. Current grant expenditures include direct expenditures and expenditures of federal awards passed through other governmental agencies. Expenditures are recognized following the cost principles contained in the Uniform Guidance.

The accounting policies of the City conform to accounting principles generally accepted in the United States of America as applicable to governmental units. The preparation of the Schedule in conformity with accounting principles generally accepted in the United States of America requires management to make certain assumptions that affect the reported amounts of expenditures during the reporting period. Actual results could differ from those estimates.

NOTE 4 - DE MINIMUS COST RATE

The City did not elect to use the ten (10) percent de minimis cost rate as covered in paragraph 200.414 of the Uniform Guidance.

NOTE 5 - INELIGIBLE, DISALLOWED AND QUESTIONED COSTS

The City is subject to audit by federal agencies or their designees for compliance with contractual and programmatic requirements with regard to federal programs administered by the City. The determination of whether any instances of noncompliance that will ultimately result in the remittance of any ineligible or disallowed costs cannot be presently determined. When applicable, the repayment of any remaining ineligible and disallowed costs shall be funded from non-federal funds.

NOTE 6 - RECONCILIATION TO THE FINANCIAL STATEMENTS

Federal revenues are included in capital grants and contributions and operation grants and contributions on the Statement of Activities.

NOTE 7 - CONTINGENCY

The City is the recipient of numerous federal grants and awards. These grants and awards are governed by various federal requirements, guidelines, regulations and contractual agreements.

The administration of the programs and activities funded by these grants and awards is under control of the City and is subject to audit and review by the applicable funding sources. Any grant or award found not to be properly spent in accordance with the requirements, guidelines, regulations and contractual agreements of the funding source may be subject to recapture.

The audit of the federal award programs of the City for the year ended December 31, 2023 disclosed instances of non-compliance that may be significant to the Schedule, but for which the ultimate resolution cannot be presently determined.

NOTE 8 - MAJOR FEDERAL AWARDS PROGRAMS

The City's major federal awards programs for the year ended December 31, 2023 were determined based upon program activity. The City's "Type A" federal awards programs for the year ended December 31, 2023 were all federally-assisted high risk programs for which program activity was equal to or greater than $3,000,000 during the year ended December 31, 2023.

NOTE 9 - SPECIAL SUPPLEMENTAL NUTRITION PROGRAM FOR WOMEN, INFANTS AND CHILDREN – FOOD ISSUANCE

The City, in conjunction with the State of Louisiana Department of Health and Hospitals, administers the Women, Infants and Children (WIC) Supplemental Food Issuance Program. As a result, eligible participants received WIC drafts to obtain WIC food packages totaling $2,077,030 for the year ended December 31, 2023.

INDEPENDENT AUDITORS' REPORT ON COMPLIANCE FOR EACH MAJOR PROGRAM AND ON INTERNAL CONTROL OVER COMPLIANCE REQUIRED BY THE UNIFORM GUIDANCE

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INDEPENDENT AUDITORS' REPORT ON COMPLIANCE FOR EACH MAJOR PROGRAM AND ON INTERNAL CONTROL OVER COMPLIANCE REQUIRED BY THE UNIFORM GUIDANCE

To the Honorable Latoya Cantrell, Mayor
and Members of the City Council
City of New Orleans
New Orleans, Louisiana

Report on Compliance for Each Major Federal Program

Opinion on Compliance for Each Major Federal Program

We have audited the City of New Orleans, Louisiana (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, 2023. The City'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 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 December 31, 2023.

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; 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). 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 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.

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'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'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'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 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 and therefore, material weaknesses or significant deficiencies may exist that were not identified. We did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses. However, material weakness 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.

Purpose of this Report

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 Uniform Guidance. Accordingly, this report is not suitable for any other purpose.

This report is intended solely for the information and use of the City Council, the Mayor, management, the Louisiana Legislative Auditor and federal awarding agencies and pass-through entities and is not intended to be and should not be used by anyone other than these specified parties. Under Louisiana revised statute 24:513, this report is distributed by the Louisiana Legislative Auditor as a public document.

Bruno & Tervalon LLP

New Orleans, Louisiana
July 1, 2024

SCHEDULE I

SUMMARY OF INDEPENDENT AUDITORS' RESULTS

SCHEDULE OF FINDINGS AND QUESTIONED COSTS
Year Ended December 31, 2023

1. Summary of Independent Auditors' Results

a) The type of report issued on the basic financial statements: **N/A**

b) Significant deficiencies in internal control were disclosed by the audit of the basic financial statements: **N/A;** Material weaknesses: **N/A**

c) Noncompliance which is material to the basic financial statements: **N/A**

d) Significant deficiencies in internal control over major program(s): **N/A**

e) The type of report issued on compliance for major program: **Unmodified Opinion**

f) Did the audit disclose any audit findings which the independent auditor is required to report in accordance with 2 CFR 200.516(a)? **N/A**

g) Identification of major programs:

AL Numbers	Name of Federal Program or Cluster
Various	WIOA Cluster
Various	Health Centers Cluster
14.239	Home Investment Partnerships Program
14.241	Housing Opportunities for Persons with AIDS
20.205	Highway Planning and Construction
20.027	Coronavirus State and Local Fiscal Recovery Funds
97.029	Flood Mitigation Assistance
97.036	Disaster Grants-Public Assistance (Presidentially Declared Disasters)
97.083	Staffing for Adequate Fire and Emergency Response (SAFER)

h) Dollar threshold used to distinguish between Type A and Type B programs: **3,000,000**

i) Auditee qualified as a low-risk auditee under the Uniform Guidance: **No**

<u>SCHEDULE II</u>

Current Federal Findings

(3) Findings and Questioned Cost for Federal Awards

No findings.

STATUS OF PRIOR YEAR'S AUDIT FINDINGS

Findings and Questioned Costs for Federal Awards

2022-001 Equipment and Real Property Management supporting documentation.

Compliance Matrix: Equipment and Real Property Management

- **14.228 – Community Development Block Grants/State's Program and Non-Entitlement Grant in Hawaii, Grant #B-06-BG-22-0001**

Criteria:

An entity must use, manage, and dispose of equipment acquired under a federal award in accordance with 2 CFR section 200.313 (d) (2) which requires a physical inventory of the property must be taken and results reconciled with the property records at least once every two years.

Condition/Context:

During our testing of the Community Development Block Grants/State's Program, we noted that the City was unable to provide a reconciliation of the physical inventory to the property records.

Cause:

The City does not have adequate processes and controls in place to ensure that the physical inventory is taken at least once every two years and reconciled to the property records.

Effect:

The City could not provide supporting documentation that the required physical inventory and reconciliation to the property records was performed.

Recommendation:

We recommend the City strengthen internal controls to ensure that the City maintains record of the physical inventory and reconciliations to the property records.

Current Status:

Resolved.