

CITY OF LOS ANGELES, CALIFORNIA

Single Audit Reports

Fiscal Year Ended June 30, 2025



Certified
Public
Accountants

CITY OF LOS ANGELES, CALIFORNIA
Fiscal Year Ended June 30, 2025

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KENNETH MEJIA
CONTROLLER

March 25, 2026

INTRODUCTION TO THE ORGANIZATION OF THE CITY OF LOS ANGELES

The City of Los Angeles (City) was incorporated in 1850 under the provisions of a City Charter. The current Charter was approved by the electorate on June 8, 1999 and became effective on July 1, 2000. The City's organizational structure provides for a decentralized operation. For single audit purposes in accordance with the Uniform Guidance, the City reports as five separate entities to reflect this structure. These entities include: (1) General Government; (2) Department of Airports; (3) Harbor Department; (4) Department of Water and Power; and (5) Housing Authority of the City of Los Angeles. All five entities are responsible for arranging an annual financial audit. If they receive Federal assistance, they also arrange for single audits and submit the resulting reports to the Federal Audit Clearinghouse of the U.S. General Services Administration.

The General Government entity is under the control and management of the Mayor and City Council. Services provided by this entity are delineated in the City Charter and Administrative Code. The remaining four entities are independent of direct Mayor and City Council control and management.

The Department of Airports, Harbor Department, and Department of Water and Power are independent Charter departments headed by citizen commissions appointed by the Mayor and confirmed by the City Council. These departments have control of their own funds and revenue. They establish their own budgets, set their rates subject to City Council review and approval, sell revenue bonds, and have required audits performed.

The Housing Authority of the City of Los Angeles is an entity established as a result of Federal/State law provisions and is headed by a City commission.

The City prepares and issues an Annual Comprehensive Financial Report that contains the basic financial statements. The Annual Comprehensive Financial Report is prepared

INTRODUCTION TO THE ORGANIZATION OF THE CITY OF LOS ANGELES

March 25, 2026

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in conformity with generally accepted accounting principles (GAAP) for State and local governments. For GAAP reporting purposes, the City's reporting entity includes three of the four independent entities. The Housing Authority is fiscally independent of the City and therefore excluded from the City's reporting entity.

The General Government's auditor performs financial and single audits of the General Government, while the financial and any required single audits of the other entities are performed by their respective auditors.

The City's Annual Comprehensive Financial Report (which includes the basic financial statements) and the Schedule of Expenditures of Federal Awards (SEFA) with required single audit reports for the fiscal year ended June 30, 2025, are issued as separate documents. Copies of both the Annual Comprehensive Financial Report and the SEFA, with the required single audit reports, are submitted to the Federal Audit Clearinghouse of the U.S. General Services Administration, and the State Controller.

The attachment provides summary information on each of the five Single Audit reporting entities of the City. A brief description of the functions of each of these entities is included.

Sincerely,



Kenneth Mejia (Mar 25, 2026 16:39:29 PDT)

KENNETH MEJIA
Los Angeles City Controller

Attachment

STATUS OF THE FISCAL YEAR 2024-2025 SINGLE AUDIT

1. GENERAL GOVERNMENT

- Responsible for providing for the health, welfare and public safety of the City including police, fire, public works, building inspections and issuance of permits, City planning, libraries and recreation and parks under the authority of the City Charter.
- Fiscal Year: July 1 to June 30
- Fiscal Year 2024-2025 Budget: \$12,897,408,000
- Fiscal Year 2024-2025 Federal Award Expenditures: \$784,544,000
- Fiscal Year 2024-2025 Balance of Outstanding Loans of Federal Funds under Community Development Block Grants Section 108 Loan Guarantee Program: \$42,874,000
- Fiscal Year 2024-2025 Financial Audit: Completed
- Fiscal Year 2024-2025 Single Audit: Completed
- Federal Cognizant Agency for Audit: Department of Housing and Urban Development
- Auditor: Macias Gini & O'Connell LLP

2. DEPARTMENT OF AIRPORTS

- Responsible for the management, supervision and control of the City's airports and airport facilities. Controls its own funds, establishes its own budget and sets rates subject to City Council review. Governed by a Board of Commissioners appointed by the Mayor and confirmed by the City Council.
- Fiscal Year: July 1 to June 30
- Fiscal Year 2024-2025 Budget: \$9,891,396,000
- Fiscal Year 2024-2025 Federal Award Expenditures: \$198,294,000
- Fiscal Year 2024-2025 Financial Audit: Completed
- Fiscal Year 2024-2025 Single Audit: Completed
- Federal Cognizant Agency for Audit: Department of Transportation
- Auditor: Baker Tilly US, LLP

**STATUS OF THE FISCAL YEAR 2024-2025 SINGLE AUDIT
(Continued)**

3. HARBOR DEPARTMENT

- Responsible for the management, supervision, and control of the Port of Los Angeles. Provides for the needs of maritime commerce, navigation, and marine recreations for the citizens of California. Constructs and maintains its own facilities and controls its own funds in accordance with the Charter and State of California Tidelands Trust. Governed by a Board of Commissioners appointed by the Mayor and confirmed by the City Council.

- Fiscal Year: July 1 to June 30

- Fiscal Year 2024-2025 Budget: \$2,623,106,000

- Fiscal Year 2024-2025 Federal Award Expenditures: \$7,701,000

- Fiscal Year 2024-2025 Financial Audit: Completed

- Fiscal Year 2024-2025 Single Audit: Completed

- Federal Oversight Agency for Audit: Department of Transportation

- Auditor: Baker Tilly US, LLP

**STATUS OF THE FISCAL YEAR 2024-2025 SINGLE AUDIT
(Continued)**

4. HOUSING AUTHORITY OF THE CITY OF LOS ANGELES

- Responsible for the elimination of unsafe and unsanitary dwelling units in the City to protect the health and safety of the inhabitants and to develop and administer low-rent housing projects within the City limits. Established by the City Council in accordance with the California Health and Safety Code (Section 34200 et seq.) and Section 8 of the Federal Housing Act of 1937. Prepares its own budget for the approval by the Board of Housing Authority Commissioners and forwards it to the U.S. Department of Housing and Urban Development for approval in accordance with Federal guidelines. Employs personnel not included in the classified Civil Service established by the Charter and participates in the State Public Employees Retirement System.

- Fiscal Year: January 1 to December 31

- Fiscal Year 2024 Budget: \$2,044,113,000

- Fiscal Year 2025 Budget: \$2,307,478,000

- Fiscal Year 2024 Federal Award Expenditures: \$2,104,352,000

- Fiscal Year 2025 Federal Award Expenditures: \$2,283,960,000

- Fiscal Year 2024 Financial and Single Audits: Completed

- Fiscal Year 2025 Financial and Single Audits: In Process

- Federal Cognizant Agency for Audit: Department of Housing and Urban Development

- Auditor: Berman Hopkins Wright & Laham, CPAs & Associates, LLP

**STATUS OF THE FISCAL YEAR 2024-2025 SINGLE AUDIT
(Continued)**

5. DEPARTMENT OF WATER AND POWER

- Responsible for supplying the City and its inhabitants with water and electric energy by constructing, operating, and maintaining facilities located throughout the City and Inyo and Mono counties. Governed by a Board of Commissioners appointed by the Mayor and confirmed by the City Council. Controls its own funds, establishes its own budget and sets rates, subject to City Council approval.

- Fiscal Year: July 1 to June 30

- Fiscal Year 2024-2025 Budget:
 - \$3,707,911,000 (Water System)
 - \$8,330,291,000 (Power System)

- Fiscal Year 2024-2025 Federal Award Expenditures:
 - \$ 32,046,000 (Water System)
 - \$ 0 (Power System)

- Fiscal Year 2024-2025 Financial Audit: Completed

- Fiscal Year 2024-2025 Single Audit:
 - Water System: Completed
 - Power System: Not subject to Single Audit in Fiscal Year 2024-25

- Federal Oversight Agencies for Audit:
 - Environmental Protection Agency (Water System)

- Auditor: KPMG LLP

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

The Honorable Members of the City Council
City of Los Angeles, 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 (*Government Auditing Standards*), the financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the City of Los Angeles, California (City), as of and for the fiscal year ended June 30, 2025, and the related notes to the financial statements, which collectively comprise the City’s basic financial statements, and have issued our report thereon dated January 29, 2026. Our report includes emphasis of matters paragraphs for the City’s adoption of Governmental Accounting Standards Board Statement No. 101, *Compensated Absences*, the estimate of overall financial impact of Palisades Fire, and the lawsuits filed against the City, DWP, and other entities as a result of the Palisades Fire. Our report includes a reference to other auditors who audited the financial statements of the following City departments/funds: Department of Airports (Airports); Department of Water and Power (DWP) Water System and Power System; Department of Harbor (Harbor); Los Angeles Fire and Police Pension System (Pensions); Los Angeles City Employees’ Retirement System (LACERS); and Water and Power Employees’ Retirement, Disability and Death Benefit Insurance Plans (DWP Plans) as described in our report on the City’s financial statements. The financial statements of the DWP Plans were not audited in accordance with *Government Auditing Standards*, and accordingly, this report does not include reporting on internal control over financial reporting or compliance and other matters associated with the DWP Plans or the results of the other auditors testing of internal control over financial reporting or compliance and other matters that are reported on separately by those auditors who audited the financial statements of Airports, DWP Water System and Power System, Harbor, Pensions, and LACERS.

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 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. We identified certain deficiencies in internal control described in the accompanying schedule of findings and questioned costs as items 2025-001 and 2025-002 that we consider to be significant deficiencies.

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*.

City's Response to Finding

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

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.



Los Angeles, California
January 29, 2026

Independent Auditor’s 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, Supplementary Schedule of Expenditures of Federal Awards and State Awards Granted by California Department of Aging, and Community Services Block Grant Supplementary Schedules of Revenue and Expenditures

The Honorable Members of the City Council
City of Los Angeles, California

Report on Compliance for Each Major Federal Program

Opinion on Each Major Federal Program

We have audited the City of Los Angeles, California’s (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 fiscal year ended June 30, 2025. 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 fiscal year ended June 30, 2025.

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.

Other Matter – Federal Expenditures Not Included in the Compliance Audit

The City's basic financial statements include the operations of the Department of Airports (Airports), the Department of Water and Power (DWP) Water System, and the Department of Harbor (Harbor), which expended \$198,294,000, \$32,046,000, and \$7,701,000, respectively, in federal awards, which are not included in the City's schedule of expenditures of federal awards for the fiscal year ended June 30, 2025. Our compliance audit, described in the Opinion for Each Major Federal Program, does not include the operations of Airports, DWP Water System, and Harbor because these departments engaged other auditors to perform an audit of compliance.

Responsibilities of Management for Compliance

The City's 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.

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.

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, Supplementary Schedule of Expenditures of Federal Awards and State Awards Granted by California Department of Aging, and Community Services Block Grant Supplementary Schedules of Revenue and Expenditures

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 fiscal year ended June 30, 2025, and the related notes to the financial statements, which collectively comprise the City's basic financial statements. We have issued our report thereon dated January 29, 2026, which contained an unmodified opinion on those financial statements. Our audit was performed 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, supplementary schedule of expenditures of federal awards and state awards granted by California Department of Aging, and community services block grant supplementary schedules of revenue and expenditures (Schedules) are presented for purposes of additional analysis as required by the Uniform Guidance, the California Department of Aging, and the California Department of Community Services and Development, respectively, and are 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 basic 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 Schedules are fairly stated in all material respects in relation to the basic financial statements as a whole.

Macias Gini & O'Connell LLP

Los Angeles, California

March 25, 2026

CITY OF LOS ANGELES
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
FISCAL YEAR ENDED JUNE 30, 2025
(Amounts rounded to nearest thousand)

FEDERAL GRANTOR/ CITY DEPARTMENT	PASS-THROUGH GRANTOR	PROGRAM TITLE	ASSISTANCE LISTING (AL) NUMBER	GRANT/PASS-THROUGH NUMBER	EXPENDITURES	SUBRECIPIENTS
DEPARTMENT OF AGRICULTURE						
Recreation and Parks	State of California - Department of Education	Summer Food Service Program for Children	10.559	19-81909V	\$ 656,000	\$ -
Aging	California Department of Aging	State Administrative Matching Grants for the Supplemental Nutrition Assistance Program	10.561	CF-2223-25	431,000	431,000
Aging	California Department of Food and Agriculture	Senior Farmers Market Nutrition Program	10.576	unknown	73,000	73,000
Public Works	Direct	Inflation Reduction Act Urban & Community Forestry Program	10.727	24-DG-11052021-238	178,000	-
TOTAL FOR DEPARTMENT OF AGRICULTURE					1,338,000	504,000
DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT						
Community Investment for Families Department	Direct	Community Development Block Grants/Entitlement Grants	14.218	B-24-MC-06-0523 and Prior Awards	47,308,000	20,817,000
Community Investment for Families Department	Direct	COVID-19 CARES - Community Development Block Grants/Entitlement Grants	14.218	B-20-MW-06-0523	1,860,000	419,000
<i>Subtotal 14.218</i>					<i>48,968,000</i>	<i>21,236,000</i>
Los Angeles Housing Department	Direct	Emergency Solutions Grant Program	14.231	E-24-MC-06-0523 and Prior Awards	4,899,000	4,567,000
Los Angeles Housing Department	Direct	COVID-19 CARES - Emergency Solutions Grant Program	14.231	E-20-MW-06-0523	1,731,000	1,731,000
Los Angeles Housing Department	Direct	Emergency Solutions Grant Program -RUSH Funding	14.231	E-25-MW-06-0523	30,000	-
<i>Subtotal 14.231</i>					<i>6,460,000</i>	<i>6,298,000</i>
Los Angeles Housing Department	Direct	Home Investment Partnerships Program	14.239	M-21-MP-06-0519 M-24-MC-06-0519 and Prior Awards	36,170,000 64,921,000	- -
<i>Subtotal 14.239</i>					<i>101,091,000</i>	<i>-</i>
Los Angeles Housing Department	Direct	Housing Opportunities for Persons with AIDS	14.241	CAH24-F005 and Prior Awards	23,874,000	22,864,000
Economic and Workforce Development	Direct	Community Development Block Grants - Section 108 Loan Guarantees	14.248	B-11-MC-06-0523-B and Prior Awards	50,529,000	-
Los Angeles Housing Department	Direct	Economic Development Initiative, Community Project Funding, and Miscellaneous grants	14.251	B-23-CP-CA-0065	500,000	-

CITY OF LOS ANGELES
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS (CONTINUED)
FISCAL YEAR ENDED JUNE 30, 2025
 (Amounts rounded to nearest thousand)

FEDERAL GRANTOR/ CITY DEPARTMENT	PASS-THROUGH GRANTOR	PROGRAM TITLE	ASSISTANCE LISTING (AL) NUMBER	GRANT/PASS- THROUGH NUMBER	EXPENDITURES	SUBRECIPIENTS
Los Angeles Housing Department	Direct	Lead Hazard Reduction Demonstration Grant Program	14.905	CALHD0419-19	667,000	--
TOTAL FOR DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT					232,189,000	50,198,000
<u>DEPARTMENT OF THE INTERIOR</u>						
Public Works	Direct	Water Recycling and Desalination Construction Programs	15.504	R24AP00270-00	1,719,000	--
City Planning	State Department of Parks & Recreation	Historic Preservation Fund Grants-In-Aid	15.904	P23AF01255	25,000	--
TOTAL FOR DEPARTMENT OF THE INTERIOR					1,743,000	--
<u>DEPARTMENT OF JUSTICE</u>						
Police	Direct	Law Enforcement Assistance - Narcotics and Dangerous Drugs Training	16.004	92R31600 DEA-JLE-JDCE-OD009	332,000 494,000	-- --
		<i>Subtotal 16,004</i>			<i>826,000</i>	<i>--</i>
City Attorney	Direct	Community Based Violence Intervention and Prevention Initiative	16.045	15PBJA-22-GG-04719-CVIP	583,000	398,000
Police	Direct	Law Enforcement Assistance - FBI Advanced Police Training	16.300	415-LA-A1508876-R 305A-LA-C247239-CE-1 87-LA-A2576889 281E-LA-A2472302 245C-LA-3216188 166E-LA-140751-CRA SW-CAC-various	131,000 10,000 59,000 19,000 171,000 587,000 42,000	-- -- -- -- -- -- --
		<i>Subtotal 16,300</i>			<i>1,019,000</i>	<i>--</i>
Police	Direct	Missing Children's Assistance	16.543	15PJDJ-21-GK-03812-MECP 15PJDJ-24-GK-04187-MECP	699,000 1,000	-- --
		<i>Subtotal 16,543</i>			<i>700,000</i>	<i>--</i>
Police	Direct	Youth Gang Prevention	16.544	15PJDJ-21-GK-03869-MUMU	628,000	--
Police	Direct	National Institute of Justice Research, Evaluation, and Development Project Grants	16.560	334D-LA-259761 Unknown Unknown	31,000 31,000 118,000	-- -- --
		<i>Subtotal 16,560</i>			<i>180,000</i>	<i>--</i>
City Attorney	County of Los Angeles	Crime Victim Assistance	16.575	VW23420190	1,971,000	--

CITY OF LOS ANGELES
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS (CONTINUED)
FISCAL YEAR ENDED JUNE 30, 2025
 (Amounts rounded to nearest thousand)

FEDERAL GRANTOR/ CITY DEPARTMENT	PASS-THROUGH GRANTOR	PROGRAM TITLE	ASSISTANCE LISTING (AL) NUMBER	GRANT/PASS- THROUGH NUMBER	EXPENDITURES	SUBRECIPIENTS
City Attorney	State of California - Office of Emergency Services	Crime Victim Assistance	16.575	XC23067250	1,045,000	606,000
		<i>Subtotal 16.575</i>			<i>3,016,000</i>	<i>606,000</i>
Mayor	Direct	Grants to Encourage Arrest Policies and Enforcement of Protection Orders Program	16.590	15J0VW-22-GG-01809-ICJR	165,000	140,000
Police	Direct	Corrections -Technical Assistance/ Clearinghouse	16.603	JLEO-14-0045 JLEOTFS1	83,000	--
Police	Direct	Bulletproof Vest Partnership Program	16.607	Unknown	128,000	--
Police	The Children's Initiative Inc.	Project Safe Neighborhoods	16.609	15PBJA-21-GG-03003-GUNP 15PBJA-22-GG-00707-GUNP	17,000 182,000	--
		<i>Subtotal 16.609</i>			<i>199,000</i>	<i>--</i>
Police	Direct	Public Safety Partnership and Community Policing Grants	16.710	15JICOPS-21-GG-03470-UHPX and Prior Awards	388,000	--
Police	Direct	Edward Byrne Memorial Justice Assistance Grant Program	16.738	15BPJA-21-GG-03927-NTCP 15BPJA-21-GG-02973-MUMU	19,000 70,000	-- 54,000
Mayor	Direct	Edward Byrne Memorial Justice Assistance Grant Program	16.738	2019-DJ-BX-0862 2020-DJ-BX-0786	82,000 159,000	70,000 --
		<i>Subtotal 16.738</i>			<i>330,000</i>	<i>124,000</i>
Police	Direct	Body Worn Camera Policy and Implementation	16.835	15PBJA-22-GG-03322-BWCX and Prior Awards	358,000	--
Police	Direct	DNA Backlog Reduction Program	16.741	15PBJA-22-GG-01620-DNAX 15PBJA-23-GG-01253-DNAX 15PBJA-22-GG-03126-DNAX	205,000 1,082,000 38,000	-- -- --
		<i>Subtotal 16.741</i>			<i>1,325,000</i>	<i>--</i>
Police	State of California - Office of Emergency Services	Paul Coverdell Forensic Sciences Improvement Grant Program	16.742	15PBJA-22-GG-03625-COVE 15PBJA-23-GG-02693-COVE 15PBJA-23-GG-00938-COVE	10,000 6,000 162,000	-- -- --
		<i>Subtotal 16.742</i>			<i>178,000</i>	<i>--</i>
Police	Direct	Criminal and Juvenile Justice and Mental Health Collaboration Program	16.745	15PBJA-21-GG-04317-MENT	53,000	14,000
Police	Direct	Economic, High-Tech, and Cyber Crime Prevention	16.752	15PBJA-23-GG-02701-INTE	134,000	--
Mayor	Direct	Congressionally Recommended Awards	16.753	15PBJA-22-GG-00060-BRND	1,144,000	--

CITY OF LOS ANGELES
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS (CONTINUED)
FISCAL YEAR ENDED JUNE 30, 2025
(Amounts rounded to nearest thousand)

FEDERAL GRANTOR/ CITY DEPARTMENT	PASS-THROUGH GRANTOR	PROGRAM TITLE	ASSISTANCE LISTING (AL) NUMBER	GRANT/PASS- THROUGH NUMBER	EXPENDITURES	SUBRECIPIENTS
Economic and Workforce Development	Direct	Congressionally Recommended Awards	16.753	15PBJA-23-GG-00060-BRND	27,000	26,000
		<i>Subtotal 16.753</i>			1,171,000	26,000
Police	Direct	Equitable Sharing Program	16.922	Unknown	1,344,000	--
TOTAL FOR DEPARTMENT OF JUSTICE					12,808,000	1,308,000
DEPARTMENT OF LABOR						
Aging	State of California- Department of Aging	Senior Community Service Employment Program	17.235	AAA-2425-25 (TV-2425)	1,472,000	--
Economic and Workforce Development	State of California- Employment Development Department	WIOA Adult Program Cluster with AL Nos. 17.259 and 17.278	17.258	AA411011 AA511011	4,938,000 10,159,000	4,938,000 4,965,000
Economic and Workforce Development	County of Los Angeles - Workforce Development, Aging and Community Services Department (WDACS)	WIOA Adult Program Cluster with AL Nos. 17.259 and 17.278	17.258	IA-2401-LA	210,000	201,000
		<i>Subtotal 17.258</i>			15,307,000	10,104,000
Economic and Workforce Development	State of California- Employment Development Department	WIOA Youth Activities Cluster with AL Nos. 17.259 and 17.278	17.259	AA411011 AA511011	3,444,000 15,719,000	3,444,000 8,109,000
Economic and Workforce Development	County of Los Angeles - Workforce Development, Aging and Community Services Department (WDACS)	WIOA Youth Activities Cluster with AL Nos. 17.259 and 17.278	17.259	IA-2401-LA	48,000	48,000
		<i>Subtotal 17.259</i>			19,211,000	11,601,000
Economic and Workforce Development	State of California- Employment Development Department	WIOA Dislocated Worker Formula Grants Cluster with AL Nos. 17.259 and 17.259	17.278	AA311011 AA411011 AA511011	457,000 4,948,000 5,139,000	- 3,865,000 1,805,000
Economic and Workforce Development	County of Los Angeles - Workforce Development, Aging and Community Services Department (WDACS)	WIOA Dislocated Worker Formula Grants Cluster with AL Nos. 17.259 and 17.259	17.278	IA-2401-LA	47,000	46,000
		<i>Subtotal 17.278</i>			10,591,000	5,716,000
		<i>Subtotal WIOA Cluster (17.258, 17.259, 17.278)</i>			45,109,000	27,421,000
Economic and Workforce Development	State of California- Employment Development Department	WIOA National Dislocated Worker Grants/ WIA National Emergency Grants	17.277	AA511011 AA311011	2,422,000 974,000	276,000 -
		<i>Subtotal 17.277</i>			3,396,000	276,000
Economic and Workforce Development	Direct	Community Project Funding/Congressionally Directed Spending	17.289	24A60CP000324-01-00	335,000	307,000

CITY OF LOS ANGELES
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS (CONTINUED)
FISCAL YEAR ENDED JUNE 30, 2025
(Amounts rounded to nearest thousand)

FEDERAL GRANTOR/ CITY DEPARTMENT	PASS-THROUGH GRANTOR	PROGRAM TITLE	ASSISTANCE LISTING (AL) NUMBER	GRANT/PASS- THROUGH NUMBER	EXPENDITURES	SUBRECIPIENTS
TOTAL FOR DEPARTMENT OF LABOR					50,312,000	28,006,000
DEPARTMENT OF TRANSPORTATION						
Public Works	State of California - Department of Transportation	Highway Planning and Construction	20.205	Various	5,460,000	--
Transportation	State of California - Department of Transportation	Highway Planning and Construction	20.205	Various	14,517,000	--
		<i>Subtotal 20.205</i>			<i>19,977,000</i>	--
Transportation	Direct	COVID-19 CARES - Federal Transit Formula Grants	20.507	CA-2020-213-00	141,000	--
Transportation	Direct	COVID-19 CRRSAA - Federal Transit Formula Grants	20.507	CA-2021-139-00	17,250,000	--
Transportation	Direct	COVID-19 - Urbanized Area - Federal Transit Formula Grants (ARPA)	20.507	CA-2021-182-00	31,466,000	--
Transportation	Direct	Federal Transit Formula Grants - Proterra 23 Electric Bus Purchase	20.507	CA-2020-215-00	10,167,000	--
		<i>Subtotal 20.507</i>			<i>59,024,000</i>	--
Transportation	Los Angeles County Metropolitan Transportation Authority (LACMTA)	Job Access and Reverse Commute Program	20.516	CA-37-X123	41,000	--
Police	State of California - Office of Traffic Safety	State and Community Highway Safety Cluster with AL No. 20.616	20.600	PT24107 PT25049	853,000 1,121,000	-- --
Community Investment for Families Department	State of California- Office of Traffic Safety	State and Community Highway Safety Cluster with AL No. 20.616	20.600	PS24018 PS25012	42,000 151,000	-- --
		<i>Subtotal 20.600</i>			<i>2,167,000</i>	--
Community Investment for Families Department	State of California- Office of Traffic Safety	National Priority Safety Programs Cluster with AL No. 20.600	20.616	OP24009 OP25006	30,000 133,000	-- --
City Attorney	State of California - Office of Traffic Safety	National Priority Safety Programs Cluster with AL No. 20.600	20.616	DI24006	1,066,000	--
		<i>Subtotal 20.616</i>			<i>1,231,000</i>	--
		<i>Subtotal Highway Safety Cluster (20.600, 20.616)</i>			<i>3,396,000</i>	--
Police	State of California- Office of Traffic Safety	Minimum Penalties for Repeat Offenders for Driving While Intoxicated	20.608	PT24107 PT25049	1,179,000 2,266,000	-- --
		<i>Subtotal 20.608</i>			<i>3,445,000</i>	--

CITY OF LOS ANGELES
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS (CONTINUED)
FISCAL YEAR ENDED JUNE 30, 2025
(Amounts rounded to nearest thousand)

FEDERAL GRANTOR/ CITY DEPARTMENT	PASS-THROUGH GRANTOR	PROGRAM TITLE	ASSISTANCE LISTING (AL) NUMBER	GRANT/PASS- THROUGH NUMBER	EXPENDITURES	SUBRECIPIENTS
Police	State of California- Office of Traffic Safety	Incentive Grant Program to Prohibit Racial Profiling	20.611	PT24-107 PT25049	10,000 14,000	--
		<i>Subtotal 20.611</i>			<i>24,000</i>	
Transportation	Direct	Strengthening Mobility and Revolutionizing Transportation (SMART) Grants Program	20.341	SMARTY22N1P1G06	466,000	--
TOTAL FOR DEPARTMENT OF TRANSPORTATION					86,375,000	--
<u>DEPARTMENT OF THE TREASURY</u>						
Police	Direct	Taxpayer Service	21.003	Unknown	79,000	--
Police	Direct	Equitable Sharing	21.016	Unknown	163,000	--
Los Angeles Housing Department	Direct	COVID-19 - Emergency Rental Assistance Program	21.023	ERA-2101080879	(79,000)	--
Los Angeles Housing Department	State of California - Department of Housing and Community Development	COVID-19 - Emergency Rental Assistance Program	21.023	21-ERAP-00019	(672,000)	--
		<i>Subtotal 21.023</i>			<i>(751,000)</i>	
City Administrative Officer	Direct	COVID-19 ARPA - Coronavirus State and Local Fiscal Recovery Funds	21.027	Unknown	36,279,000	2,677,000
TOTAL FOR DEPARTMENT OF THE TREASURY					35,770,000	2,677,000
NATIONAL AERONAUTICS AND SPACE ADMINISTRATION						
Public Works	Direct	Science	43.001	80NSSC20K0246 80NSSC22K1677	844,000 66,000	--
		<i>Subtotal 43.001</i>			<i>910,000</i>	
TOTAL FOR AERONAUTICS AND SPACE ADMINISTRATION					910,000	--
<u>NATIONAL ENDOWMENT FOR THE ARTS</u>						
Cultural Affairs	Direct	Promotion of the Arts Grants to Organizations and Individuals	45.024	1855757-42	23,000	--
TOTAL FOR NATIONAL ENDOWMENT FOR THE ARTS					23,000	--
<u>ENVIRONMENTAL PROTECTION AGENCY</u>						
Public Works	Direct	Congressionally Mandated Projects - Community Grants Program HWRP Modernization Project	66.202	unknown	801,000	--

CITY OF LOS ANGELES
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS (CONTINUED)
FISCAL YEAR ENDED JUNE 30, 2025
(Amounts rounded to nearest thousand)

FEDERAL GRANTOR/ CITY DEPARTMENT	PASS-THROUGH GRANTOR	PROGRAM TITLE	ASSISTANCE LISTING (AL) NUMBER	GRANT/PASS- THROUGH NUMBER	EXPENDITURES	SUBRECIPIENTS
Public Works	Direct	Brownfields Multipurpose, Assessment, Revolving Loan Fund, and Cleanup Cooperative Agreement	66.818	BF-98T06601-0 BF-98T95101-0	90,000 500,000	--
		<i>Subtotal 66.818</i>			<i>590,000</i>	<i>--</i>
Public Works	Direct	Water Infrastructure Finance and Innovation (WIFIA)	66.956	unknown	66,666,000	--
TOTAL FOR ENVIRONMENTAL PROTECTION AGENCY						
<u>DEPARTMENT OF ENERGY</u>						
Public Works	Direct	Conservation Research and Development	81.086	DE-EE0009556	41,000	--
TOTAL FOR DEPARTMENT OF ENERGY						
<u>DEPARTMENT OF HEALTH AND HUMAN SERVICES</u>						
Aging	State of California - Department of Aging	Special Programs for the Aging, Title VII, Chapter 3, Programs for Prevention of Elder Abuse, Neglect, and Exploitation Cluster with AL Nos. 93.042, 93.043, 93.044, 93.045, 93.052 and 93.053	93.041	AAA-2425-25 (AP-2425)	50,000	50,000
Aging	State of California - Department of Aging	Special Programs for the Aging, Title VII, Chapter 2, Long Term Care Ombudsman Services for Older Individuals Cluster with AL Nos. 93.041, 93.043, 93.044, 93.045, 93.052 and 93.053	93.042	AAA-2425-25 (AP-2425)	111,000	111,000
Aging	State of California - Department of Aging	Special Programs for the Aging, Title III, Part D, Disease Prevention and Health Promotion Services Cluster with AL Nos. 93.041, 93.042, 93.044, 93.045, 93.052 and 93.053 <i>Subtotal 93.043</i>	93.043	AAA-2425-25 (AP-2425) AP-2122-25	344,000 68,000	344,000 68,000
Aging	State of California - Department of Aging	Special Programs for the Aging, Title III, Part B, Grants for Supportive Services and Senior Centers Cluster with AL Nos. 93.041, 93.042, 93.043, 93.045, 93.052 and 93.053	93.044	PH-2223-25	100,000	--
Aging	State of California - Department of Aging	Special Programs for the Aging, Title III, Part B, Grants for Supportive Services and Senior Centers Cluster with AL Nos. 93.041, 93.042, 93.043, 93.045, 93.052 and 93.053	93.044	AAA-2425-25 (AP-2425) AP-2122-25	4,070,000 1,522,000	3,267,000 1,522,000

CITY OF LOS ANGELES
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS (CONTINUED)
FISCAL YEAR ENDED JUNE 30, 2025
(Amounts rounded to nearest thousand)

FEDERAL GRANTOR/ CITY DEPARTMENT	PASS-THROUGH GRANTOR	PROGRAM TITLE	ASSISTANCE LISTING (AL) NUMBER	GRANT/PASS- THROUGH NUMBER	EXPENDITURES	SUBRECIPIENTS
Aging	State of California - Department of Aging	Subtotal 93.044 Special Programs for the Aging, Title III, Part C, Nutrition Services Cluster with AL Nos. 93.041, 93.042, 93.043, 93.044, 93.052 and 93.053 Subtotal 93.045	93.045	AAA-2425-25 (AP-2425) AP-2122-25	5,692,000	4,789,000
Aging	State of California - Department of Aging	National Family Caregiver Support, Title III, Part E Cluster with AL Nos. 93.041, 93.042, 93.043, 93.044, 93.045 and 93.053 Subtotal 93.052	93.052	AAA-2425-25 (AP-2425) AP-2122-25	1,771,000	944,000
Aging	State of California - Department of Aging	Nutrition Services Incentive Program Cluster with AL Nos. 93.041, 93.042, 93.043, 93.044, 93.045 and 93.052 Subtotal 93.053	93.053	AAA-2425-25 (AP-2425)	630,000	630,000
Aging	State of California - Department of Aging	Subtotal Aging Cluster (93.041, 93.042, 93.043, 93.044, 93.045, 93.052, 93.053)	93.043, 93.044, 93.045, 93.052, 93.053		20,746,000	18,254,000
Aging	State of California - Department of Aging	Medicare Enrollment Assistance Program	93.071	AAA-2425-25 (MI-2425) and Prior Awards	258,000	246,000
Emergency Management	County of Los Angeles - Department of Public Health	Public Health Emergency Preparedness	93.069	PH-005488	257,000	--
City Attorney	Direct	Substance Abuse and Mental Health Services Projects of Regional and National Significance	93.243	5H179SM084913-02	865,000	318,000
Aging	State of California - Department of Aging	State Health Insurance Assistance Program	93.324	HI-2425-25 AAA-2425-25 (HI-2526)	168,000	168,000
Economic and Workforce Development	County of Los Angeles - Community and Senior Services	Temporary Assistance for Needy Families	93.558	IA-2401-LA	1,509,000	1,096,000
Community Investment for Families	State of California - Department of Community Services and Development	Community Services Block Grant	93.569	24F-3022 REG 24F-3022 DISC 25F-6022 REG	6,335,000	4,686,000
Recreation and Parks	State of California - Department of Education	Child Care and Development Block Grant	93.575	CSPP PCA-15640 and 15656	157,000	--
Recreation and Parks	State of California - Department of Social Services	Child Care and Development Block Grant	93.575	CCTR PCA-14552 and 11416 CCTR-4098	2,000	--
		Subtotal 93.575			117,000	--
		Subtotal 93.575			276,000	--
		TOTAL FOR DEPARTMENT OF HEALTH AND HUMAN SERVICES			30,715,000	24,796,000

CITY OF LOS ANGELES
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS (CONTINUED)
FISCAL YEAR ENDED JUNE 30, 2025
(Amounts rounded to nearest thousand)

FEDERAL GRANTOR/ CITY DEPARTMENT	PASS-THROUGH GRANTOR	PROGRAM TITLE	ASSISTANCE LISTING (AL) NUMBER	GRANT/PASS- THROUGH NUMBER	EXPENDITURES	SUBRECIPIENTS
DEPARTMENT OF HOMELAND SECURITY						
Fire	Direct	National Urban Search and Rescue (US&R) Response System	97.025	EMW-2020-CA-00063 EMW-2021-CA-00060 EMW-2022-CA-00060 EMW-2023-CA-06382	5,000 306,000 540,000 709,000 <u>1,560,000</u>	--
		<i>Subtotal 97.025</i>				
City Administrative Officer	State of California- Office of Emergency Services	Disaster Grants -Public Assistance (Presidentially Declared Disaster)	97.036	FEMA-4482-DR-CA, CAL OES ID: 037-44000 FEMA-4683-DR-CA, CAL OES ID: 037-44000 FEMA-4699-DR-CA, CAL OES ID: 037-44000	207,706,000 621,000 7,000 <u>208,336,000</u>	--
		<i>Subtotal 97.036</i>				
City Administrative Officer	State of California Office of Emergency Services	Hazard Mitigation Grant	97.039	FEMA-4407-DR-CA, CAL OES ID: 037-44000	65,000	--
Emergency Management Department	County of Los Angeles - Office of Emergency Services	Emergency Management Performance Grants	97.042	Unknown	595,000	--
Police	Direct	Port Security Grant Program	97.056	EMW-2021-PU-00239S-S01	80,000	--
Police	County of Los Angeles Sheriff's Department	Homeland Security Grant Program	97.067	2021-0081 2022-0043 2023-0042	7,000 46,000 9,000	--
Mayor	State of California- Office of Emergency Services	Homeland Security Grant Program	97.067	2021-0081 2022-0043 2023-0042	22,810,000 25,396,000 53,000 759,000 <u>49,180,000</u>	14,782,000 18,783,000 -- -- <u>33,565,000</u>
		<i>Subtotal 97.067</i>				
Fire	Direct	Staffing for Adequate Fire and Emergency Response (SAFER)	97.083	EMW-2022-FF-00502	2,402,000	--
Police	Direct	Law Enforcement Officer Reimbursement Agreement Program	97.090	CA0194200	177,000	--
Mayor	Direct	Securing the Cities Program	97.106	20CWDSTC00010-01-00 and Prior Awards	1,316,000	345,000
Mayor	Direct	Regional Catastrophic Preparedness Grant Program (RCPGP)	97.111	EMF-2021-CA-00029	552,000	--
TOTAL FOR DEPARTMENT OF HOMELAND SECURITY					264,263,000	33,910,000
TOTAL FEDERAL AWARDS					\$ 784,544,000	\$ 141,399,000

CITY OF LOS ANGELES
Notes to Schedule of Expenditures of Federal Awards
Fiscal Year Ended June 30, 2025

1. Reporting Entity for Single Audit

The City of Los Angeles, California (City) has defined its single audit reporting entity for the purpose of this report, in accordance with Title 2 U.S. *Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance), as:

"Those Departments and Offices over which the Mayor and the City Council have direct legislative, executive and budgetary control."

The Housing Authority of the City of Los Angeles is fiscally independent of the City and therefore excluded from the City's reporting entity under generally accepted accounting principles and, accordingly, from its Single Audit reporting entity.

For the purpose of the Schedule of Expenditures of Federal Awards, the reporting entity consists of the following City Departments and Offices:

Aging	Employee Relations Board
Animal Services	Office of Finance
Building and Safety	Fire
Cannabis Regulation	General Services
City Administrative Officer	Los Angeles Housing
City Attorney	Information Technology Agency
City Clerk	Library
City Ethics Commission	Mayor
Civil + Human Rights and Equity	Neighborhood Empowerment
Community Investment for Families	Personnel
Controller	City Planning
Los Angeles City Tourism	Police
Council	Public Accountability
Cultural Affairs	Public Works
Disability	Recreation and Parks
Economic and Workforce Development	Transportation
El Pueblo de Los Angeles	Youth Development
Emergency Management	Zoo

CITY OF LOS ANGELES
Notes to Schedule of Expenditures of Federal Awards (Continued)
Fiscal Year Ended June 30, 2025

2. Awards Received by Other City Departments and Entities

The federal award programs administered by the following City Departments and related organization are not included in the Schedule of Expenditures of Federal Awards but have separate independent single audits:

<u>Department/Agencies</u>	<u>Federal Single Audit Cognizant/Oversight Agencies</u>	<u>Auditors</u>
Airports	Department of Transportation	Baker Tilly US, LLP
Harbor	Department of Transportation	Baker Tilly US, LLP
Housing Authority of the City of Los Angeles	Department of Housing and Urban Development	Berman Hopkins Wright & Laham CPAs & Associates, LLP
Water and Power	Environmental Protection Agency (Water System)	KPMG LLP

3. Basis of Presentation

The accompanying Schedule of Expenditures of Federal Awards (SEFA) presents the activity of all federal award programs of the City Departments and Offices identified in Note 1. All federal awards from the federal government and pass-through agencies are included in the SEFA. The information in the SEFA is presented in accordance with the requirements of the Uniform Guidance.

4. Summary of Significant Accounting Policies

Expenditures reported on the SEFA are reported on the modified accrual basis of accounting, however, some amounts presented in this schedule are reported on a cash basis, as described in Note 10. Such expenditures are recognized following the cost principles contained in the Uniform Guidance, wherein certain types of expenditures may or may not be allowable or may be limited as to reimbursement. Negative or credit amounts on the SEFA represent an adjustment for amounts reported as expenditures in the prior fiscal year.

The City has elected not to use the de minimis indirect cost rate allowed under the Uniform Guidance, which is ten (10) percent for awards prior to October 1, 2024 and fifteen (15) percent for awards on or after October 1, 2024.

5. Relationship to Federal Financial Reports

Amounts reported in the accompanying SEFA agree with the amounts reported in the related federal financial reports.

CITY OF LOS ANGELES
Notes to Schedule of Expenditures of Federal Awards (Continued)
Fiscal Year Ended June 30, 2025

6. Changes in Assistance Listing (AL) Numbers (No.)

AL Nos. 16.544, 21.003 and 97.090 are archived programs that are being retained to report expenditures incurred or to show outstanding loans of these programs.

7. Major Federal Programs

Under the risk-based approach to determine major programs under the Uniform Guidance, major programs of the City may have expenditures as low as \$750,000 if the program is considered to be of high risk. Level of risk is determined by the auditor's judgment and guidelines contained in the Uniform Guidance.

8. Outstanding Loans of Federal Funds

The following is a summary of outstanding loans at cost by AL No. as of June 30, 2025. The outstanding loan balances do not reflect an allowance for uncollectibles of \$803,183,000. The FY 2023-24 outstanding balance of AL No. 14.248 in the amount of \$47,182,000, for which the Federal Government imposed continuing compliance, was included in the total expenditures in the accompanying SEFA. There were no new loans issued during the year for AL No. 14.248.

AL No.	Federal Grantor	Administering City Department	Outstanding Balance as of June 30, 2025
14.218	HUD	Economic and Workforce Development	\$ 16,429,000
		Community Investment for Families Housing	324,885,000
			<u>12,850,000</u>
		Subtotal for AL No. 14.218	<u>354,164,000</u>
14.228	HUD	Housing	4,500,000
14.239	HUD	Housing	922,453,000
14.241	HUD	Housing	28,702,000
14.248		Economic and Workforce Development	42,874,000
14.256	HUD	Housing	47,672,000
14.Unknown	HUD	Housing	12,526,000
81.128	DOE	Community Investment for Families	<u>3,436,000</u>
		TOTAL	<u>\$1,416,327,000</u>

CITY OF LOS ANGELES
Notes to Schedule of Expenditures of Federal Awards (Continued)
Fiscal Year Ended June 30, 2025

9. Coronavirus Disease 2019 (COVID-19)

On March 13, 2020, a presidential emergency was declared for all states, tribes, territories, and the District of Columbia due to the ongoing Coronavirus Disease 2019 (COVID-19) pandemic. The declaration made federal disaster grant public assistance available through the Coronavirus Aid, Relief, and Economic Security (CARES) Act to the City and to the State of California to supplement the City's local recovery efforts. To assist in the efforts to respond to COVID-19, the City received significant fiscal stimulus in federal funds.

On April 22, 2020, the City received a CARES Act award of \$694,405,000 from the U.S. Department of the Treasury. The City is a prime recipient and received the direct payment under section 601(b) of the Social Security Act. The accompanying SEFA includes expenditures of CARES Act funds: AL No. 14.218 in the amount of \$1,660,000; AL No. 14.231 in the amount of \$1,731,000; AL No. 20.507 in the amount of \$141,000 that: a) were necessary expenditures incurred due to the public health emergency with respect to COVID-19; b) were accounted for in the revised budget most recently approved as of July 1, 2024; and were incurred during the period July 1, 2024 through June 30, 2025. The award's period of performance ends on September 30, 2024. The City reviewed the eligible CARES Act expenditures and reflected any FY 2023-24 expenditures adjustments in the FY 2024-25 Single Audit Report due to the complexity of the federal guidance on the CARES Act.

On December 27, 2020, the Coronavirus Response and Relief Supplemental Appropriations Act, 2021 (CRRSAA) and the Consolidated Appropriations Act (CAA), 2021 were signed into law, to supplement the funding received under CARES. The accompanying SEFA includes CRRSAA expenditures under AL No. 20.507 in the amount of \$17,250,000.

On March 11, 2021, the American Rescue Plan Act (ARPA) was signed into law to deliver immediate and direct relief to individuals, families, states and local governments impacted by the COVID-19 pandemic. In May of 2021, the City received the first portion of funding from ARPA and the second tranche was received in June of 2022. The accompanying SEFA includes expenditures of ARPA funds: AL No. 21.027 in the amount of \$36,279,000; AL No. 20.507 in the amount of \$31,466,000 that: a) were necessary expenditures incurred due to the public health emergency with respect to COVID-19; and b) were incurred during the period July 1, 2024 through June 30, 2025. ARPA funding was also used for COVID-19 Emergency Rental Assistance Program (ERAP) and began distributions in July 2020. During FY 2024-25, the accompanying SEFA includes negative expenditures of ERAP funds in the amount of \$751,000 (AL No. 21.023) which represent an adjustment for amounts reported as expenditures in prior years.

CITY OF LOS ANGELES
Notes to Schedule of Expenditures of Federal Awards (Continued)
Fiscal Year Ended June 30, 2025

10. Disaster Grants AL No. 97.036

On March 22, 2020, the President declared a major disaster for the State of California in relation to the coronavirus pandemic and issued FEMA-4482-DR. As a result of 4482-DR, the City is eligible for reimbursement of eligible expenditures through the Federal Emergency Management Agency (FEMA) Public Assistance (PA) Program for emergency protective measures.

During the fiscal year ended June 30, 2025, the City received \$207,708,000 and reported this amount on the SEFA for FEMA-4482-DR under AL No. 97.036 on a cash basis. The City has submitted its last claims to FEMA for the COVID-19 response. The City anticipates receiving \$10,411,000 by the end of FY 2025-26 (which includes \$4,586,000 of management costs), and \$8,020,000 by the end of FY 2026-27.

While the City is still in the process of assessing the overall financial impact of the Los Angeles 2025 Wildfire, as of December 8, 2025 (most current estimate) the City estimates approximately \$227.0 million in costs to the City, which includes over \$144.0 million in damage or destruction to structures and equipment. These estimates are preliminary and are expected to change as the damage assessment and recovery efforts continue. The City expects to recover a significant portion of these costs from state and federal sources.

11. Water Infrastructure Finance and Innovation Act (WIFIA) Loans Payable

The City received funding through the WIFIA loan administered by the U.S. Environmental Protection Agency. As of June 30, 2025, outstanding principal balance of the loan was \$66,666,000. The City had not drawn against the loan as of June 30, 2024. The City's SEFA reflects a total of \$66,666,000 in federal expenditures under AL No. 66.958, of which \$32,185,000 represents costs incurred in prior fiscal years.

CITY OF LOS ANGELES, CALIFORNIA
Schedule of Findings and Questioned Costs
Fiscal Year Ended June 30, 2025

Section I - Summary of Auditor's Results

(a) Financial Statements

Type of report the auditor issued on whether the financial statements audited were prepared in accordance with GAAP: **Unmodified**

Internal control over financial reporting:

- Material weakness(es) identified? **No**
- Significant deficiency(ies) identified? **Yes**

Noncompliance material to the financial statements noted? **No**

(b) Federal Awards

Internal control over major federal programs:

- Material weakness(es) identified? **No**
- Significant deficiency(ies) identified? **No**

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

Unmodified for all major programs

Any audit findings disclosed that are required to be reported in accordance with 2 CFR 200.516 (a)? **No**

CITY OF LOS ANGELES, CALIFORNIA
 Schedule of Findings and Questioned Costs (Continued)
 Fiscal Year Ended June 30, 2025

Identification of major federal programs:

<u>AL Number</u>	<u>Name of Federal Program or Cluster</u>
14.231	Emergency Solutions Grant Program
14.241	Housing Opportunities for Persons with AIDS
15.504	Water Recycling and Desalination Construction Programs
17.277	WIOA National Dislocated Worker Grants/ WIA National Emergency Grants
21.027	Coronavirus State and Local Fiscal Recovery Funds
66.958	Water Infrastructure Finance and Innovation (WIFIA)
93.041-93.045, 93.052-93.053	Aging Cluster
93.243	Substance Abuse and Mental Health Services Projects of Regional and National Significance
93.569	Community Services Block Grant
97.036	Disaster Grants - Public Assistance (Presidentially Declared Disasters)
97.083	Staffing for Adequate Fire and Emergency Response (SAFER)

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

\$3,000,000

Auditee qualified as a low-risk auditee?

Yes

CITY OF LOS ANGELES, CALIFORNIA
Schedule of Findings and Questioned Costs (Continued)
Fiscal Year Ended June 30, 2025

Section II – Financial Statement Findings

Reference Number: 2025-001
Type of Finding: Significant Deficiency

Criteria:

IT general controls (ITGCs) are foundational controls applied to information systems to support the reliability, integrity, and security of data and related processes. Effective ITGCs are essential to maintaining an adequate system of internal control over financial reporting, as they have a pervasive impact on the operation of application-level controls.

Condition:

We evaluated the design and implementation of ITGCs over three key financial reporting applications: the Financial Management System (FMS) (general ledger), Workday (payroll), and LATAX (taxes, licenses, fees, and permits).

As a result of our procedures, we identified five control deficiencies primarily related to Workday, which was newly implemented in June 2024. These matters have been communicated to the Information Technology Agency (ITA).

Due to the sensitive nature of these control deficiencies and the potential risk they pose to the City's information systems, detailed descriptions are not included in this report. Such details will be communicated separately in a confidential report to the City Council .

Cause and Effect or Potential Effect:

The identified deficiencies were influenced by a combination of factors, including staffing constraints, operational disruptions associated with the 2025 Los Angeles wildfires, and challenges inherent in implementing a new enterprise system.

As a result, there is an increased risk that payroll data may not be complete or accurate, which could lead to potential financial misstatements, as well as heightened exposure to compliance and operational risks.

Recommendation:

Recommendations to address the identified deficiencies will be communicated in a separate confidential report to the City Council.

Views of Responsible Officials:

The City's corrective action plan will be communicated in a separate confidential report to the City Council. The auditors will follow up on the City's implementation of its corrective action plan in the next audit.

CITY OF LOS ANGELES, CALIFORNIA
Schedule of Findings and Questioned Costs (Continued)
Fiscal Year Ended June 30, 2025

Section II – Financial Statement Findings

Reference Number: 2025-002
Type of Finding: Significant Deficiency

Criteria:

Title 2 - Grants and Agreements. Subtitle A - Office of Management and Budget Guidance for Grants and Agreements. Chapter II - Office of Management and Budget Guidance. Part 200 - Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards. Subpart D - Post Federal Award Requirements. Standards for Financial and Program Management. §200.303 Internal controls (2 CFR 200.303):

The non-Federal entity must:

(a) Establish, document, and maintain effective internal control over the Federal award that provides reasonable assurance that the recipient or subrecipient is managing the Federal award in compliance with Federal statutes, regulations, and the terms and conditions of the Federal award. These internal controls should align with the guidance in “Standards for Internal Control in the Federal Government” issued by the Comptroller General of the United States or the “Internal Control-Integrated Framework” issued by the Committee of Sponsoring Organizations of the Treadway Commission (COSO).

Title 2 - Grants and Agreements. Subtitle A - Office of Management and Budget Guidance for Grants and Agreements. Chapter II - Office of Management and Budget Guidance. Part 200 - Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards. Subpart F - Audit Requirements. §200.510 Financial statements (2 CFR 200.510):

(b) *Schedule of expenditures of Federal awards.* The auditee must also prepare a schedule of expenditures of Federal awards for the period covered by the auditee's financial statements. The schedule must include the total Federal awards expended as determined in accordance with § 200.502. The auditee may choose to provide information requested by Federal agencies or pass-through entities to make the schedule easier to use. For example, when a Federal program has multiple Federal award years, the auditee may separately list the amount of Federal awards expended for each year of a Federal award. The schedule must:

(3) Provide total Federal awards expended for each individual Federal program and the Assistance Listings Number or other identifying number when the Assistance Listings information is not available. For a cluster of programs also provide the total for the cluster.

Condition:

The City of Los Angeles has a decentralized financial reporting process, which requires departments to provide specific financial information to the City Controller department in order to annually compile the Schedule of Expenditures of Federal Awards (SEFA). In its effort to accurately prepare the SEFA in accordance with the requirements of Title 2 U.S. Code of Federal Regulations (CFR) Part 200, Uniform Administrative Requirements, Cost Principles, and Audit

CITY OF LOS ANGELES, CALIFORNIA
Schedule of Findings and Questioned Costs (Continued)
Fiscal Year Ended June 30, 2025

Requirements for Federal Awards (Uniform Guidance), the City Controller requires departments to submit a SEFA package which includes checklist and questionnaire reviewed and approved by the responsible personnel.

The Los Angeles Housing Department overstated the expenditures for Emergency Solutions Grants Program (ALN 14.231) by \$2,290,000 for the fiscal year ended June 30, 2025. The amount represents expenditures for services incurred in fiscal year 2023 and 2024 and should have been reported in the fiscal year 2023 and 2024 SEFA.

This is a repeat finding of 2024-001; however, the program with the identified error for fiscal year 2025 is different than the prior year.

Cause and Effect or Potential Effect:

The Los Angeles Housing Department was aware of its responsibility, however, due to delayed submission of invoices by LAHSA, the department had limited information to accrual expenditures in the appropriate fiscal year. The expenditures were incurred by LAHSA during the period from July 1, 2023 through Sept 30, 2023; however, the reimbursement request was not submitted to LAHD until September 24, 2024. As a result, LAHD did not have sufficient information to identify or reasonably estimate these costs for accruals. Accordingly, the expenditures were recorded in FY2025 when they became known and measurable.

The Los Angeles Housing Department reported expenditures of \$6,460,000 was overstated by \$2,290,000 or 35%.

Recommendation:

The Los Angeles Housing Department should continue to evaluate existing processes and controls related to its ability to properly report federal expenditures to the SEFA package, which affords City Controller the ability to produce a SEFA pursuant to the Uniform Guidance.

Views of Responsible Officials and Corrective Action Plan:

The identified issue reflects a timing difference related to subrecipient reporting rather than a failure of internal controls over federal award management. LAHD maintains processes to review, validate, and approve subrecipient reimbursement requests before recording expenditure. In this instance, LAHD did not receive the subrecipient's request for reimbursement of expenditures incurred in prior fiscal year until September 24, 2024. Accordingly, LAHD recorded the expenditures in fiscal year 2025, when the information became available and determinable. The expenditures were valid, allowable, and properly supported under the program, and there was no impact on total program expenditures across periods. This issue is limited to the timing of recognition in the SEFA.

To further enhance financial reporting accuracy and strengthen coordination with subrecipients, LAHD will implement the following actions:

- Enhance Subrecipient Communication: Reimburse expectations with subrecipients regarding timely submission of reimbursement requests, particularly around fiscal year-end cutoff periods.
- Year-end Accrual Procedures: Implement additional procedures to evaluate potential unsubmitted expenditures from subrecipient at fiscal year-end, including outreach and estimation protocols where appropriate.
- Cutoff Review Controls: Strengthen review controls over SEFA preparation to include a

CITY OF LOS ANGELES, CALIFORNIA
Schedule of Findings and Questioned Costs (Continued)
Fiscal Year Ended June 30, 2025

formal assessment of subsequent reimbursement requests that may relate to prior fiscal periods.

These enhancements are intended to improve cutoff precision while recognizing the inherent dependency on subrecipient reporting timelines.

Person responsible:

Name: Carrie Hu

Title: Departmental Chief Accountant IV

Telephone No. 213-840-5079

Name: Lorena Sanchez

Title: Assistant Chief Grants Administrator

Telephone No. 213-272-1440

Anticipated implementation date:

Effective immediately

Section III – Federal Award Findings and Questioned Costs

None reported.

CITY OF LOS ANGELES, CALIFORNIA
Summary Schedule of Prior Audit Findings
Fiscal Year Ended June 30, 2025

FINANCIAL STATEMENT FINDINGS:

2014-001 Risk Assessment over Financial Reporting (Material Weakness)

1. Control Environment and Risk Assessment

Condition

The City does not have a comprehensive risk assessment process over external financial reporting.

Due to the risks associated with the decentralized nature of the City, in 2008, the City Controller identified and issued a report titled "Evaluation of Citywide Risk Management Functions" related to the lack of risk assessment within the City.

The report recommended that the City establish an organizational and governance structure for an enterprise risk management model (ERM). The report further recommended that the City be responsible for implementing a risk assessment framework similar to that mentioned in the Green Book.

As of fiscal year 2014, an ERM or risk assessment framework over external financial reporting has not yet been implemented.

Recommendation

We recommend that the City adopt a process for financial statement risk assessment to ensure that adequate controls over external financial reporting exist.

2. Control Activities and Monitoring

Condition

The City has not established a comprehensive assessment of risks over external financial reporting. In the absence of a risk assessment, the City has not identified the critical controls to ensure compliance with external financial reporting requirements nor have these critical controls been monitored on a regular basis.

The City's current control activities, while necessary, emphasize risks primarily at the transaction level rather than at the external financial reporting level. The transaction level reporting and monitoring includes Demand Audit for payments, Funds and Appropriations for budgetary controls, and the Audit Division for departmental controls. As the City is decentralized, individual City departments' internal control processes are significantly relied upon for accurate external financial reporting.

CITY OF LOS ANGELES, CALIFORNIA
Summary Schedule of Prior Audit Findings (Continued)
Fiscal Year Ended June 30, 2025

The lack of controls over external financial reporting resulted in certain inconsistencies by various departments in the preparation of financial information used in preparing the City's basic financial statements included in its ACFR resulting in misstatements, such as misclassifications of financial statement elements, and misapplications of GAAP. As an example, the reversion worksheets prepared at the department level to reclassify expenditures initially recorded in the General Fund to the proper funds add an extra element of complexity to the financial reporting process. Since these reversion worksheets are based on both budgeted and actual expenditures, there is an increased risk that the consolidation process for external financial reporting may contain errors. This is further complicated by the City's multiple proprietary IT systems (PaySR, LATAX, and SMS) that interface with the City's Financial Management System (FMS), which is then summarized in a Microsoft Access database used by the Controller's Office to prepare the City's ACFR.

Recommendation

The City should design and implement a system of internal controls over external financial reporting. The system of internal controls should include: 1) implementation of a risk assessment over external financial reporting; 2) design and implementation of controls over critical risk areas identified; 3) monitoring of stated controls; and 4) periodic re-evaluations of risks and controls.

Current Year Management Response

The status of the non-responding departments (e.g., Mayor, City Attorney, several Council Offices) remains unchanged and the City Attorney's Office continues to opine that the City Charter prevents the Controller from conducting performance audits of programs situated in elected offices. Our Office is actively working with the Charter Reform Commission to clarify the language in the City Charter and remove any oversight barriers.

In addition, the results from the FY24-25 Citywide Internal Control Self-Assessment have been incorporated into the planning/risk assessment phases at the outset of each audit project. Audit teams are required to review departmental responses/risks from the self-assessment and determine whether those risks are relevant to the scope of the audit. As needed, areas of concern from the self-assessment are incorporated into development of audit objectives and testing methodology.

Current Status as of June 30, 2025

Partially implemented.

CITY OF LOS ANGELES, CALIFORNIA
Summary Schedule of Prior Audit Findings (Continued)
Fiscal Year Ended June 30, 2025

2024-001 SEFA Preparation (Significant Deficiency)

Condition

The City of Los Angeles has a decentralized financial reporting process, which requires departments to provide specific financial information to the City Controller department in order to annually compile the Schedule of Expenditures of Federal Awards (SEFA). In its effort to accurately prepare the SEFA in accordance with the requirements of Title 2 U.S. Code of Federal Regulations (CFR) Part 200, Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards (Uniform Guidance), the City Controller requires departments to submit a SEFA package which includes checklist and questionnaire reviewed and approved by the responsible personnel. The Department of Transportation (DOT) overstated the expenditures for Federal Transit Cluster (ALN 20.507) by \$5,948,000 for the fiscal year ended June 30, 2024. The amount represents expenditures for services incurred in July 2025.

Recommendation

DOT should continue to evaluate existing processes and controls related to its ability to properly report federal expenditures to the SEFA package, which affords City Controller the ability to produce a SEFA pursuant to the Uniform Guidance.

Current Year Management Response

Department of Transportation has implemented corrective action #1, which involved hiring an accountant in October 2024. However, this employee departed the department on June 28, 2025. Additionally, corrective action plans for items #2, #3, and #4 have been implemented.

Current Status as of June 30, 2025

The finding was corrected for the department and program error identified in the fiscal year 2024 SEFA; however, we noted a similar finding for another program in fiscal year 2025. See current finding 2025-002.

CITY OF LOS ANGELES, CALIFORNIA
Summary Schedule of Prior Audit Findings (Continued)
Fiscal Year Ended June 30, 2025

FEDERAL AWARD FINDINGS:

2021-001 Noncompliance with Subrecipient Monitoring – Material Noncompliance and Material Weakness

AL Nos. 93.041, 93.042, 93.043, 93.044, 93.045, 93.052, and 93.053 – Special Programs for the Aging, CARES Act – Special Programs for the Aging, FFCRA – Special Programs for the Aging, National Family Caregiver Support, CARES Act – National Family Caregiver Support, and Nutrition Services Incentive Program (Aging Cluster)

Condition

We selected nine (9) subrecipients with active contracts during FY 20-21 and noted that LADOA did not perform on-site monitoring over the subrecipients federal funding during FY 20-21.

Recommendation

We recommend that LADOA evaluate resources and obstacles impeding the City's ability to perform subrecipient monitoring in accordance with its prescribed program and develop and implement solutions to comply with subrecipient monitoring requirements. LADOA should consider reorganizing staffing roles and responsibilities to create capacity, revising the monitoring program and outsourcing monitoring to independent contractors.

Current Year Management Response

The Los Angeles Department of Aging (LADOA) has been significantly understaffed over the past several years and, more acutely, during the fiscal year in which the audit was conducted. These vacancies limited the Program Management Division's (PMD) capacity to conduct on-site monitoring throughout Fiscal Year 2024–25.

The Department has prioritized filling these PMD roles, which are essential for the effective oversight of diverse program services. Now fully staffed, the Department is better positioned to meet State monitoring requirements. This full staffing also allows the PMD Supervisor to resume direct oversight and compliance strategy, tasks that were previously compromised by the Director's coverage of operational duties such as contract execution and invoicing.

Further, we feel optimistic that moving forward, the consolidation of LADOA, the Community Investment for Families Department (CIFD), Youth Development Department (YDD), and the Economic and Workforce Development Department (EWDD) will strengthen the administrative capacity of the newly formed Community Investment Department by streamlining and modernizing monitoring policies and procedures, standardizing compliance practices, and leveraging additional staff expertise and resources. This new department will revamp existing oversight processes, provide enhanced technical assistance to service providers, and implement cross-training for staff to ensure consistent application of federal, State, and local regulatory requirements. The development and implementation of new and updated policies and procedures will further support compliance with all applicable federal regulations, improve operational efficiency, and allow the PMD unit to focus more effectively on managing and monitoring senior service programs and providers.

CITY OF LOS ANGELES, CALIFORNIA
 Summary Schedule of Prior Audit Findings (Continued)
 Fiscal Year Ended June 30, 2025

The PMD unit will continue to oversee operations, enforce regulatory and contractual compliance, and update departmental monitoring guidelines. To ensure oversight remains consistent, efficient, and effective, we have established a schedule comprising on-site monitoring in the first quarter and desk reviews in the third quarter of the fiscal year. Additionally, formal technical assistance will be provided bi-annually, with informal support available to service providers throughout the year as needed. The table below outlines the proposed schedule, subject to adjustments based on availability and operational needs.

Target Date	Task	Program						
		IIIB	IIIC1	IIIC2	IIID	IIIE	OMB	HICAP/MIPPA
July - September 2026	On-site Monitoring	X	X	X	X	X	X	X
October - December 2026	Technical Assistance	X	X	X	X	X	X	X
January - March 2027	Desk Review	X	X	X	X	X	X	X
April - June 2027	Technical Assistance	X	X	X	X	X	X	X
July - September 2027	On-site Monitoring		X	X				
	Desk Review	X			X	X	X	X
October - December 2027	Technical Assistance	X	X	X	X	X	X	X
January - March 2028	Desk Review	X	X	X	X	X	X	X
April - June 2028	Technical Assistance	X	X	X	X	X	X	X

Current Status as of June 30, 2025

Partially implemented – See repeat finding 2022-001.

CITY OF LOS ANGELES, CALIFORNIA
 Summary Schedule of Prior Audit Findings (Continued)
 Fiscal Year Ended June 30, 2025

2021-004 Noncompliance with Reporting - Noncompliance and Significant Deficiency

AL No. 93.558 - Temporary Assistance for Needy Families (TANF)

Condition

We noted that EWDD submitted the following reports after the due dates.

Report Type	Grant Code	Period Covered	Due Date	Date Submitted	Number of Days Late
Financial Report	TANF	February 2021	3/10/2021	3/13/2021	3
Financial Report	TANF	November 2020	12/10/2020	12/24/2020	14

Recommendation

We recommend that EWDD review workflow priorities and evaluate resource needs to ensure all reports are submitted timely. When a report cannot be submitted by the due date, EWDD should contact its grantor, request an extension, and maintain a record of the correspondence and approval.

Current Year Management Response

CLAEWDD requested for another extension on August 21, 2024 because of technical issues we had at the time of submission and it was approved by DEO on the same day. However, on August 23, 2024, we were not able to submit all our closeouts because the WORKS system won't let us submit not until the latest Cash Fund Request is approved to final. We informed DEO about this and they acknowledged that they still have to approve the previous Cash Fund Requests from their end before we can submit our closeout reports. We continue to strive to submit closeout reports to the DEO on or before the due date for submission. If we won't be able to meet it due to unavoidable circumstances, then we will request again for another extension and will keep a proof of approved time extension.

Current Status as of June 30, 2025

Partially Implemented.

CITY OF LOS ANGELES, CALIFORNIA
Summary Schedule of Prior Audit Findings (Continued)
Fiscal Year Ended June 30, 2025

2022-001 Noncompliance with Subrecipient Monitoring – Material Noncompliance and Material Weakness

AL Nos. 93.041, 93.042, 93.043, 93.044, 93.045, 93.052, and 93.053 – Special Programs for the Aging, CARES Act – Special Programs for the Aging, CAA – Special Programs for the Aging, FFCRA – Special Programs for the Aging, National Family Caregiver Support, CARES Act – National Family Caregiver Support, and Nutrition Services Incentive Program (Aging Cluster)

Condition

We selected seven (7) subrecipients with active contracts during FY 21-22 and noted that for 1 subrecipient LADOA did not perform on-site monitoring during FY 21-22. For the other six (6) subrecipients, we noted that while LADOA conducted the on-site monitoring visit during FY 21-22, the reports were either not completed or not finalized until after June 30, 2022.

Recommendation

We recommend that LADOA evaluate resources and obstacles impeding the City from performing subrecipient monitoring in accordance with its prescribed program and develop and implement solutions to comply with the subrecipient monitoring requirements. Consider reorganizing staffing roles and responsibilities to create capacity, revising monitoring program and outsourcing monitoring to independent contractors.

Current Year Management Response

The Los Angeles Department of Aging (LADOA) has been significantly understaffed over the past several years and, more acutely, during the fiscal year in which the audit was conducted. These vacancies limited the Program Management Division's (PMD) capacity to conduct on-site monitoring throughout Fiscal Year 2024–25.

The Department has prioritized filling these PMD roles, which are essential for the effective oversight of diverse program services. Now fully staffed, the Department is better positioned to meet State monitoring requirements. This full staffing also allows the PMD Supervisor to resume direct oversight and compliance strategy, tasks that were previously compromised by the Director's coverage of operational duties such as contract execution and invoicing.

Further, we feel optimistic that moving forward, the consolidation of LADOA, the Community Investment for Families Department (CIFD), Youth Development Department (YDD), and the Economic and Workforce Development Department (EWDD) will strengthen the administrative capacity of the newly formed Community Investment Department by streamlining and modernizing monitoring policies and procedures, standardizing compliance practices, and leveraging additional staff expertise and resources. This new department will revamp existing oversight processes, provide enhanced technical assistance to service providers, and implement cross-training for staff to ensure consistent application of federal, State, and local regulatory requirements. The development and implementation of new and updated policies and procedures will further support compliance with all applicable federal regulations, improve operational efficiency, and allow the PMD unit to focus more effectively on managing and monitoring senior service programs and providers.

CITY OF LOS ANGELES, CALIFORNIA
 Summary Schedule of Prior Audit Findings (Continued)
 Fiscal Year Ended June 30, 2025

The PMD unit will continue to oversee operations, enforce regulatory and contractual compliance, and update departmental monitoring guidelines. To ensure oversight remains consistent, efficient, and effective, we have established a schedule comprising on-site monitoring in the first quarter and desk reviews in the third quarter of the fiscal year. Additionally, formal technical assistance will be provided bi-annually, with informal support available to service providers throughout the year as needed. The table below outlines the proposed schedule, subject to adjustments based on availability and operational needs.

Target Date	Task	Program						
		IIIB	IIIC1	IIIC2	IIID	IIIE	OMB	HICAP/MIPPA
July - September 2026	On-site Monitoring	X	X	X	X	X	X	X
October - December 2026	Technical Assistance	X	X	X	X	X	X	X
January - March 2027	Desk Review	X	X	X	X	X	X	X
April - June 2027	Technical Assistance	X	X	X	X	X	X	X
July - September 2027	On-site Monitoring		X	X				
	Desk Review	X			X	X	X	X
October - December 2027	Technical Assistance	X	X	X	X	X	X	X
January - March 2028	Desk Review	X	X	X	X	X	X	X
April - June 2028	Technical Assistance	X	X	X	X	X	X	X

Current Status as of June 30, 2025

Partially implemented.

2024-002 Noncompliance with Reporting – Noncompliance and Significant Deficiency

AL No. 93.558 - Temporary Assistance for Needy Families (TANF)

Condition

We noted that EWDD submitted the following reports after the due dates.

Report Type	Grant Code	Period Covered	Due Date	Date Submitted	Number of Days Late
Financial Report	TANF	August 2023	09/10/2023	11/27/2023	78
Financial Report	TANF	November 2023	12/10/2023	12/14/2023	4
Financial Report	TANF	February 2024	03/10/2024	03/14/2024	4
Financial Report	TANF	April 2024	05/10/2024	05/11/2024	1

CITY OF LOS ANGELES, CALIFORNIA
Summary Schedule of Prior Audit Findings (Continued)
Fiscal Year Ended June 30, 2025

Recommendation

We recommend that EWDD review workflow priorities and evaluate resource needs to ensure all reports are submitted timely. When a report cannot be submitted by the due date, EWDD should contact its grantor, request an extension, and maintain a record of the correspondence and approval.

Current Year Management Response

In our previous response, we mentioned the anticipated implementation/corrective action plan was started on May 2024 and we have been continuing this practice since then. One of the reasons why the reports were not submitted on time is that the cash refund request should be approved first to final status by DEO. Our reports were ready but we can only submit each one when the latest was already approved. Another reason is the delay in the submission and approval of budget. It took five months to have the budget were approved in the WORKS before we were able to submit our July to November 2024 reports.

Current Status as of June 30, 2025

Partially Implemented.

CITY OF LOS ANGELES, CALIFORNIA
Supplementary Schedule of Expenditures of Federal Awards
and State Awards Granted by California Department of Aging
Fiscal Year Ended June 30, 2025

Federal Grantor Pass-through Grantor Program Title	Grant/ Contract No.	AL No.	Expenditures State	Federal
U.S. Department of Labor				
Passed through State of California, Department of Aging Title V	AAA-2425-25 (TV-2425)	17.235	\$ -	\$ 1,472,114
U.S. Department of Agriculture				
Passed through State of California, Department of Aging SNAP-ED	CF-2223-25	10.561	-	299,795
CALFRESH	CF-2223-25	10.561	178,571	131,621
Total Department of Agriculture			<u>178,571</u>	<u>431,416</u>
U.S. Department of Health and Human Services				
Passed through State of California, Department of Aging:				
Title III B	AAA-2425-25 (AP-2425)	93.044	594,927	4,070,386
Title III C1 Congregate Nutrition	AAA-2425-25 (AP-2425)	93.045	683,174	4,854,864
Title III C2 Home Delivered Nutrition	AAA-2425-25 (AP-2425)	93.045	4,842,247	4,130,976
Title III D	AAA-2425-25 (AP-2425)	93.043	-	343,872
Title III E	AAA-2425-25 (AP-2425)	93.052	15,000	1,770,793
NSIP C1	AAA-2425-25 (AP-2425)	93.053	-	371,364
NSIP C2	AAA-2425-25 (AP-2425)	93.053	-	258,482
Title VII A	AAA-2425-25 (AP-2425)	93.042	-	111,462
Title VII B	AAA-2425-25 (AP-2425)	93.041	-	49,925
Ombudsman - Public Health L & C	AAA-2425-25		30,539	-
Ombudsman - State Health Facilities Citation Penalties	AAA-2425-25		230,143	-
Ombudsman Volunteer Recruitment Initiative- Skilled Nursing Facility (SNF) Quality and Accountability Fund (QAF)	AAA-2425-25		145,062	-
Health Insurance Counseling and Advocacy Program (HICAP)	HI -2425-25	93.324	402,811	167,824
Health Insurance Counseling and Advocacy Program (HICAP)	AAA-2425-25 (HI-2526)	93.324	63,307	1,676
Medicare Improvements for Patients and Providers Act	AAA-2425-25 (MI-2425)	93.071	-	11,050
Medicare Improvements for Patients and Providers Act	AAA-2425-25 (MI-2425)	93.071	-	246,785
Supportive Services	AP-2122-25	93.044	-	1,522,354
Congregate Meals	AP-2122-25	93.045	-	919,500
Home Delivered Meals	AP-2122-25	93.045	-	1,826,694
Preventive	AP-2122-25	93.043	-	68,073
Family Caregiver Support	AP-2122-25	93.052	-	348,457
Public Health Workforce Program	PH-2223-25	93.044	-	99,618
Total Department of Health and Human Services			<u>7,007,210</u>	<u>21,174,155</u>
Total			<u>\$7,185,781</u>	<u>\$23,077,685</u>

CITY OF LOS ANGELES, CALIFORNIA
Community Investment for Families Department (CIFD)
State of California Department of Community Services and Development
Community Services Block Grant
Supplementary Schedule of Revenue and Expenditures
Fiscal Year Ended June 30, 2025

Community Services Block Grant - AL No. 93.569
Contract No. 24F-3022, Project No. CAA-2024, REGULAR GRANT
For the Period January 1, 2024 through June 30, 2025

	January 1, 2024 through June 30, 2024	July 1, 2024 through June 30, 2025	Total Audited Costs	Total Reported Expenses	Total Budget
Revenue					
Grant Revenue	\$ 1,812,567	\$ 4,710,726	\$ 6,523,293		\$ 6,526,254
Interest Income/ Program Income	-	2,961	2,961		-
Deferred Interest Income	-	-	-		-
Deferred Grant Revenue	(1,621,797)	1,621,797	-		-
Total Revenue	<u>190,770</u>	<u>6,335,484</u>	<u>6,526,254</u>		<u>6,526,254</u>
Expenditures					
Administrative Costs					
Salaries and Wages	94,877	879,474	974,351	974,351	973,915
Fringe Benefits	43,078	403,656	446,734	446,734	446,734
Operating Expenses and Equipment	30,225	160,735	190,960	190,960	190,960
Out-of-State Travel	-	11,210	11,210	11,210	11,646
Contractor/Consultant Services	-	7,500	7,500	7,500	7,500
Other Costs	22,590	186,607	209,197	209,197	209,197
Total Administrative Costs	<u>190,770</u>	<u>1,649,182</u>	<u>1,839,952</u>	<u>1,839,952</u>	<u>1,839,952</u>
Program Costs					
Salaries and Wages	-	-	-	-	-
Fringe Benefits	-	-	-	-	-
Subcontractor Services	-	4,686,302	4,686,302	4,686,302	4,686,302
Total Program Costs	<u>-</u>	<u>4,686,302</u>	<u>4,686,302</u>	<u>4,686,302</u>	<u>4,686,302</u>
Total Expenditures	<u>\$ 190,770</u>	<u>\$ 6,335,484</u>	<u>\$ 6,526,254</u>	<u>\$ 6,526,254</u>	<u>\$ 6,526,254</u>

CITY OF LOS ANGELES, CALIFORNIA
Community Investment for Families Department (CIFD)
State of California Department of Community Services and Development
Community Services Block Grant
Supplementary Schedule of Revenue and Expenditures
Fiscal Year Ended June 30, 2025

Community Services Block Grant - AL No. 93.569
Contract No. 24F-3022, Project No. CAA-2024, REGULAR GRANT - Discretionary
For the Period July 1, 2024 through June 30, 2025

	<u>July 1, 2024 through June 30, 2025</u>	<u>Total Audited Costs</u>	<u>Total Reported Expenses</u>	<u>Total Budget</u>
Revenue				
Grant Revenue	\$ 26,000	\$ 26,000		\$ 26,000
Interest Income/ Program Income	-	-		-
Deferred Interest Income	-	-		-
Deferred Grant Revenue	-	-		-
Total Revenue	<u>26,000</u>	<u>26,000</u>		<u>26,000</u>
Expenditures				
Administrative Costs				
Salaries and Wages	-	-	-	-
Fringe Benefits	-	-	-	-
Operating Expenses and Equipment	-	-	-	-
Out-of-State Travel	-	-	-	-
Contractor/Consultant Services	-	-	-	-
Other Costs	-	-	-	-
Total Administrative Costs	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Program Costs				
Salaries and Wages	-	-	-	-
Fringe Benefits	-	-	-	-
Subcontractor Services	26,000	26,000	26,000	26,000
Total Program Costs	<u>26,000</u>	<u>26,000</u>	<u>26,000</u>	<u>26,000</u>
Total Expenditures	<u>\$ 26,000</u>	<u>\$ 26,000</u>	<u>\$ 26,000</u>	<u>\$ 26,000</u>

CITY OF LOS ANGELES, CALIFORNIA
Community Investment for Families Department (CIFD)
State of California Department of Community Services and Development
Community Services Block Grant
Supplementary Schedule of Revenue and Expenditures
Fiscal Year Ended June 30, 2025

Community Services Block Grant - AL No. 93.569
Contract No. 25F-6022, Project No. CAA-2025, REGULAR GRANT
For the Period January 1, 2025 through June 30, 2025

	January 1, 2025 through June 30, 2025	Total Audited Costs	Total Reported Expenses	Total Budget
Revenue				
Grant Revenue	\$ 1,894,817	\$ 1,894,817		\$ 6,487,190
Interest Income/ Program Income	-	-		-
Deferred Interest Income	-	-		-
Deferred Grant Revenue	(1,621,798)	(1,621,798)		-
Total Revenue	<u>273,019</u>	<u>273,019</u>		<u>6,487,190</u>
Expenditures				
Administrative Costs				
Salaries and Wages	144,211	144,211	144,211	954,236
Fringe Benefits	66,151	66,151	66,151	437,708
Operating Expenses and Equipment	38,036	38,036	38,036	183,974
Out-of-State Travel	-	-	-	20,000
Contractor/Consultant Services	-	-	-	-
Other Costs	24,622	24,622	24,622	204,970
Total Administrative Costs	<u>273,019</u>	<u>273,019</u>	<u>273,019</u>	<u>1,800,888</u>
Program Costs				
Salaries and Wages	-	-	-	-
Fringe Benefits	-	-	-	-
Subcontractor Services	-	-	-	4,686,302
Total Program Costs	<u>-</u>	<u>-</u>	<u>-</u>	<u>4,686,302</u>
Total Expenditures	<u>\$ 273,019</u>	<u>\$ 273,019</u>	<u>\$ 273,019</u>	<u>\$ 6,487,190</u>

CITY OF LOS ANGELES, CALIFORNIA
 Community Investment for Families Department (CIFD)
 State of California Department of Community Services and Development
 Community Services Block Grant
 Supplementary Schedule of Revenue and Expenditures
 Fiscal Year Ended June 30, 2025

Community Services Block Grant - AL No. 93.569
 Contract No. 25F-6022, Project No. CAA DISC-2025, REGULAR GRANT - Discretionary
 For the Period January 1, 2025 through June 30, 2025

	January 1, 2025 through June 30, 2025	Total Audited Costs	Total Reported Expenses	Total Budget
Revenue				
Grant Revenue	\$ -	\$ -		\$ -
Interest Income/ Program Income	-	-		-
Deferred Interest Income	-	-		-
Deferred Grant Revenue	-	-		-
Total Revenue	-	-		-
Expenditures				
Administrative Costs				
Salaries and Wages	-	-	-	-
Fringe Benefits	-	-	-	-
Operating Expenses and Equipment	-	-	-	-
Out-of-State Travel	-	-	-	-
Contractor/Consultant Services	-	-	-	-
Other Costs	-	-	-	-
Total Administrative Costs	-	-	-	-
Program Costs				
Salaries and Wages	-	-	-	-
Fringe Benefits	-	-	-	-
Subcontractor Services	-	-	-	-
Total Program Costs	-	-	-	-
Total Expenditures	\$ -	\$ -	\$ -	\$ -