

**City of Coral Gables, Florida**

Single Audit Report in Accordance with  
Uniform Guidance and Chapter 10.550,  
*Rules of the Auditor General* of the  
State of Florida

Fiscal Year Ended September 30, 2024

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**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**

**Independent Auditor's Report**

Honorable Mayor and Members of the City Commission  
City of Coral Gables, Florida

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 Coral Gables, Florida (the City), as of and for the year ended September 30, 2024, and the related notes to the financial statements, which collectively comprise the City's basic financial statements, and have issued our report thereon dated July 22, 2025. Our report includes a reference to other auditors who audited the financial statements of the City of Coral Gables Retirement Fund (Retirement Fund), Police Officers' Pension Fund and Firefighters' Pension Fund, as described in our report on the City's financial statements. This report does not include the results of the other auditors' testing of internal control over financial reporting or compliance and other matters that are reported on separately by the auditors of the Police Officers' Pension Fund and Firefighters' Pension Fund. The financial statements of the Retirement Fund 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 Retirement Fund or that are reported on separately by those auditors who audited the financial statements of the Retirement Fund.

**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 2024-001 and 2024-002 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 Findings**

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

#### **Purpose of This Report**

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

*RSM US LLP*

Coral Gables, Florida  
July 22, 2025

**Report on Compliance for the Major Federal Program and Each Major State Financial Assistance Project;  
Report on Internal Control Over Compliance and Report on the Schedule of Expenditures of Federal  
Awards and Schedule of State Financial Assistance Required by the Uniform Guidance  
and Chapter 10.550, *Rules of the Auditor General* of the State of Florida**

**Independent Auditor's Report**

Honorable Mayor and Members of the City Commission  
City of Coral Gables, Florida

**Report on Compliance for the Major Federal Program and Each Major State Financial Assistance Project**

***Opinion on the Major Federal Program and Each Major State Financial Assistance Project***

We have audited the City of Coral Gables, Florida's (the City) compliance with the types of compliance requirements identified as subject to audit in the OMB *Compliance Supplement* and the requirements described in the State of Florida's *Department of Financial Services' State Projects Compliance Supplement* that could have a direct and material effect on the City's major federal program and each major state financial assistance project for the year ended September 30, 2024. The City's major federal program and major state financial assistance projects 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 its major federal program and each of its major state financial assistance projects for the year ended September 30, 2024.

***Basis for Opinion on the Major Federal Program and Each Major State Financial Assistance Project***

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*); 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); and the State of Florida Chapter 10.550, *Rules of the Auditor General* (Chapter 10.550). Our responsibilities under those standards, the Uniform Guidance and Chapter 10.550 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 the major federal program and each major state financial assistance project. Our audit does not provide a legal determination of the City's compliance with the compliance requirements referred to above.

***Responsibilities of Management for Compliance***

Management is responsible for compliance with the requirements referred to above and for the design, implementation, and maintenance of effective internal control over compliance with the requirements of laws, statutes, regulations, rules and provisions of contracts or grant agreements applicable to the City's federal programs and state financial assistance projects.

**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*, the Uniform Guidance and Chapter 10.550 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 the major federal program and each major state financial assistance project as a whole.

In performing an audit in accordance with GAAS, *Government Auditing Standards*, the Uniform Guidance and Chapter 10.550, 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 and Chapter 10.550, 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.

**Other Matters**

The results of our auditing procedures disclosed an instance of noncompliance which is required to be reported in accordance with the Uniform Guidance and which is described in the accompanying schedule of findings and questioned costs as item 2024-003. Our opinion on the major federal program is not modified with respect to this matter.

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

**Report on Internal Control Over Compliance**

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

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 or state financial assistance project 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 or state financial assistance project 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 or state financial assistance project that is less severe than a material weakness in internal control over compliance, yet important enough to merit attention by those charged with governance. We consider the deficiency in internal control over compliance described in the accompanying schedule of findings and questioned costs as item 2024-003, to be a significant deficiency.

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.

*Government Auditing Standards* requires the auditor to perform limited procedures on the City's response to the internal control over compliance finding identified in our compliance audit described in the accompanying schedule of findings and questioned costs. The City's response was not subjected to the other auditing procedures applied in the audit of compliance and, accordingly, we express no opinion on the response.

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 and Chapter 10.550. Accordingly, this report is not suitable for any other purpose.

**Report on Schedule of Expenditures of Federal Awards Required by the Uniform Guidance and Schedule of State Financial Assistance Required by Chapter 10.550**

We have audited the financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the City as of and for the year ended September 30, 2024, and the related notes to the financial statements, which collectively comprise the City's basic financial statements. We issued our report thereon, dated July 22, 2025, which contained unmodified opinions on those financial statements. Our report includes a reference to other auditors who audited the financial statements of the City of Coral Gables Retirement Fund, Police Officers' Pension Fund and Firefighters' Pension Fund. Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the basic financial statements. The accompanying schedule of expenditures of federal awards and schedule of state financial assistance are presented for purposes of additional analysis as required by the Uniform Guidance and Chapter 10.550 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 schedule of expenditures of federal awards and schedule of state financial assistance are fairly stated, in all material respects, in relation to the basic financial statements as a whole.

*RSM US LLP*

Coral Gables, Florida  
July 24, 2025

City of Coral Gables, Florida

Schedule of Expenditures of Federal Awards  
Fiscal Year Ended September 30, 2024

| Federal Grantor / Pass-Through Grantor / Program or Cluster Title       | Federal Assistance Listing Number (ALN) | Contract Number                 | Pass-Through Entity Identifying Number | Federal Expenditures |
|---|---|---------------------------------|--|----------------------|
| <b>Executive Office of the President</b>                                |   |                                 |  |                      |
| Direct:   |   |                                 |  |                      |
| High Intensity Drug Trafficking Areas Program                           | 95.001                                  | G22MI0001A, G23 & G24 HIDTA     | not applicable                         | \$ 959,457           |
| <b>U.S. Department of Justice</b>                                       |   |                                 |  |                      |
| Direct:   |   |                                 |  |                      |
| Edward Byrne Memorial Justice Assistance Grant Program                  | 16.738                                  | 15PBJA-22-GG-00656-MUMU C-R7154 | not applicable                         | 5,816                |
| Equitable Sharing Program   | 16.922                                  | None                            | not applicable                         | 209,937              |
| Body Worn Camera Policy and Implementation                              | 16.835                                  | 15PBJA-21-GG-04446-BWCX         | not applicable                         | 38,922               |
| <b>Total U.S. Department of Justice</b>                                 |   |                                 |  | 254,675              |
| <b>U.S. Department of Treasury</b>                                      |   |                                 |  |                      |
| Direct:   |   |                                 |  |                      |
| Equitable Sharing Program   |   |                                 |  |                      |
| Equitable Sharing   | 21.016                                  | None                            | not applicable                         | 276,586              |
| Equitable Sharing - City  | 21.016                                  | None                            | not applicable                         | 326,145              |
| Total ALN 21.016  |   |                                 |  | 602,731              |
| Covid-19 - Coronavirus State and Local Fiscal Recovery Funds            | 21.027                                  | 23PLN92                         | not applicable                         | 26,581               |
| <b>Total U.S. Department of Treasury</b>                                |   |                                 |  | 629,312              |
| <b>U.S. Department of Homeland Security</b>                             |   |                                 |  |                      |
| Pass-through Florida Division of Emergency Management:                  |   |                                 |  |                      |
| Disaster Grants - Public Assistance (Presidentially Declared Disasters) | 97.036                                  | none                            | 072238686                              | 122,139              |
| Hazard Mitigation Grant   | 97.039                                  | H0963, H1001 & H1010            | 072238686                              | 1,324,488            |
| Homeland Security Grant Program   | 97.067                                  | EMW-2021-SS-00049               | 072238686                              | 100,811              |
| <b>Total U.S. Department of Homeland Security</b>                       |   |                                 |  | 1,547,438            |
| <b>U.S. Department of Energy</b>  |   |                                 |  |                      |
| Pass-through Advanced Research Projects Agency – Energy:                |   |                                 |  | 19,830               |
| Traffic Technology Services, Inc.                                       | 81.000                                  | ARPA-E DE-AR0001565             | none                                   |                      |
| <b>Total Expenditures of Federal Awards</b>                             |   |                                 |  | \$ 3,410,712         |

See notes to schedule of expenditures of federal awards.



City of Coral Gables, Florida

Schedule of State Financial Assistance  
Fiscal Year Ended September 30, 2024

| State Grantor / Pass-Through Grantor / Project or Cluster Title | State<br>CSFA Number | Contract<br>Number                                     | State<br>Expenditures |
|---|----------------------|--|-----------------------|
| <b>Florida Department of Transportation</b>                     |                      |  |                       |
| Public Transit Service Development Program                      | 55.012               | G1Z37, G1Z38, G1Z39 & G3171                            | \$ 212,445            |
| Local Transportation Projects                                   | 55.039               | G2S22  | 14,097                |
| <b>Total Florida Department of Transportation</b>               |                      |  | <u>226,542</u>        |
| <b>Department of State and Secretary of State</b>               |                      |  |                       |
| Specific Cultural Projects                                      | 45.062               | 24.cpr.105.600   | <u>25,000</u>         |
| <b>Department of Financial Services:</b>                        |                      |  |                       |
| Grants & Aids-Local Government Fire Service Grants              | 43.009               | FM895  | <u>684,958</u>        |
| <b>Florida Department of Environmental Protection</b>           |                      |  |                       |
| Statewide Water Quality Restoration Projects                    | 37.039               | 15DA2, LPA0156, LPA0498,<br>LPA0270, LPA0269 & LPA0271 | <u>715,346</u>        |
| <b>Total Expenditures of State Financial Assistance</b>         |                      |  | <u>\$ 1,651,846</u>   |

See notes to the schedule of state financial assistance.

## City of Coral Gables, Florida

### Notes to Schedules of Expenditures of Federal Awards and State Financial Assistance

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#### **Note 1. Basis of Presentation**

The accompanying Schedule of Expenditures of Federal Awards and Schedule of State Financial Assistance (the Schedules) includes the federal and state award activity of the City of Coral Gables, Florida (the City) under programs of the federal and state government for the year ended September 30, 2024. The information in the Schedules is presented in accordance with the requirements of Title 2 U.S. *Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance) and Chapter 10.550, *Rules of the Auditor General* of the State of Florida (Chapter 10.550). Because the Schedules present only a selected portion of the operations of the City, it is not intended to and does not present the financial position, changes in fund balance/net position or cash flows of the City.

#### **Note 2. Summary of Significant Accounting Policies**

The Schedules are presented using the modified accrual basis of accounting for expenditures accounted for in the governmental funds and on the accrual basis of accounting for expenses of the proprietary fund types, which are described in Note 1 to the City's basic financial statements. Such expenditures/expenses are recognized following the cost principles contained in the Uniform Guidance and Chapter 10.550, wherein certain types of expenditures are not allowable or are limited as to reimbursement.

#### **Note 3. Indirect Cost Rate**

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

#### **Note 4. Subrecipient Awards**

The City did not make subawards of federal awards or state financial assistance during the year ended September 30, 2024.

City of Coral Gables, Florida

Schedule of Findings and Questioned Costs  
Fiscal Year Ended September 30, 2024

Section I – Summary of Auditor's Results

Financial Statements

Type of report the auditor issued on whether the financial statements audited were prepared in accordance with U.S. GAAP:

Unmodified

Internal control over financial reporting:

Material weakness(es) identified?

Yes

X

No

Significant deficiency(ies) identified?

X

Yes

None Reported

Noncompliance material to financial statements noted?

Yes

X

No

Federal Awards

Internal control over major federal program:

Material weakness(es) identified?

Yes

X

No

Significant deficiency(ies) identified?

X

Yes

None Reported

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

Unmodified

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

X

Yes

No

Identification of major federal program:

Assistance Listing Number

Name of Federal Program or Cluster

97.039

Hazard Mitigation Grant

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

\$ 750,000

Auditee qualified as low-risk auditee?

X

Yes

No

Continued

**Schedule of Findings and Questioned Costs (Continued)**  
**Fiscal Year Ended September 30, 2024**

Internal control over major state project:

Material weakness(es) identified?

\_\_\_\_\_ Yes

|   |    |
|---|----|
| X | No |
|---|----|

No

Significant deficiency(ies) identified?

Yes

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X

None Reported

**Type of auditor's report issued on compliance for major state project:**

Unmodified

Any audit findings disclosed that are required

to be reported in accordance with Chapter 10.650,

### Rules of the Auditor General?

Yes

X

No

**Identification of major state projects:**

CSFA Numbers

Name of State Program or Project

55.012

Public Transit Service Development Program

43.009

### Grants & Aids-Local Government Fire Service Grants

Dollar threshold used to distinguish between type

A and type B projects:

\$ 495,554

City of Coral Gables, Florida

Schedule of Findings and Questioned Costs (Continued)  
Fiscal Year Ended September 30, 2024

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II – Financial Statement Findings

A. Internal Control

2024-001 – Accounts Receivable and Allowances

**Criteria:** Allowances for uncollectible receivables should be based upon historical trends and the periodic aging of receivables. Additionally, management should assess the collectability of receivables on a periodic basis and write-off balances not deemed to be collectible at a future date.

**Condition:** We noted that management did not assess the collectability of the receivable balances at year-end and record an allowance or write-off amounts not deemed to be collectible at a future date, after all reasonable collection efforts have been exhausted.

**Cause:** Management has not established a formal policy or procedure to periodically assess the collectability of outstanding receivable balances. As a result, there is no structured process in place to evaluate the need for recording allowances for doubtful accounts or to write-off uncollectible amounts after reasonable collection efforts have been exhausted.

**Effect or potential effect:** Accounts receivable, revenues and deferred inflows of resources balances were overstated in the amounts of \$869,096, \$124,302 and \$744,754, respectively, for the general fund. Accounts receivable and revenue balances were each overstated in the amount \$869,096 for the governmental activities' opinion unit.

**Recommendation:** We recommend that the City adopt a formal policy requiring periodic assessments of the collectability of outstanding receivable balances.

This policy should include:

- **Regular Reviews:** Establish a schedule (e.g., quarterly or annually) to evaluate the aging of receivables.
- **Allowance for Doubtful Accounts:** Implement a methodology to estimate and record an allowance for doubtful accounts based on historical trends, economic conditions, and specific account analysis.
- **Write-Off Procedures:** Define clear criteria and approval processes for writing off uncollectible balances.
- **Documentation:** Maintain supporting documentation for all assessments, estimates, and write-off decisions to ensure transparency and audit readiness.

Implementing this policy will enhance the accuracy of financial reporting and strengthen internal controls over receivables.

**Views of Responsible Officials:** Management agrees with the audit finding and recommendation. We recognize that our process for assessing the collectability of accounts receivable and setting the allowance for doubtful accounts is not consistent. Prior to the upcoming fiscal year-end, the City will perform a comprehensive review of outstanding receivables to determine which accounts are deemed uncollectible. We will reassess our current process and will record an allowance for doubtful accounts based on historical trends, current financial conditions, and other relevant factors, and/or write-off balances deemed uncollectable. Management oversight of receivables aging and allowance adjustments will be strengthened to ensure ongoing compliance.

**City of Coral Gables, Florida**

**Schedule of Findings and Questioned Costs (Continued)**  
**Fiscal Year Ended September 30, 2024**

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**2024-002 — Accrual of Expenses and Liabilities**

**Criteria:** Internal control policies and procedures should be designed to provide reasonable assurance that expenses and liabilities are recognized accurately and in the appropriate accounting period, in accordance with the accrual basis of accounting. This includes ensuring that obligations incurred are recorded when they are incurred, not when they are paid, to reflect the true financial position and performance of the City.

**Condition:** The City did not consistently apply proper cut-off procedures for recording expenses and liabilities on a year-over-year basis. As a result, certain expenses and related liabilities were not recorded in the appropriate accounting period, leading to misstatements in the financial statements.

**Cause:** Internal controls requiring management review of year-end financial transactions were not consistently applied, leading to certain expenses and liabilities not being reported in the appropriate accounting period on a year over year basis.

**Effect or potential effect:** The lack of proper year-end accruals increases the risk of material misstatements in the City's financial statements. This may result in the inaccurate representation of the City's financial position and operating results. This resulted in expenses being overstated for the governmental activities (\$936,553), general fund (\$477,837), business-type activities (\$75,044) and sanitary sewer fund (\$75,044) opinion units for the year ended September 30, 2024.

**Recommendation:** We recommend that management evaluate and strengthen the design of internal controls related to the year-end accrual process. This should include implementing procedures to ensure that all expenses and liabilities are identified and recorded in the appropriate accounting period. Controls should incorporate a formal supervisory review of transactions and supporting documentation at fiscal year-end to verify that accruals are complete, accurate, and in compliance with accounting standards.

**Views of Responsible Officials:** Management acknowledges the audit finding regarding the inconsistent application of year-end-cut-off procedures for recording expenses and liabilities. We recognize that this inconsistency can affect the accuracy and comparability of the City's financial statements across fiscal years. The City will reinforce communication with all departments in its annual guidance outlining year-end closing timeliness, required documentation, and criteria for expense recognition. Finance staff will reach out to departments that typically submit their invoices late for proper cut-off treatment. Corrective actions will be in place prior to the next fiscal year-end closing process. Management is committed to maintaining accurate and reliable financial reports. We will take the appropriate and necessary steps to address this finding promptly and effectively.

**B. Compliance**

No matters to report

**City of Coral Gables, Florida**

**Schedule of Findings and Questioned Costs (Continued)**  
**Fiscal Year Ended September 30, 2024**

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**III – Federal Awards Findings and Questioned Costs**

**2024-003 – Significant Deficiency and Noncompliance - Data Collection Form**  
**All Assistance Listing Numbers and Federal Agencies (and pass-through entities) included on the**  
**accompanying schedule of federal awards for the year ended September 30, 2024.**

**Criteria:** Uniform Guidance requires that the City's annual audit package and data collection be submitted to the federal audit clearinghouse within 30 days after receipt of the auditor's reports or 9 months after the end of the City's fiscal year, whichever comes first.

**Condition:** The City's audit package and data collection form for the year ended September 30, 2024 was not submitted timely to the federal audit clearinghouse.

**Cause:** The City implemented a new Enterprise Resource Planning (ERP) system which delayed the completion of the City's annual audit.

**Context:** See "Condition" above.

**Effect or potential effect:** Failure to submit the annual audit package and data collection form to the federal audit clearinghouse in a timely manner could result in a loss of grant funding.

**Questioned costs:** None.

**Identification as a repeat finding, if applicable:** Not applicable.

**Recommendation:** We recommend that the City enhance its internal control policies and procedures to mitigate the risk of future delays. This includes developing contingency plans for major system implementations and ensuring adequate training and resource allocation during such transition periods.

**Views of Responsible Officials:** Management acknowledges that the City's audit package and Data Collection Form were not submitted timely to the Federal Audit Clearinghouse within the required timeframe in accordance with Uniform Guidance (2 CFR 200.512). We understand the importance of timely submission in maintaining compliance with federal grant requirements and ensuring continued eligibility for federal funding. The delay was due to new ERP system conversion and staffing shortages. We will re-evaluate our current processes and ensure that all deadlines associated with the Single Audit process are clearly documented and monitored. We will conduct internal reviews after each year-end closing to ensure audit-related deadlines are met and updates will be provided to senior leadership as needed. We will strengthen internal controls and improve communication with our auditors to avoid future delays in submission to the Federal Audit Clearinghouse.

**IV – Summary of Prior Year Audit Findings**

The prior year single audit disclosed no findings on the Schedule of Findings and Questioned Costs and no uncorrected or unresolved findings exist from the prior audit's Summary Schedule of Prior Year Audit Findings.