

---

# City of Detroit, Michigan

---

**Federal Awards Supplemental Information**  
**June 30, 2024**

**Independent Auditor's Reports**

Report on Schedule of Expenditures of Federal Awards Required by the Uniform Guidance 1-2

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* 3-4

Report on Compliance for Each Major Federal Program and Report on Internal Control Over  
Compliance Required by the Uniform Guidance 5-7

**Schedule of Expenditures of Federal Awards** 8-15

**Notes to Schedule of Expenditures of Federal Awards** 16-17

**Schedule of Findings and Questioned Costs** 18-28



**Plante & Moran, PLLC**  
P.O. Box 307  
3000 Town Center, Suite 100  
Southfield, MI 48075  
Tel: 248.352.2500  
Fax: 248.352.0018  
plantemoran.com

## Report on Schedule of Expenditures of Federal Awards Required by the Uniform Guidance

### Independent Auditor's Report

To the Honorable Mayor Michael E. Duggan and  
the Honorable Members of the City Council  
City of Detroit, Michigan

We have audited the financial statements of the governmental activities, the business-type activities, the aggregate discretely presented component units, each major fund, and the aggregate remaining fund information of City of Detroit, Michigan (the "City") as of and for the year ended June 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 December 20, 2024, which contained an unmodified opinion on the financial statements. Our audit was conducted for the purpose of forming opinions on those financial statements that collectively comprise the basic financial statements. We have not performed any procedures with respect to the audited financial statements subsequent to December 20, 2024.

We did not audit the financial statements of the following discretely presented component units: Detroit Brownfield Redevelopment Authority, Detroit Public Library, Detroit Transportation Corporation, Downtown Development Authority, Eastern Market Corporation, Economic Development Corporation, Local Development Finance Authority, Museum of African American History, Detroit Land Bank Authority, Eight Mile/Woodward Corridor Improvement Authority, Detroit Employment Solutions Corporation, and Community Education Commission, which collectively represent 79.86 percent, 77.15 percent, and 73.96 percent of the assets, net position, and revenue, respectively, of the discretely presented component units. We also did not audit the financial statements of the following blended component units: Public Lighting Authority, which is a major enterprise fund with assets, net position, and revenue of \$170 million, \$27 million, and \$17.9 million, respectively; the Greater Detroit Resource Recovery Authority, which represents 3.06 percent, 5.38 percent, and 2.71 percent of the assets, net position/fund balance, and revenue, respectively, of the aggregate remaining fund information; and the Detroit Building Authority, which represents 7.90 percent, 7.26 percent, and 9.27 percent of the assets, fund balance, and revenue, respectively, of the major Capital Projects Fund. Those financial statements were audited by other auditors, whose reports have been furnished to us, and our opinions, insofar as they relate to the amounts included for the business-type activities, aggregate discretely presented component units, Public Lighting Authority as a major enterprise fund, and aggregate remaining fund information, are based solely on the reports of the other auditors.

The City's basic financial statements include the operations of the Detroit Brownfield Redevelopment Authority, Detroit Public Library, Detroit Transportation Corporation, Downtown Development Authority, Eastern Market Corporation, Economic Development Corporation, Local Development Finance Authority, Museum of African American History, Detroit Land Bank Authority, Eight Mile/Woodward Corridor Improvement Authority, Community Education Commission, Public Lighting Authority, Greater Detroit Resource Recovery Authority, Detroit Building Authority, Detroit Housing Commission, and Detroit Employment Solutions Corporation. The schedule of expenditures of federal awards excludes those operations because they receive a separate financial statement audit and a separate single audit when required by the Uniform Guidance.

To the Honorable Mayor Michael E. Duggan and  
the Honorable Members of the City Council  
City of Detroit, Michigan

The accompanying schedule of expenditures of federal awards is presented for the purpose of additional analysis, as required by the Uniform Guidance, and is not a required part of the basic financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. The information has been subjected to the auditing procedures applied in the audit of the 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 information is fairly stated in all material respects in relation to the basic financial statements as a whole.

*Plante & Moran, PLLC*

December 20, 2024

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**

To Management, the Honorable Mayor  
Michael E. Duggan, and the Honorable Members  
of the City Council  
City of Detroit, Michigan

We have audited, in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of the governmental activities, the business-type activities, the aggregate discretely presented component units, each major fund, and the aggregate remaining fund information of City of Detroit, Michigan (the "City") as of and for the year ended June 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 December 20, 2024.

Our report includes a reference to other auditors who audited the financial statements of the following discretely presented component units: Detroit Brownfield Redevelopment Authority, Detroit Public Library, Detroit Transportation Corporation, Downtown Development Authority, Eastern Market Corporation, Economic Development Corporation, Local Development Finance Authority, Museum of African American History, Detroit Land Bank Authority, Eight Mile/Woodward Corridor Improvement Authority, Detroit Employment Solutions Corporation, and Community Education Commission, which collectively represent 79.86 percent, 77.15 percent, and 73.96 percent of the assets, net position, and revenue, respectively, of the discretely presented component units. We also did not audit the financial statements of the following blended component units: Public Lighting Authority, which is a major enterprise fund with assets, net position, and revenue of \$170 million, \$27 million, and \$17.9 million, respectively; the Greater Detroit Resource Recovery Authority, which represents 3.06 percent, 5.38 percent, and 2.71 percent of the assets, net position/fund balance, and revenue, respectively, of the aggregate remaining fund information; and the Detroit Building Authority, which represents 7.90 percent, 7.26 percent, and 9.27 percent of the assets, fund balance, and revenue, respectively, of the major Capital Projects Fund. Those financial statements were audited by other auditors, whose reports have been furnished to us, and our opinions, insofar as they relate to the amounts included for the business-type activities, aggregate discretely presented component units, Public Lighting Authority as a major enterprise fund, and aggregate remaining fund information, are based solely on the reports of the other auditors. 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 those auditors. The financial statements of Greater Detroit Resource Recovery Authority and Detroit Public Library were not audited in accordance with *Government Auditing Standards*, and, accordingly, this report does not include reporting on internal control over financial reporting or instances of reportable noncompliance and other matters that are reported on separately by those auditors.

**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.

To Management, the Honorable Mayor  
Michael E. Duggan, and the Honorable Members  
of the City Council  
City of Detroit, Michigan

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 City'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. We identified a certain deficiency in internal control, described in the accompanying schedule of findings and questioned costs as Finding 2024-001, that we consider to be a material weakness.

### **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*.

### **The City's Response to the Finding**

*Government Auditing Standards* requires the auditor to perform limited procedures on the City's response to the finding 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 it.

### **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 City'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 City's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

*Plante & Moran, PLLC*

December 20, 2024

Report on Compliance for Each Major Federal Program and Report on Internal Control Over Compliance  
Required by the Uniform Guidance

**Independent Auditor's Report**

To the Honorable Mayor Michael E. Duggan and  
the Honorable Members of the City Council  
City of Detroit, Michigan

**Report on Compliance for Each Major Federal Program**

***Opinion on Each Major Federal Program***

We have audited City of Detroit, Michigan's (the "City") compliance with the types of compliance requirements identified as subject to audit in the OMB *Compliance Supplement* that could have a direct and material effect on each of the City's major federal programs for the year ended June 30, 2024. 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 the major federal programs for the year ended June 30, 2024.

***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; 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* (the "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 Detroit Brownfield Redevelopment Authority, Detroit Public Library, Detroit Transportation Corporation, Downtown Development Authority, Eastern Market Corporation, Economic Development Corporation, Local Development Finance Authority, Museum of African American History, Detroit Land Bank Authority, Eight Mile/Woodward Corridor Improvement Authority, Community Education Commission, Public Lighting Authority, Greater Detroit Resource Recovery, Detroit Building Authority, Detroit Housing Commission, and Detroit Employment Solutions Corporation, which expended federal awards that are not included in the City's schedule of expenditures of federal awards during the year ended June 30, 2024. Our compliance audit, described below, did not include the operations above-mentioned entities because these entities receive a separate financial statement audit and a separate single audit when required by the Uniform Guidance.

To the Honorable Mayor Michael E. Duggan and  
the Honorable Members of the City Council  
City of Detroit, Michigan

### ***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.

### ***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.

### ***Other Matters***

The results of our auditing procedures disclosed instances of noncompliance that are required to be reported in accordance with the Uniform Guidance, which are described in the accompanying schedule of findings and questioned costs as Findings 2024-003 and 2024-004. Our opinion on each major federal program is not modified with respect to these matters.

*Government Auditing Standards* requires the auditor to perform limited procedures on the City's responses to the noncompliance 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 compliance, and, accordingly, we express no opinion on them.

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



To the Honorable Mayor Michael E. Duggan and  
the Honorable Members of the City Council  
City of Detroit, Michigan

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 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. We consider the deficiencies in internal control over compliance described in the accompanying schedule of findings and questioned costs as Findings 2024-003, 2024-004, 2024-005, and 2024-006 to be material weaknesses.

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. We consider the deficiency in internal control over compliance described in the accompanying schedule of findings and questioned costs as Finding 2024-002 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 responses to the internal control over compliance 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 compliance, and, accordingly, we express no opinion on them.

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.

*Plante & Moran, PLLC*

December 20, 2024

Schedule of Expenditures of Federal Awards

Year Ended June 30, 2024

Federal Agency/Pass-through Agency/Program Title	Assistance Listing Number	Grant/Contract Number	Pass-through Entity Identifying Number	Total Amount Provided to Subrecipients	Federal Expenditures
<b>Department of Agriculture</b>					
Passed through Michigan Department of Health and Human Services:					
WIC Special Supplemental Nutrition Program for Women, Infants and Children - Breastfeeding	10.557		232MI013W5003	\$ -	\$ 70,595
WIC Special Supplemental Nutrition Program for Women, Infants and Children - Resident Services	10.557		232MI003W1003	1,415,339	907,672
WIC Special Supplemental Nutrition Program for Women, Infants and Children - Breastfeeding 2024	10.557		E20240675-00	-	79,334
WIC Special Supplemental Nutrition Program for Women, Infants and Children - Resident Services 2024	10.557		E20241960-00	<u>876,912</u>	<u>2,574,849</u>
Total WIC Special Supplemental Nutrition Program for Women, Infants and Children				2,292,251	3,632,450
Passed through Michigan Department of Education:					
Child and Adult Care Food Program (CACFP) FY 2022	10.558		221920	-	24,211
Child and Adult Care Food Program (CACFP) FY 2022	10.558		222010	<u>-</u>	<u>1,720</u>
Total Child and Adult Care Food Program				-	25,931
Child Nutrition Cluster - Passed through Michigan Department of Education:					
Summer Food Service Program FY 2024	10.559		N/A	-	217,900
Summer Food Service Program FY 2022	10.559		210904	<u>-</u>	<u>562,094</u>
Total Child Nutrition Cluster				-	779,994
<b>Total Department of Agriculture</b>				2,292,251	4,438,375
<b>Department of Housing and Urban Development</b>					
Direct Programs - CDBG Entitlement Grants Cluster -					
Community Development Block Grants/Entitlement Grants:					
Community Development Block Grant/Entitlement Grants	14.218	B21MC260006		-	2,834,948
Community Development Block Grant/Entitlement Grants	14.218	B23MC260006		-	20,295,391
Community Development Block Grant/Entitlement Grants	14.218	B22MC260006		-	12,083,510
Community Development Block Grant/Entitlement Grants	14.218	B18MC260006		-	421,057
Community Development Block Grant/Entitlement Grants	14.218	B20MC260006		-	3,768,204
Community Development Block Grant/Entitlement Grants	14.218	B19MC260006		-	1,353,214
Community Development Block Grant/Entitlement Grants	14.218	B16MC260006		-	1,889,295
Community Development Block Grant/Entitlement Grants	14.218	B17MC260006		-	100,573
Community Development Block Grant/Entitlement Grants	14.218	B03MC260006		-	19,479
COVID-19 Community Development Block Grant/Entitlement Grants	14.218	B-21-MF-26-0002		<u>-</u>	<u>82,184</u>
Total CDBG Entitlement Grants Cluster				7,456,683	42,847,855
Direct Programs:					
COVID-19 Emergency Housing Solutions Grant	14.231	E20MW260006		1,115,016	1,323,273
Emergency Housing Solutions Grant	14.231	E20MC260006		<u>2,102,553</u>	<u>2,530,556</u>
Total Emergency Solutions Grant Program				3,217,569	3,853,829
Direct Programs:					
Home Investment Partnerships Program	14.239	M22-MC260202		-	674,768
Home Investment Partnerships Program	14.239	Various		-	4,945,504
COVID-19 Home Investment Partnerships Program	14.239	M21-MP260202		<u>-</u>	<u>351,577</u>
Total Home Investment Partnership				-	5,971,849

Schedule of Expenditures of Federal Awards (Continued)

Year Ended June 30, 2024

Federal Agency/Pass-through Agency/Program Title	Assistance Listing Number	Grant/Contract Number	Pass-through Entity Identifying Number	Total Amount Provided to Subrecipients	Federal Expenditures
<b>Department of Housing and Urban Development (Continued)</b>					
Direct Programs:					
Housing Opportunities for Persons With AIDS	14.241	MIH21-F001		\$ -	\$ 18,288
Housing Opportunities for Persons With AIDS	14.241	MIH22-F001		-	68,156
Housing Opportunities for Persons With AIDS	14.241	MIH23-F001		-	<u>2,792,010</u>
Total Housing Opportunities for Persons With AIDS				-	2,878,454
Direct Programs - Neighborhood Implementation Grants					
Choice Neighborhoods Implementation Grant Program - FY 2020	14.850	MI5F536CNG120		721,969	743,306
Direct Programs:					
Lead-Based Paint Hazard Control in Privately-Owned Housing	14.900	MILHD0487-22		-	68,420
Lead-Based Paint Hazard Control in Privately-Owned Housing	14.900	MILNG0007-19		-	102,104
Lead-Based Paint Hazard Control in Privately-Owned Housing	14.900	MIHHP0042-22		-	339,334
Lead-Based Paint Hazard Control in Privately-Owned Housing	14.900	MILHB0682-18		-	<u>58,103</u>
Total Lead-Based Paint Hazard Control in Privately-Owned Housing				-	567,961
Direct Programs:					
Lead Hazard Reduction Demonstration Grant Program	14.905	MILHB0682-18		-	333,441
Lead Hazard Reduction Demonstration Grant Program	14.905	MILHD0487-22		-	<u>526,534</u>
Total Lead Hazard Reduction Demonstration Grant Program (LDI)				-	859,975
Direct Programs - Lead Hazard Control for High Risk Areas	14.920	MILNG0007-19		-	<u>1,548,467</u>
<b>Total Department of Housing and Urban Development</b>				11,396,221	59,271,696
<b>Department of Interior</b>					
Passed through Michigan State Housing Development Authority -					
Historic Preservation Funds Grants-In-Aid-FY19 Fort Wayne	15.904		CG19-443	-	3,686
Passed through Michigan Department of Health and Human Services -					
Historic Preservation Funds Grants-In-Aid-Historic Context of the Middle Eastern Community in Detroit Grant FY21	15.904		P22AP00300-01	-	12,679
Passed through Michigan Department of Natural Resources:					
Historic Preservation Funds Grants-In-Aid -Historic Context Study Latinx Communities	15.904		P21AP11721-00	-	31,617
Historic Preservation Funds Grants-In-Aid -African American Civil Rights Preservation Grant	15.904		CG22-452a	-	915
Historic Preservation Funds Grants-In-Aid -NAPC Forum 2022 Conference Scholarship Grant	15.904		P18AP00156	-	<u>111,505</u>
Total Historic Preservation Funds Grants-In-Aid				-	160,402
Direct Programs - Save Americas Treasures Grant	15.929	P21AP11769-00		-	<u>177,253</u>
<b>Total Department of Interior</b>				-	337,655
<b>Department of Justice</b>					
Direct Programs - COVID-19 Coronavirus Emergency Supplemental Funding Program	16.034	2020-VD-BX-1675		-	23,992
Passed through Black Family Development Group - Project Safe Neighborhoods Grant	16.609		21-GG-03033-GUNP	-	116,170
Passed through Wayne County, Michigan - Comprehensive Forensic DNA Analysis Grant Program	16.036		2020-DN-BX-0161	-	5,764

Schedule of Expenditures of Federal Awards (Continued)

Year Ended June 30, 2024

Federal Agency/Pass-through Agency/Program Title	Assistance Listing Number	Grant/Contract Number	Pass-through Entity Identifying Number	Total Amount Provided to Subrecipients	Federal Expenditures
<b>Department of Justice (Continued)</b>					
Passed through Michigan Department of Health and Human Services:					
Crime Victim Assist - V.O.C.A.	16.575		2019V2GX0036	\$ -	\$ 2,484
Crime Victim Assist - Culturally Specific Responsive Services 2023	16.575		2020V2GX0044	-	<u>105,122</u>
Total Crime Victim Assistance				-	107,606
Passed through Michigan Department of Health and Human Services:					
Violence Against Women Formula Grants - Culturally Specific Underserved	16.588		N/A	-	55,767
Violence Against Women Formula Grants - Culturally Specific Underserved 2023	16.588		2020WFAX0030	-	<u>18,538</u>
Total Violence Against Women				-	74,305
Passed through Michigan Department of State Police -					
Grants to Encourage Arrest Policies and Enforcement of Protection Orders Program - 2021	16.590		15JOVW-21-GK-04698-HOMI	-	38,618
Direct Programs:					
Public Safety Partnership & Community Policing Grants - 2020 COPS Hiring Program	16.710	2020-UL-WX-0003		-	518,156
Public Safety Partnership & Community Policing Grants - 2021 Community Policing Development Crisis Intervention Teams	16.710	15JCOPS-21-GG-02333-SPPS		<u>34,045</u>	<u>59,842</u>
Total Public Safety Partnership and Community Policing Grants				34,045	577,998
Passed through Michigan Department of State Police:					
2021 BJA FY21 Smart Policing Initiative	16.738		15PBJA-21-GG-04384-SMTP	67,600	130,889
Justice Assistance Grant (JAG) FY21	16.738		15PBJA-21-GG-01577-JAGX	-	42,785
JAG 2019	16.738		JAG 2019 DJ-BX-0930	-	37,135
Passed through Wayne County, Michigan:					
Edward Byrne Memorial Justice Assistance Grant Program - Wayne County Operation Legend	16.738		2020-MU-BX-0005	-	193,842
Justice Assistance Grant 2020	16.738		JAG 2020 DJ-BX-0504	-	<u>798,748</u>
Total Edward Byrne Memorial Justice Assistance Grant				67,600	1,203,399
Passed through Michigan Department of State Police:					
Congressionally Recommended Awards - 2022 BJA Byrne Discretionary Community Project Grants Program	16.753		15PBJA-22-GG-00107-BRND	143,786	177,092
Congressionally Recommended Awards - FY 2022 Byrne Discretionary Community Project Grant to support Project Clean Slate	16.753		15PBJA-22-GG-00132-BRND	-	<u>343,438</u>
Total Congressionally Recommended Awards				143,786	520,530
Passed through Michigan Department of Health and Human Services					
Recovery Act - VOCA Crime Victim Assistance Discretionary Grant Program	16.807		E20243577-00	-	339,780
Direct Programs - Second Chance Asct Reentry Initiative - Innovations in Supervision	16.812	2020-SM-BX-0001		142,657	194,185
Direct Programs:					
Byrne Criminal Justice Innovation Program - Innovations in Community Based Crime Reduction Grant	16.817	2019-BJ-BX-0005		32,013	17,106
Passed through Michigan Department of State Police -					
Byrne Criminal Justice Innovation Program - 2021 BJA FY21 Byrne Criminal Justice Innovation Program	16.817		15PBJA-21-GG-04107-BCJI	<u>40,381</u>	<u>125,058</u>
Total Byrne Criminal Justice Innovation Program				<u>72,394</u>	<u>142,164</u>
<b>Total Department of Justice</b>				460,482	3,344,511

Schedule of Expenditures of Federal Awards (Continued)

Year Ended June 30, 2024

Federal Agency/Pass-through Agency/Program Title	Assistance Listing Number	Grant/Contract Number	Pass-through Entity Identifying Number	Total Amount Provided to Subrecipients	Federal Expenditures
<b>Department of Transportation</b>					
Passed through Michigan Department of Transportation:					
COVID-19 Airport Improvement Program - 2022 Airport	20.106		3-26-SBGP-103-2018	\$ -	\$ 106,305
COVID-19 Airport Improvement Program - 2020 Airport	20.106		3-26-SBGP-117-2020	-	17,950
COVID-19 Airport Improvement Program - 2023 Airport	20.106		3-26-SBGP-107-2019	-	276,419
COVID-19 Airport Improvement Program - 2023 Airport grant 2023-0499	20.106		3-26-SBGP-107-2019, 3-26-SBGP-112-2020	-	<u>316,666</u>
Total Federal Aviation Administration				-	717,340
Passed through Michigan Department of Transportation:					
Highway Planning and Construction	20.205		SGMA 1900(702)	-	125,221
Highway Planning and Construction	20.205		22A0965	-	225,453
Highway Planning and Construction	20.205		21-5334	-	30,847
Highway Planning and Construction	20.205		23A0724	-	<u>479,165</u>
Total Highway Planning and Construction				-	860,686
Research and Development Cluster - Passed through Michigan Department of Transportation - Highway Planning and Construction					
	20.205		N/A	-	1,983,017
Federal Transit Cluster:					
Direct Programs - Federal Transit Capital Investment Grants	20.500	MI-03-0241		-	13,891
Direct Programs:					
Federal Transit Formula Grants	20.507	MI-2020-001		-	790,370
Federal Transit Formula Grants	20.507	MI-2023-034		3,695,153	3,397,978
Federal Transit Formula Grants	20.507	MI-2018-014		-	150,652
Federal Transit Formula Grants	20.507	MI-2022-026-00		-	3,342,959
Federal Transit Formula Grants	20.507	MI-2016-006-00		-	3,649,081
Federal Transit Formula Grants	20.507	MI-2021-016-00		-	204,505
Federal Transit Formula Grants	20.507	MI-90-X605-05		-	2,238,851
COVID-19 Federal Transit Formula Grants	20.507	MI-2020-022		-	<u>403,873</u>
Total Federal Transit Formula Grants				3,695,153	14,178,269
Direct Programs - Buses and Bus Facilities Formula, Competitive, and Low or No Emissions Programs	20.526	MI-2021-033		-	<u>9,436,510</u>
Total Federal Transit Cluster				3,695,153	23,628,670
Highway Safety Cluster:					
Passed Through Michigan Department of State Police - State & Community Highway Safety - FY23 Detroit DUI & Seat Belt Overtime Traffic Enforcement					
	20.600		PT-23-19	-	4,698
Passed through Michigan Department of State Police:					
National Priority Safety Programs - Detroit Safe Routes Ambassador Program FY23	20.616		PB-23-02	-	59,118
National Priority Safety Program	20.616		2024-PB-02-00	-	<u>126,829</u>
Total National Priority Safety Programs				-	<u>185,947</u>
Total Highway Safety Cluster				-	190,645
Direct Programs - Strengthening Mobility and Revolutionizing Transportation (SMART) Grants Program	20.941	SMARTFY22N1P1G31		-	<u>193,332</u>
<b>Total Department of Transportation</b>				3,695,153	27,573,690

Schedule of Expenditures of Federal Awards (Continued)

Year Ended June 30, 2024

Federal Agency/Pass-through Agency/Program Title	Assistance Listing Number	Grant/Contract Number	Pass-through Entity Identifying Number	Total Amount Provided to Subrecipients	Federal Expenditures
<b>Department of the Treasury</b>					
Direct Programs - COVID-19 Emergency Rental Assistance Program (ERAP 2)	21.023			\$ -	\$ 789,995
Direct Programs:					
COVID-19 Coronavirus State and Local Fiscal Recovery Funds (CSLFRF)	21.027			-	454,561
COVID-19 Coronavirus State and Local Fiscal Recovery Funds (CSLFRF)	21.027			-	447,212
COVID-19 Coronavirus State and Local Fiscal Recovery Funds (CSLFRF)	21.027			-	3,776,455
COVID-19 Coronavirus State and Local Fiscal Recovery Funds (CSLFRF)	21.027			-	3,844,825
COVID-19 Coronavirus State and Local Fiscal Recovery Funds (CSLFRF)	21.027			-	37,340,094
COVID-19 Coronavirus State and Local Fiscal Recovery Funds (CSLFRF)	21.027			4,473,400	58,286,221
COVID-19 Coronavirus State and Local Fiscal Recovery Funds (CSLFRF)	21.027			-	26,167,923
COVID-19 Coronavirus State and Local Fiscal Recovery Funds (CSLFRF)	21.027			1,744,088	11,657,108
COVID-19 Coronavirus State and Local Fiscal Recovery Funds (CSLFRF)	21.027			605,568	1,900,491
COVID-19 Coronavirus State and Local Fiscal Recovery Funds (CSLFRF)	21.027			15,420,437	15,283,883
COVID-19 Coronavirus State and Local Fiscal Recovery Funds (CSLFRF)	21.027			-	15,326,744
COVID-19 Coronavirus State and Local Fiscal Recovery Funds (CSLFRF)	21.027			-	7,665,214
COVID-19 Coronavirus State and Local Fiscal Recovery Funds (CSLFRF)	21.027			26,801,290	42,212,419
COVID-19 Coronavirus State and Local Fiscal Recovery Funds (CSLFRF)	21.027			-	7,421,151
COVID-19 Coronavirus State and Local Fiscal Recovery Funds (CSLFRF)	21.027			888,643	2,437,383
COVID-19 Coronavirus State and Local Fiscal Recovery Funds (CSLFRF)	21.027			9,048,133	22,647,812
COVID-19 Coronavirus State and Local Fiscal Recovery Funds (CSLFRF)	21.027			-	6,753,717
COVID-19 Coronavirus State and Local Fiscal Recovery Funds (CSLFRF)	21.027			-	15,935,227
COVID-19 Coronavirus State and Local Fiscal Recovery Funds (CSLFRF)	21.027			-	2,043,144
COVID-19 Coronavirus State and Local Fiscal Recovery Funds (CSLFRF)	21.027			<u>7,569,042</u>	<u>15,358,352</u>
Total COVID-19 Coronavirus State and Local Fiscal Recovery Funds (CSLFRF)				66,550,601	296,959,936
Passed through Michigan Department of Health and Human Services -					
COVID-19 Coronavirus State and Local Fiscal Recovery Funds- SDOH Planning 2024	21.027		E20240179-00	-	13,299
Passed through Michigan Department of Natural Resources -					
COVID-19 Coronavirus State and Local Fiscal Recovery Funds (CSLFRF)	21.027		N/A	-	18,747,048
Passed through Michigan State Housing Development Authority -					
COVID-19 Coronavirus State and Local Fiscal Recovery Funds - MI HOPE Renew Detroit	21.027		ARP-2023-382-MIH	-	10,082,172
Passed through Wayne County, Michigan - COVID-19 Coronavirus State and Local Fiscal Recovery Funds - JLG Project S-recipient					
	21.027		SLFRP1744	-	<u>1,346,479</u>
Total Coronavirus State and Local Fiscal Recovery Funds				<u>66,550,601</u>	<u>327,148,934</u>
<b>Total Department of the Treasury</b>				66,550,601	327,938,929
<b>National Endowment for the Arts</b>					
Direct Programs - Tactical Preservation	45.024			-	24,761
<b>Environmental Protection Agency</b>					
Passed through Michigan Department of Environmental Quality - Capitalization Grants for Clean Water - State Revolving Loan					
	66.458		N/A	-	206,226
Direct Programs:					
Brownfields Multipurpose, Assessment, Revolving Loan Fund, and Cleanup Cooperative Agreements - Brownfield Piety Hill	66.818			-	8,086
Brownfields Multipurpose, Assessment, Revolving Loan Fund, and Cleanup Cooperative Agreements - Brownfield Piety Hill - Michigan Brownfield Redevelopment 16th Bagle	66.818			-	<u>266,516</u>
Total Brownfield Multipurpose, Assessment, Revolving Loan Fund, and Cleanup Cooperative Agreements				-	<u>274,602</u>
<b>Total Environmental Protection Agency</b>				-	480,828

Schedule of Expenditures of Federal Awards (Continued)

Year Ended June 30, 2024

Federal Agency/Pass-through Agency/Program Title	Assistance Listing Number	Grant/Contract Number	Pass-through Entity Identifying Number	Total Amount Provided to Subrecipients	Federal Expenditures
<b>Department of Health and Human Services</b>					
Passed through Michigan Department of Health and Human Services - Medical Reserve Corps Small Grant	93.008		E20244849-00	\$ -	\$ 5,132
Passed through Michigan Department of Health and Human Services:					
Public Health Emergency Preparedness (PHEP) CRI	93.069		E20240602-00	-	166,324
Public Health Emergency Preparedness (PHEP)	93.069		E20240603-00	-	134,535
Public Health Emergency Preparedness (PHEP)	93.069		NU90TP922062	-	125,541
Total Public Health Emergency Preparedness				-	426,400
Passed through Michigan Department of Health and Human Services - COVID-19 Injury Prevention and Control Research and State and Community Based Programs	93.136		E20234138-00	-	60,230
Passed through Michigan Department of Health and Human Services:					
Family Planning 2024	93.217		E20241031-00	-	131,760
Family Planning 2022	93.217		N/A	-	30,672
Total Family Planning Services				-	162,432
Passed through Michigan Department of Health and Human Services:					
Emerging Threats - COVID Immunization	93.268		E20241780-00	-	307,304
Immunization Action Plan (IAP)	93.268		E20240180-00	-	86,453
COVID-19 Influenza Vaccination Supplemental	93.268		NH23IP922635	-	66,038
Immunization Action Plan-Pilot	93.268		NH23IP922635	-	7,866
Immunization Action Plan (IAP)	93.268		NH23IP922635	-	8,038
Vaccine Distribution MDHHS 9/2023	93.268		N/A	-	637,571
COVID-19 FY 2023 IMMUNIZATION	93.268		220000	-	158,747
CSHCS Vaccine Initiative 9/2023	93.268		NH23IP922635	-	5,645
Total Immunization Cooperative Agreements				-	1,277,662
Passed through Michigan Department of Health and Human Services:					
ELC Contract Tracing, Case Investigation, Testing Coordination, and Infection Prevention	93.323		E20244544-00	-	411,451
EMERGING THREATS FOR ELC CONTRACT TRACING	93.323		220000	-	155,885
West Nile Virus	93.323		N/A	-	4,341
Total Epidemiology and Laboratory Capacity for Infectious Diseases (ELC)				-	571,677
Passed through Michigan Department of Health and Human Services:					
Agreement for Emergency Response: Public Health Crisis Response - Mpox Mobile Unit Grant	93.354		NU90TP922209	-	898
COVID-19 Agreement for Emergency Response: COVID FY22 WRKFORCE DEV	93.354		220000	-	85,571
Agreement for Emergency Response: Public Health Crisis Response - Emerging Threats FY 24	93.354		N/A	-	83,212
Total Public Health Emergency Response: Cooperative Agreement for Emergency Response: Public Health Crisis Response				-	169,681
Passed through Regents of the University of Michigan COVID-19 Community Health Senior Intervention	93.361		R01NR020442-01	-	26,641
Passed through Michigan Department of Health and Human Services:					
COVID-19 Reducing Related Health Disparities in Detroit	93.391		1 NH75OT000091-01-00	2,152,633	1,866,389
SDOH Planning	93.391		N/A	-	27,832
Total Activities to Support State, Tribal, Local and Territorial (STLT) Health Department Response to Public Health or Healthcare Crisis				2,152,633	1,894,221

Schedule of Expenditures of Federal Awards (Continued)

Year Ended June 30, 2024

Federal Agency/Pass-through Agency/Program Title	Assistance Listing Number	Grant/Contract Number	Pass-through Entity Identifying Number	Total Amount Provided to Subrecipients	Federal Expenditures
<b>Department of Health and Human Services (Continued)</b>					
Passed through National Association of County and City Health Officials:					
Decreasing Syphilis Grant	93.421		2023-073102	\$ -	\$ 97,196
Leveraging Pharmacies for STI Services and Care	93.421		6NU38OT000306-04-01	-	25,881
Total Strengthening Public Health Systems and Services through National Partnerships to Improve and Protect the Nation's Health				-	123,077
Direct Programs - AIDS Education and Training Centers - HIV Related Training & Technical Assistance - Ending the HIV Epidemic (EHE)-FY2020: RW HIV/AIDS Program A and B	93.686	6 UT8HA33931 02-01		2,540,376	2,691,837
Passed through Michigan Department of Health and Human Services - Children's Health Insurance Program (CHIP) FY23 LEAD CHIP	93.767		E20231460-00	-	234,136
Medicaid Cluster - Passed through Michigan Department of Health and Human Services:					
Medical Assistance Program - Lead Health Safety	93.778		GS94M2VMNMJ3	-	75,091
Medicaid CHIP Community Development Lead Hazard Control Program - 2024	93.778		E20243743-001	-	976,484
Emerging Threats - Hepatitis C	93.778		E20241032-00	-	57,528
Medical Assistance Program - CSHCS Medicaid Elevated Blood Lead Case Mgmt 9/2024 - FUR	93.778		E20241128-00	-	62,586
Local Comp 2024 - Children's Special Hlth Care Services (CSHCS) Outreach & Advocacy	93.778		E20240120-00	-	264,410
CSHCS Medicaid Elevated Blood Lead Case Mgmt	93.778		2305MI5MAP	-	54,829
CSHCS Outreach & Advocacy 9/2023	93.778		2305MI5ADM	-	34,101
Total Medicaid Cluster				-	1,525,029
Direct Programs:					
HIV Emergency Support Relief 9/2024	93.914	2 H89HA00021-30-00		652,520	2,047,429
HIV Emergency Support Relief 9/2023	93.914	6 H89HA00021-31-01		8,867,480	7,533,839
Total HIV Emergency Relief Project Grants				9,520,000	9,581,268
Passed through Michigan Department of Health and Human Services:					
HIV Care Formula Grants - Housing Assistance	93.917		E20243293-00	-	75,600
HIV Care Formula Grants - HIV & STI Testing and Prevention	93.917		E20244011-00	-	127,768
HIV Care Formula Grants -HIV Data	93.917		E20243294-00	-	216,975
Total HIV Care Formula Grants				-	420,343
Passed through Michigan Department of Health and Human Services:					
Ending the HIV Epidemic Implementation	93.940		N/A	-	133,189
Ending the HIV Epidemic MDHHS 9/2023	93.940		N/A	-	50,783
Total HIV Prevention Activities - Health Department Based				-	183,972
Passed through Michigan Department of Health and Human Services Cooperative Agreements to Support State-Based Safe Motherhood and Infant Health Initiative Programs	93.946		E20244031-00	-	1,544
Direct Programs - Centers for Disease Control and Prevention Collaboration with Academia to Strengthen Public Health	93.967	5 NE11OE000031-02		-	215,186



Schedule of Expenditures of Federal Awards (Continued)

Year Ended June 30, 2024

Federal Agency/Pass-through Agency/Program Title	Assistance Listing Number	Grant/Contract Number	Pass-through Entity Identifying Number	Total Amount Provided to Subrecipients	Federal Expenditures
<b>Department of Health and Human Services (Continued)</b>					
Passed through Michigan Department of Health and Human Services:					
Local Maternal & Child Hlth-Enabling Services Women 9/2024	93.994		B0452932, B0447425	\$ -	\$ 847,112
Maternal and Child Health Services- Childhood Lead Poisoning Prevention	93.994		E20241159-00	-	2,095
Maternal and Child Health Services-Fetal Infant Mortality Review (FIMR)	93.994		E20240611-00	-	882
Childhood Lead Poisoning Prevention	93.994		B0447425	-	5,647
Childhood Lead Poisoning Prevention	93.994		253002	-	84,722
Local Maternal & Child Hlth-Enabling Services Women 9/2023	93.994		B0447425	-	674,038
Total Maternal and Child Health Services Block Grant to the States				-	1,614,496
<b>Total Department of Health and Human Services</b>				14,213,009	21,184,964
<b>Department of Homeland Security</b>					
Passed through Michigan State Police:					
Disaster Grants - FEMA/MSP Public Assistance Grant Program	97.036		PA-05-MI-4607-PW-00098(0)	-	6,619,883
Disaster Grants - FEMA/MSP Public Assistance Grant Program	97.036		PA-05-MI-4607-PW-00104(0)	-	862,289
Disaster Grants - Public Assistance (PA)	97.036		PA-05-MI-4607-PW-00096(0)	-	102,697
COVID-19 Disaster Grants - Public Assistance (PA): Fund 4503	97.036		PA-05-MI-4607-PW-00097(0)	-	4,196
Total Disaster Grants - Public Assistance				-	7,589,065
Passed through Michigan State Police-Emergency Management Performance Grants	97.042		N/A	-	11,669
Direct Programs - Assistance to Firefighters Grant - External Defibrillators	97.044	EMW-2022-FG-06128		-	18,435
Passed through Macomb County, Michigan:					
Homeland Security Grant Program 2019	97.067		EMW-2019-SS-00042	-	51
Homeland Security Grant Program 2020	97.067		EMW-2020-SS-00042	-	50,433
Passed through Michigan Department of State Police - Homeland Security Grant Program 2021	97.067		EMW-2021-SS-00042	-	289,595
Passed through State of Michigan to County of Macomb - Homeland Security Grant Program 2022	97.067		EMW-2022-SS-00031-S01	-	346,643
Passed through Wayne County, Michigan - Homeland Security Grant Program - Operation Stone Garden - FY21	97.067		EMW-2019-SS-00021-S01	-	26,514
Total Homeland Security Grant Program				-	713,236
<b>Total Department of Homeland Security</b>				-	8,332,405
Total federal expenditures				<b>\$ 98,607,717</b>	<b>\$ 452,927,814</b>

---

## Notes to Schedule of Expenditures of Federal Awards

---

Year Ended June 30, 2024

### Note 1 - Basis of Presentation

The accompanying schedule of expenditures of federal awards (the "Schedule") includes the federal grant activity of City of Detroit, Michigan (the "City") under programs of the federal government for the year ended June 30, 2024. The information in the Schedule is presented in accordance with the requirements of Title 2 U.S. *Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (the "Uniform Guidance"). Because the Schedule presents only a selected portion of the operations of the City, it is not intended to and does not present the financial position, changes in net position, or cash flows of the City.

The City's basic financial statements include the operations of the Detroit Brownfield Redevelopment Authority, Detroit Public Library, Detroit Transportation Corporation, Downtown Development Authority, Eastern Market Corporation, Economic Development Corporation, Local Development Finance Authority, Museum of African American History, Detroit Land Bank Authority, Eight Mile/Woodward Corridor Improvement Authority, Community Education Commission, Public Lighting Authority, Greater Detroit Resource Recovery, Detroit Building Authority, Detroit Housing Commission, and Detroit Employment Solutions Corporation. The schedule of expenditures of federal awards excludes those operations because they receive a separate financial statement audit and a separate single audit when required by the Uniform Guidance.

### Note 2 - Summary of Significant Accounting Policies

Expenditures reported in the Schedule are reported on the same basis of accounting as the basic financial statements with the exception of the expenditures related to ALN 66.468, Capitalization Grants for Drinking Water State Revolving Funds (DWSRF) program, and ALN 66.458, Capitalization Grants for Clean Water State Revolving Funds (CWSRF) program. The DWSRF and CWSRF expenditures are reported on a cash basis in accordance with the subrecipient reporting guidelines prescribed by the pass-through entity.

Such expenditures are recognized following the cost principles contained in Title 2 U.S. *Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards*, wherein certain types of expenditures are not allowable or are limited as to reimbursement.

Pass-through entity identifying numbers are presented where available.

The City has elected not to use the 10 percent *de minimis* indirect cost rate to recover indirect costs, as allowed under the Uniform Guidance.

### Note 3 - Outstanding Loan Balances

The U.S. Department of Housing and Urban Development has insured certain mortgage loan borrowings (ALN 14.248) made by City of Detroit, Michigan through the Planning and Development Department in connection with certain development projects. There are no continuing compliance requirements associated with these loans other than scheduled repayments. These loans had outstanding principal of \$5.9 million due at June 30, 2024. There were no new borrowings for the year ended June 30, 2024.

### Note 4 - Highway and Construction Program

The City participates in various road, street, and bridge construction and repair projects. The projects are funded through an award granted to the State of Michigan Department of Transportation (the "State"), which administers the grant for the City. The City identified the projects needed in the locality, and the State performed the procurement, payment, and cash management functions on behalf of the City. The projects are managed directly by the State, and the expenditures related to these projects have been excluded from the Schedule. The total award of these projects is approximately \$55.6 million for the year ended June 30, 2024.

Notes to Schedule of Expenditures of Federal Awards

---

Year Ended June 30, 2024

**Note 5 - Disaster Grants Public Assistance Program (ALN 97.036)**

Included in the Schedule for the year ended June 30, 2024 is \$6,726,776 of expenditures incurred, under the Disaster Grants Public Assistance (Presidentially Declared Disasters) grant (ALN 97.036), in a previous fiscal year. The project worksheet for these expenditures was approved in the current fiscal year, and these expenditures have been reported in the current fiscal year in accordance with the reporting requirements outlined in the 2024 *Compliance Supplement*.

**Note 6 - Child and Adult Care Food Program (ALN 10.558) and Child Nutrition Cluster (10.559)**

Included in the Schedule for the year ended June 30, 2024 is \$25,931 of expenditures incurred under the Child and Adult Care Food Program (10.558) and \$562,094 of expenditures incurred under the Child Nutrition Cluster (ALN 10.559) in a previous year. These expenditures have been reported in the current year in accordance with the reporting guidance provided by the pass-through entity.

**Schedule of Findings and Questioned Costs**

**Year Ended June 30, 2024**

**Section I - Summary of Auditor's Results**

**Financial Statements**

Type of auditor's report issued: Unmodified

Internal control over financial reporting:

- Material weakness(es) identified?   X   Yes        No
- Significant deficiency(ies) identified that are not considered to be material weaknesses?        Yes   X   None reported
- Noncompliance material to financial statements noted?        Yes   X   None reported

**Federal Awards**

Internal control over major programs:

- Material weakness(es) identified?   X   Yes        No
- Significant deficiency(ies) identified that are not considered to be material weaknesses?   X   Yes        None reported
- 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 programs:

Assistance Listing Number	Name of Federal Program or Cluster	Opinion
10.557	WIC Special Supplemental Nutrition Program for Women, Infants and Children	Unmodified
14.218	CDBG Entitlement Grants Cluster - Community Development Block Grant/Entitlement Grants	Unmodified
14.239	HOME Investment Partnerships Program	Unmodified
14.241	Housing Opportunities for Persons With AIDS	Unmodified
20.500/20.507/		
20.526	Federal Transit Cluster	Unmodified
21.027	Coronavirus State and Local Fiscal Recovery Funds	Unmodified
97.036	Disaster Grants - Public Assistance (Presidentially Declared Disasters)	Unmodified

Dollar threshold used to distinguish between type A and type B programs: \$3,000,000

Auditee qualified as low-risk auditee?        Yes   X   No

Schedule of Findings and Questioned Costs (Continued)

Year Ended June 30, 2024

Section II - Financial Statement Audit Findings

Reference Number	Finding
2024-001	<p data-bbox="362 531 771 556"><b>Finding Type</b> - Material weakness</p> <p data-bbox="362 581 1489 699"><b>Criteria</b> - The City should have processes and controls in place to ensure proper financial reporting, which includes proper recording of all journal entries, general ledger balances, and footnote disclosures, in accordance with generally accepted accounting principles (GAAP) prior to the commencement of the audit.</p> <p data-bbox="362 724 1489 810"><b>Condition</b> - There were several significant adjustments to the general ledger identified during the audit process as a result of certain underlying financial records not being reconciled and closed in a timely manner.</p> <p data-bbox="362 835 477 861"><b>Context</b> -</p> <p data-bbox="362 886 467 911"><i>The City</i></p> <p data-bbox="362 936 1489 993">There were four adjusting journal entries over \$5 million that were proposed by the auditors and posted by the City in order to ensure the financial statements were not misstated.</p> <p data-bbox="362 1018 1489 1161">The most significant adjustments included entries to increase contingent liabilities specifically related to the legal case reserve, increase the liability related to property tax appeals, increase capital assets for amounts paid for city infrastructure, and gross down revenue and expenditures to properly blend the Detroit Building Authority activity into the capital projects fund.</p> <p data-bbox="362 1186 1489 1272">In addition to the significant adjusting journal entries described above, there were other proposed adjusting journal entries that were immaterial, both individually and in the aggregate, to the financial statements taken as a whole.</p> <p data-bbox="362 1297 1489 1415">Deficiencies noted that were not related to proposed adjusting journal entries include controls surrounding investigation into general ledger balances that may result in an adjustment upon further review but were deemed to be materially correct in relation to the financial statements taken as a whole.</p> <p data-bbox="362 1440 581 1465"><b>Component Units</b></p> <p data-bbox="362 1491 1489 1667">The Downtown Development Authority (DDA) had a lack of a process and controls to ensure proper financial reporting resulting in an adjustment related to the accounting for premiums and debt issuance costs associated with long-term debt. The net impact of the adjustment was \$16,000,000. The Detroit Transportation Corporation (DTC) had a lack of processes and controls to ensure proper financial reporting, resulting in adjustments related to prepaid expenses, accounts payable, repair and maintenance, and liabilities.</p> <p data-bbox="362 1692 1489 1778"><b>Cause</b> - Processes and controls were not in place to ensure that coordination and involvement of several departments occurred such that year-end closing entries for certain significant activities and balances were properly recorded in the general ledger timely.</p> <p data-bbox="362 1803 1489 1854"><b>Effect</b> - If the auditor identified entries identified above had not been recorded, the financial statements would have been materially misstated.</p>

Schedule of Findings and Questioned Costs (Continued)

Year Ended June 30, 2024

Section II - Financial Statement Audit Findings (Continued)

Reference Number	Finding
2024-001 (Continued)	<p><b>Recommendation</b> - The City, as well as its agencies and component units, should continue to work with all departments to ensure processes and controls are implemented to accurately reconcile and record all journal entries prior to the start of the audit. Significant areas that resulted in delays in finalizing the adjustments for closing the City’s ledger, as well as contributed to proposed adjusting journal entries, include federal and state grant activity, contingent liabilities, and capitalization of costs for infrastructure projects. The lack of a process for ensuring these activities are timely reflected in the City’s financial reporting could result in material misstatement and the inability of management to monitor significant activity that may be subject to regulation and require additional monitoring to ensure compliance. A more effective review of the recording of this activity throughout the year and during the close process would assist in more timely identifying and correcting potential errors.</p> <p><b>Views of Responsible Officials and Planned Corrective Actions</b> - In fiscal year 2024, the City continued the Audit Finding Corrective Action Plan (AFCAP) project to review and address policies and procedures that led to audit findings and provide training to staff to prevent future audit findings. While the City completed addressing several of the 2023 fiscal year audit findings, some remain in progress through the project plan. The City will add the 2024 fiscal year audit findings to this project to ensure policies, procedures, and training are in place in fiscal year 2025.</p> <p>As part of this process, the City will continue to root cause journal entries made following the close of the fiscal year and develop processes and reports to prevent or address these earlier. The City's staff will systematically review ledger balances to ensure that adjustments are made timely and accurately in accordance with the City’s accounting policies and procedures.</p> <p><i>Component Units</i></p> <p>The City’s component unit, Detroit Transportation Corporation (DTC), will implement a finance policy requiring general ledger account reconciliation. DTC will ensure staff is trained and documented evidence is maintained.</p> <p>The City’s component unit, the Downtown Development Authority, will amortize bond premiums and issuance costs after closing and use a checklist to ensure accuracy.</p>

Schedule of Findings and Questioned Costs (Continued)

Year Ended June 30, 2024

Section III - Federal Program Audit Findings

Reference Number	Finding
2024-002	<p><b>Assistance Listing Number, Federal Agency, and Program Name</b> - ALN 97.036, Department of Homeland Security, Disaster Grants - Public Assistance (Presidentially Declared Disasters) (FEMA)</p> <p><b>Federal Award Identification Number and Year</b> - PA-05-MI-4607-PW-00098(0)</p> <p><b>Pass-through Entity</b> - Michigan State Police</p> <p><b>Finding Type</b> - Significant deficiency</p> <p><b>Repeat Finding</b> - No</p> <p><b>Criteria</b> - Per 2 CFR 200.303(a), a nonfederal entity must 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).</p> <p><b>Condition</b> - The FEMA grant expenses are charged to various funds in the general ledger over several years but is managed and tracked by project in a manual spreadsheet that agrees to the amount of expenses reported on the fiscal year 2024 schedule of expenditures of federal awards (the "Schedule"). FEMA expenditures are reported on the Schedule when there is an award and expenditures. Given that the award is made subsequent to the expenditures being incurred, a manual spreadsheet is used to track expenditures being charged to the grant. There were instances of duplicated costs in the manual spreadsheet.</p> <p><b>Questioned Costs</b> - None</p> <p><b>Identification of How Questioned Costs Were Computed</b> - N/A</p> <p><b>Context</b> - The FEMA projects have periods of performances that began prior to fiscal year 2024. As a result, the City used spreadsheets to accumulate costs to charge to the projects. Given that manual processes carry a higher risk of error due to their reliance on human input, in addition to our allowability sample, we performed an analysis of the spreadsheet, which listed all costs charged to the grant during fiscal year 2024, and found 11 instances of duplicate costs totaling \$5,161. Of the \$5,161 submitted, FEMA reimburses ninety percent of the amount, i.e., \$4,645.</p> <p><b>Cause and Effect</b> - A lack of effective controls over the spreadsheet did not identify \$5,161 of duplicative costs. The schedule of expenditures of federal awards was initially overstated by this amount. These costs have been excluded from the Schedule for the year ended June 30, 2024.</p> <p><b>Recommendation</b> - We recommend the City continue to evaluate its processes and controls when manual processes are utilized to accumulate costs charged to a grant, including risk assessing for gaps that can cause noncompliance. Based on the gaps identified, we recommend the City implement effective controls to address the risks.</p>

---

Schedule of Findings and Questioned Costs (Continued)

---

Year Ended June 30, 2024

Section III - Federal Program Audit Findings (Continued)

Reference Number	Finding
2024-002 (Continued)	<p><b>Views of Responsible Officials and Corrective Action Plan</b> - Detroit Water and Sewer Department (DWSD) management recognizes the importance of maintaining effective controls to ensure the accuracy and completeness of reported expenditures.</p> <p>The identified duplicate cost was an isolated occurrence caused by an oversight during the spreadsheet preparation process. While existing controls are in place, management will perform a secondary review of the end-to-end process to enhance these controls.</p>



Schedule of Findings and Questioned Costs (Continued)

Year Ended June 30, 2024

Section III - Federal Program Audit Findings (Continued)

Reference Number	Finding
2024-003	<p><b>Assistance Listing Number, Federal Agency, and Program Name</b> - ALN 10.557, Department of Agriculture, Special Supplemental Nutrition Program for Women, Infants and Children (WIC)</p> <p><b>Federal Award Identification Number and Year</b> - 232MI013W5003</p> <p><b>Pass-through Entity</b> - Michigan Department of Health and Human Services</p> <p><b>Finding Type</b> - Material weakness and material noncompliance with laws and regulations</p> <p><b>Repeat Finding</b> - Yes</p> <p>2023-004</p> <p><b>Criteria</b> - Per 2 CFR 200.344(c), unless the federal awarding agency or pass-through entity authorizes an extension, a nonfederal entity must liquidate all financial obligations incurred under the federal award no later than 120 calendar days after the end of the period of performance, as specified in the terms and conditions of the federal award. However, as outlined within the grant award from the Michigan Department of Health and Human Services and more restrictive than 2 CFR 200.344(c), the City must liquidate within 60 days after the State's fiscal year end any unpaid year-end commitments and obligations. Any obligation remaining unliquidated after 60 days from the end of the period shall revert to the State for disposition in accordance with applicable state and/or federal requirements, except as specifically authorized in writing by the department.</p> <p><b>Condition</b> - The City did not have adequate controls in place to ensure obligations were liquidated (paid) within the required 60 days from the end of the grant period and certain costs were liquidated after 60 days.</p> <p><b>Questioned Costs</b> - None</p> <p><b>Identification of How Questioned Costs Were Computed</b> - Refer to context below.</p> <p><b>Context</b> - There were two invoices totaling \$251,332 that were not paid at the end of the grant period. A review of both invoices revealed that they were liquidated after the required 60 days for the performance period ended September 30, 2023. Based on email communication received by the City from the Michigan Department of Health and Human Services, the department granted the City retroactive approval to allow for the expenses despite being liquidated after the 60-day period. As a result, no questioned costs are reported.</p> <p><b>Cause and Effect</b> - The controls in place were not effective to ensure grant expenditures were liquidated within 60 days following the end of the grant period. Failure to comply with the terms and conditions of the grant agreement, including the liquidation provisions, may result in disallowed costs and the need to repay the funder for such costs.</p> <p><b>Recommendation</b> - We recommend the City ensure controls are in place to comply with liquidation requirements outlined in the award agreements and/or the Uniform Guidance issued by OMB (whichever is more restrictive).</p> <p><b>Views of Responsible Officials and Planned Corrective Actions</b> - The Office of the Chief Financial Officer (OCFO) is collaborating with the Health Department to implement enhanced processes over the final review of invoices to address timing related to the liquidation requirement.</p>

Schedule of Findings and Questioned Costs (Continued)

Year Ended June 30, 2024

Section III - Federal Program Audit Findings (Continued)

Reference Number	Finding
2024-004	<p><b>Assistance Listing Number, Federal Agency, and Program Name</b> - ALN 14.239, Department of Housing and Urban Development, Home Investment Partnerships Program and COVID-19 Home Investment Partnerships</p> <p><b>Federal Award Identification Number and Year</b> - M22-MC260202, M21-MP260202, Various</p> <p><b>Pass-through Entity</b> - N/A</p> <p><b>Finding Type</b> - Material weakness and material noncompliance with laws and regulations</p> <p><b>Repeat Finding</b> - No</p> <p><b>Criteria</b> - Per 2 CFR 200.303, the recipient must 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).</p> <p>The City is required to complete inspections of HOME-assisted units to ensure they meet the HUD housing standards as outlined in 24 CFR 92.251(b) (viii). During the period of affordability (i.e., the period for which the nonfederal entity must maintain subsidized housing) for HOME-assisted rental housing, the participating jurisdiction must perform on-site inspections to determine compliance with property standards and verify the information submitted by the owners no less than (a) every three years for projects containing 1 to 4 units, (b) every two years for projects containing 5 to 25 units, and (c) every year for projects containing 26 or more units. The participating jurisdiction must perform on-site inspections of rental housing occupied by tenants receiving HOME/HOME-ARP-assisted tenant-based rental assistance to determine compliance with housing quality standards (24 CFR sections 92.209(i), 92.251(f), and 92.504(d)).</p> <p>Per the City’s Home Program manual adopted on July 1, 2022, at least 20 percent of the HOME-assisted units must be rented to households at or below 50 percent of the area median income. The City is required to perform the inspections under the housing quality standards for these units.</p> <p><b>Condition</b> - The City’s on-site inspections for compliance with the housing quality standards are triggered by the City’s process to audit developers for compliance with HOME eligibility requirements. This basis is more restrictive than federal requirements for housing quality inspections. At the end of an inspection cycle, a certificate of completion is completed and signed by the responsible inspector. The City did not have effective controls to ensure the certificate of completion is reviewed for completeness and accuracy.</p> <p>The City did not inspect 20 percent of the units, as required by its policy.</p> <p><b>Questioned Costs</b> - None</p> <p><b>Identification of How Questioned Costs Were Computed</b> - N/A</p>

Schedule of Findings and Questioned Costs (Continued)

Year Ended June 30, 2024

Section III - Federal Program Audit Findings (Continued)

Reference Number	Finding
2024-004 (Continued)	<p><b>Context</b> - In the process of understanding the controls over compliance with housing quality standards requirement, we noted that the certificate of completion, which is completed at the end of an inspection cycle, was not consistently reviewed.</p> <p>In addition, in one out the three projects selected for testing for compliance with the housing quality standards, the City did not inspect 20 percent of the units at the property, as outlined in their Home Program manual.</p> <p><b>Cause and Effect</b> - The controls in place to ensure the certificate of completion is reviewed for completeness and accuracy, including review to ensure 20 percent of the units are inspected, were not in place. The lack of controls resulted in a project not having adequate units reviewed. Furthermore, the lack of controls could result in an instance of noncompliance not being identified.</p> <p><b>Recommendation</b> - We recommend the City ensure controls are in place to comply with the Home Program manual and federal regulations related to housing quality standards.</p> <p><b>Views of Responsible Officials and Planned Corrective Actions</b> - The City will review its processes and implement additional controls to ensure certificates of completion are reviewed for completeness and accuracy and to verify 20 percent of the units are inspected to comply with the HOME Program manual and federal regulations related to housing quality standards.</p>

Schedule of Findings and Questioned Costs (Continued)

Year Ended June 30, 2024

Section III - Federal Program Audit Findings (Continued)

Reference Number	Finding
2024-005	<p><b>Assistance Listing Number, Federal Agency, and Program Name</b> - ALN 14.239, Department of Housing and Urban Development, Home Investment Partnerships Program and COVID-19 Home Investment Partnerships</p> <p><b>Federal Award Identification Number and Year</b> - M22-MC260202, M21-MP260202, Various</p> <p><b>Pass-through Entity</b> - N/A</p> <p><b>Finding Type</b> - Material weakness</p> <p><b>Repeat Finding</b> - No</p> <p><b>Criteria</b> - Per 2 CFR 200.303, the recipient must 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).</p> <p><b>Condition</b> - The City is required to track and report program income within HUD’s Integrated Disbursement and Information System (IDIS) and the general ledger. The City reported fiscal 2024 program income in fiscal 2025.</p> <p><b>Questioned Costs</b> - None</p> <p><b>Identification of How Questioned Costs Were Computed</b> - N/A</p> <p><b>Context</b> - The repayments of principal and interest provided to developers with HOME funds constitute program income. Approximately \$2.2 million received in program income during fiscal year 2024 was reported within IDIS and the City’s general ledger in fiscal year 2025.</p> <p><b>Cause and Effect</b> - The City has a process to reconcile program income received each month to the monthly bank statements; however, the controls in place did not ensure that program income was reported within IDIS and the general ledger in a timely manner. As a result, program income revenue for fiscal year 2024 was initially understated in the general ledger, which was subsequently corrected to be reflected in fiscal year 2024. Additionally, within IDIS, program income was not reported as available for fiscal year 2024 expenditures.</p> <p><b>Recommendation</b> - We recommend the City ensure controls are in place to track and report program income in a timely manner, in both the general ledger and IDIS.</p> <p><b>Views of Responsible Officials and Planned Corrective Actions</b> - Management understands the importance of timely reconciliation and reporting of program income to maintain compliance and ensure accurate financial reporting. The City will work to enhance controls and processes with the department stakeholders and monitor the process to ensure timely and consistent receipts of the program income and reconciliations.</p>

Schedule of Findings and Questioned Costs (Continued)

Year Ended June 30, 2024

Section III - Federal Program Audit Findings (Continued)

Reference Number	Finding
2024-006	<p><b>Assistance Listing Number, Federal Agency, and Program Name</b> - ALN 14.239, Department of Housing and Urban Development, Home Investment Partnerships Program and COVID-19 Home Investment Partnerships</p> <p><b>Federal Award Identification Number and Year</b> - M22-MC260202, M21-MP260202, Various</p> <p><b>Pass-through Entity</b> - N/A</p> <p><b>Finding Type</b> - Material weakness</p> <p><b>Repeat Finding</b> - No</p> <p><b>Criteria</b> - The HOME program has income targeting requirements such that only low-income or very low-income persons can receive housing assistance as prescribed by 24 CFR 92.216.</p> <p>Per 2 CFR 200.303(a), the nonfederal entity must establish and maintain effective internal control over the federal award that provides reasonable assurance that the nonfederal entity is managing the federal award in compliance with federal statutes, regulations, and the terms and conditions of the federal award. These internal controls should be in compliance with 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).</p> <p><b>Condition</b> - The City did not have adequate controls in place to exercise its oversight responsibility of eligibility determinations that were reviewed by a contractor for the program.</p> <p><b>Questioned Costs</b> - None</p> <p><b>Identification of How Questioned Costs Were Computed</b> - N/A</p> <p><b>Context</b> - The City entered into an agreement with a contractor to perform eligibility reviews over developers’ determinations of income eligibility. While the City arranges for the contractor to perform the review of eligibility, the City is fully responsible for compliance with eligibility requirements. Testing revealed that the City contractor reviewed the developers’ income eligibility determinations of individuals and families living in HOME-funded housing units. In 7 out of a sample of 10 projects, there was no evidence of the City’s review of the contractor’s work.</p> <p><b>Cause and Effect</b> - In the current year, the City contracted with a contractor to perform eligibility reviews over developers’ determination of income eligibility. However, the City did not implement controls to ensure eligibility reviews performed by the contractor were in compliance with the terms and conditions of the award. Without a review of the contractor’s procedures to assess participant eligibility, ineligible participants could receive program benefits, resulting in material noncompliance and the need to repay the funder for such costs.</p> <p><b>Recommendation</b> - We recommend the City develop oversight procedures to perform a documented review of the work completed by contractors, which pertains to compliance requirements and programmatic decisions, in this case, eligibility review.</p>

---

Schedule of Findings and Questioned Costs (Continued)

---

Year Ended June 30, 2024

Section III - Federal Program Audit Findings (Continued)

Reference Number	Finding
2024-006 (Continued)	<b>Views of Responsible Officials and Planned Corrective Actions</b> - The City will implement a control for completeness and accuracy by hosting regular meetings with the contractor to review recent projects for which the contractor has documented their determinations of income eligibility. When a recently reviewed project is not due for an annual review, staff will still have timely insight into the income eligibility of properties in its HOME portfolio, thereby maintaining compliance with HOME program regulations.