



## City of Valdez, Alaska

Federal and State Single Audit Reports  
Year Ended December 31, 2015

# City of Valdez, Alaska

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Federal and State Single Audit Reports  
Year Ended December 31, 2015

# City of Valdez, Alaska

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## **Independent Auditor's Report on Internal Control Over Financial Reporting and on Compliance and Other Matters Based on an Audit of Financial Statements Performed in Accordance With *Government Auditing Standards***

Honorable Mayor and City Council  
City of Valdez, Alaska

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of the governmental activities, the aggregate discretely presented component units, each major fund, and the aggregate remaining fund information of City of Valdez, Alaska as of and for the year ended December 31, 2015, and the related notes to the financial statements, which collectively comprise City of Valdez's basic financial statements, and have issued our report thereon dated November 7, 2016. Our report includes reference to other auditors who audited the financial statements of Valdez City Schools, Providence Valdez Medical Center, and Providence Valdez Counseling Center. 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 Providence Valdez Medical Center and the Valdez Museum & Historical Archive Association 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 associated with those entities.

### ***Internal Control Over Financial Reporting***

In planning and performing our audit of the financial statements, we considered City of Valdez's internal control over financial reporting (internal control) to determine the audit procedures that are appropriate in the circumstances for the purpose of expressing our opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of City of Valdez's internal control. Accordingly, we do not express an opinion on the effectiveness of City of Valdez'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 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 preceding paragraph and was not designed to identify all deficiencies in internal control over financial reporting that might be material weaknesses or significant deficiencies. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

### *Compliance and Other Matters*

As part of obtaining reasonable assurance about whether City of Valdez's financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

### *Purpose of this Report*

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

*BDO USA, LLP*

Anchorage, Alaska  
November 7, 2016



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3601 C Street, Suite 600  
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## **Independent Auditor's Report on Compliance for Each Major Federal Program; Report on Internal Control Over Compliance; and Report on Schedule of Expenditures of Federal Awards Required by the Uniform Guidance**

Honorable Mayor and City Council  
City of Valdez, Alaska

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

We have audited City of Valdez's compliance with the types of compliance requirements described in the *OMB Compliance Supplement* that could have a direct and material effect on each of City of Valdez's major federal programs for the year ended December 31, 2015. City of Valdez's major federal programs are identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs. City of Valdez's basic financial statements include the operations of Valdez City Schools which received \$568,683 in federal awards which is not included in City of Valdez's schedule of expenditures of federal awards during the year ended December 31, 2015. Our audit, described below, did not include the operations of Valdez City Schools because it was subjected to a separate audit in accordance with OMB Circular A-133, for the year ended June 30, 2015.

### ***Management's Responsibility***

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

### ***Auditor's Responsibility***

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

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

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### *Opinion on Each Major Federal Program*

In our opinion, City of Valdez complied, in all material respects, with the types of compliance requirements referred to above that could have a direct and material effect on each of its major federal programs for the year ended December 31, 2015.

### **Report on Internal Control Over Compliance**

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

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

Our consideration of internal control over compliance was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control over compliance that might be material weaknesses or significant deficiencies. We did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

The purpose of this report on internal control over compliance is solely to describe the scope of our testing of internal control over compliance and the results of that testing based on the requirements of the Uniform Guidance. Accordingly, this report is not suitable for any other purpose.

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

We have audited the financial statements of the governmental activities, the aggregate discretely presented component units, each major fund, and the aggregate remaining fund information of City of Valdez as of and for the year ended December 31, 2015, and the related notes to the financial statements, which collectively comprise City of Valdez's basic financial statements. We issued our report thereon dated November 7, 2016, which contained unmodified opinions on those financial statements. Our audit included a reference to other auditors. Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the basic financial statements. The accompanying schedule of expenditures of federal awards is presented for purposes of additional analysis as required by the Uniform Guidance and is not a required part of the basic financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. The information has been subjected to the auditing procedures applied in the audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the schedule of expenditures of federal awards is fairly stated in all material respects in relation to the basic financial statements as a whole.

*BDO USA, LLP*

Anchorage, Alaska  
November 7, 2016

**City of Valdez, Alaska**  
**Schedule of Expenditures of Federal Awards**  
**Year Ended December 31, 2015**

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Federal Grantor / Pass-Through Grantor / Program or Cluster Title	Catalog of Federal Domestic Assistance Number	Pass-Through Entity Identifying Number	Passed Through to Subrecipients	Total Federal Expenditures
<b>Department of Agriculture</b>				
Passed through State of Alaska Department of Commerce, Community, and Economic Development - Forest Service Schools and Roads Cluster - National Forest Receipts	10.665	2015	\$ 1,422,538	\$ 1,579,352
<b>Department of the Interior</b>				
Passed through State of Alaska Department of Commerce, Community, and Economic Development - Payment in Lieu of Taxes	15.226	2015	-	<u>739,897</u>
<b>Total Expenditures of Federal Awards</b>				<u>\$ 2,319,249</u>

*See accompanying notes to the federal schedule.*

# City of Valdez, Alaska

## Notes to Schedule of Expenditures of Federal Awards Year Ended December 31, 2015

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### 1. Basis of Presentation

The accompanying schedule of expenditures of federal awards (the "Schedule") includes the federal award activity of City of Valdez, Alaska under programs of the federal government for the year ended December 31, 2015. The information in this Schedule is presented in accordance with the requirements of Title 2 U.S. Code of Federal Regulations Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards (Uniform Guidance)*. Because the Schedule presents only a selected portion of the operations of City of Valdez, Alaska, it is not intended to and does not present the financial position, changes in net position or cash flows of City of Valdez, Alaska.

All of the City's federal awards were in the form of cash assistance for the year ended December 31, 2015 and had no federally funded insurance programs or loan guarantees during the year ended December 31, 2015.

### 2. Summary of Significant Accounting Policies

Expenditures reported on the Schedules are reported on the modified accrual basis of accounting. 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. Such expenditures are recognized following the cost principles contained in the Uniform Guidance, wherein certain types of expenditures are not allowable or are limited as to reimbursement. City of Valdez has not elected to use the 10-percent de minimis indirect cost rate allowed under the Uniform Guidance.



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## **Independent Auditor's Report on Compliance for Each Major State Program; Report on Internal Control Over Compliance; and Report on the Schedule of State Financial Assistance Required by the *State of Alaska Audit Guide and Compliance Supplement for State Single Audits***

Honorable Mayor and City Council  
City of Valdez, Alaska

### **Report on Compliance for Each Major State Program**

We have audited City of Valdez's compliance with the types of compliance requirements described in the *State of Alaska Audit Guide and Compliance Supplement for State Single Audits* that could have a direct and material effect on each of City of Valdez's major state programs for the year ended December 31, 2015. City of Valdez's major state programs are identified in the accompanying schedule of state financial assistance. City of Valdez's basic financial statements include the operations of Valdez City Schools and the Providence Valdez Counseling Center which received \$18,485,907 and \$636,589, respectively, in state awards which are not included in City of Valdez's schedule of state financial assistance for the year ended December 31, 2015. Our audit, described below, did not include the operations of the Valdez City Schools or the Providence Valdez Counseling Center because they were subjected to separate audits in accordance with the *State of Alaska Audit Guide and Compliance Supplement for State Single Audits*.

#### ***Management's Responsibility***

Management is responsible for compliance with the requirements of laws, regulations, contracts, and grants applicable to its state programs.

#### ***Auditor's Responsibility***

Our responsibility is to express an opinion on compliance for each of City of Valdez's major state programs based on our audit of the types of compliance requirements referred to above. We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; and the *State of Alaska Audit Guide and Compliance Supplement for State Single Audits*. Those standards and the *State of Alaska Audit Guide and Compliance Supplement for State Single Audits* require that we plan and perform the audit to obtain reasonable assurance about whether noncompliance with the types of compliance requirements referred to above that could have a direct and material effect on a major state program occurred. An audit includes examining, on a test basis, evidence about City of Valdez's compliance with those requirements and performing such other procedures as we considered necessary in the circumstances.

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

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### *Opinion on Each Major State Program*

In our opinion, City of Valdez complied, in all material respects, with the types of compliance requirements referred to above that could have a direct and material effect on each of its major state programs for the year ended December 31, 2015.

### **Report on Internal Control Over Compliance**

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

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

Our consideration of internal control over compliance was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control over compliance that might be material weaknesses or significant deficiencies. We did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses. However, we identified a certain deficiency in internal control over compliance, as described in the accompanying schedule of findings and questioned costs as item 2015-001, that we consider to be a significant deficiency.

City of Valdez's response to the internal control over compliance finding identified in our audit is described in the accompanying corrective action plan. City of Valdez's response was not subjected to the 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 *State of Alaska Audit Guide and Compliance Supplement for State Single Audits*. Accordingly, this report is not suitable for any other purpose.

**Report on Schedule of State Financial Assistance required by the *State of Alaska Audit Guide and Compliance Supplement for State Single Audits***

We have audited the financial statements of the governmental activities, the aggregate discretely presented component units, each major fund, and the aggregate remaining fund information of City of Valdez as of and for the year ended December 31, 2015, and the related notes to the financial statements, which collectively comprise City of Valdez's basic financial statements. We issued our report thereon dated November 7, 2016 which contained unmodified opinions on those financial statements. Our audit included a reference to other auditors. 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 state financial assistance is presented for purposes of additional analysis as required by the *State of Alaska Audit Guide and Compliance Supplement for State Single Audits* and is not a required part of the basic financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. The information has been subjected to the auditing procedures applied in the audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the schedule of state financial assistance is fairly stated in all material respects in relation to the basic financial statements as a whole.

BDO USA, LLP

Anchorage, Alaska  
November 7, 2016

**City of Valdez, Alaska**  
**Schedule of State Financial Assistance**  
**Year Ended December 31, 2015**

State Agency and Award Name	Award Number	Total State Expenditures
<b>Department of Commerce, Community and Economic Development</b>		
* Improvements to Small Boat Harbor	14-RR-015	\$ 1,579,329
Senior Center Facility and Grounds Upgrade	14-DC-140	23,923
* Small Boat Harbor Expansion and Upland Development	14-DC-141	109,661
* Valdez Boat Harbor	13-DC-588	80,367
* Community Revenue Sharing	2015	274,118
Shared Fisheries Tax	2015	38,684
<b>Total Department of Commerce, Community and Economic Development</b>		<b>2,106,082</b>
<b>Department of Environmental Conservation</b>		
* Wastewater Treatment Plant Outfall	89131	194,703
<b>Department of Military and Veteran Affairs</b>		
2015 Local Emergency Planning Committee Grant	15LEPC-GR35602	6,425
2016 Local Emergency Planning Committee Grant	16LEPC GR35602	5,520
<b>Total Department of Military and Veteran Affairs</b>		<b>11,945</b>
<b>Department of Revenue</b>		
* Electric & Telephone Cooperative Tax	2015	198,965
* Fisheries Business Tax	2015	230,134
Liquor Licenses	2015	12,300
<b>Total Department of Revenue</b>		<b>441,399</b>
<b>Department of Administration</b>		
* PERS Relief	2015	2,166,133
<b>Department of Education and Early Development</b>		
* School Debt Retirement Program	2015	1,673,560
Continuing Education	CED1578401	1,000
Public Library Assistance Grant	PLA 15-78480	6,650
<b>Total Department of Education and Early Development</b>		<b>1,681,210</b>
<b>Department of Transportation and Public Facilities</b>		
* Harbor Debt Retirement Program	2015	205,850
<b>Total State Financial Assistance</b>		<b>\$ 6,807,322</b>

\* Major programs

*See accompanying notes to the state schedule.*

# City of Valdez, Alaska

## Notes to Schedule of State Financial Assistance Year Ended December 31, 2015

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### 1. Basis of Presentation

The accompanying schedule of state financial assistance (the "Schedule") includes the state grant activity of City of Valdez, Alaska under programs of the state government for the year ended December 31, 2015. The information in the Schedule is presented in accordance with the requirements of the *State of Alaska Audit Guide and Compliance Supplement for State Single Audits*. Because the Schedule presents only a selected portion of the operations of City of Valdez, Alaska, it is not intended to and does not present the financial position, changes in net position or cash flows of City of Valdez, Alaska.

Expenditures reported on the Schedule are reported on the modified accrual basis of accounting.

### 2. PERS On-Behalf

The City has recorded \$2,166,133 in PERS on-behalf payments in the Schedule of State Financial Assistance. This represents the PERS relief payments appropriated and transferred into the plan during calendar year 2015 and related to both pension and OPEB contributions.

In the governmental fund financial statements, on-behalf revenue and expenditures have been recognized in their proportional share of payroll within the calendar year under audit.

However, in the full accrual financial statements (the government-wide financial statements), GASB 68 provisions prescribe that on-behalf *pension* contributions in a special funding situation may only be recognized during the *measurement period* in which the plan recognizes the contributions. For the City of Valdez, the PERS plan measurement period is July 1, 2014 through June 30, 2015, creating a six-month timing difference between the cash contribution and revenue and expense recognition for the pension on-behalf by the City in those statements.

As a result of these perspective and timing differences, amounts reported on the government-wide financial statements do not agree to the amount reported on the Schedule of State Financial Assistance.

# City of Valdez, Alaska

## Schedule of Findings and Questioned Costs Year Ended December 31, 2015

**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?     yes   X   no  
 Significant deficiency(ies) identified?     yes   X   (none reported)

Noncompliance material to financial statements noted?     yes   X   no

***Federal Financial Assistance***

Internal control over major federal programs:

Material weakness(es) identified?     yes   X   no  
 Significant deficiency(ies) identified?     yes   X   (none reported)

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

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

Identification of major federal programs:

<i>CFDA Number</i>	<i>Name of Federal Program or Cluster</i>	<i>Agency</i>
10.665	National Forestry Receipts	Department of Agriculture

Dollar threshold used to distinguish between Type A and Type B programs: \$ 750,000

Auditee qualified as low-risk auditee?     yes   X   no

***State Financial Assistance***

Internal control over major state programs:

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 state programs: Unmodified

Dollar threshold used to distinguish a state major program: \$ 75,000

# City of Valdez, Alaska

## Schedule of Findings and Questioned Costs, continued Year Ended December 31, 2015

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### Section II - Financial Statement Findings Required to be Reported in Accordance with *Government Auditing Standards*

There were no findings related to the financial statements which are required to be reported in accordance with the standards applicable to financial audits contained in *Government Auditing Standards*.

### Section III - Federal Award Findings and Questioned Costs

There were no findings and questioned costs for federal awards (as defined in 2 CFR 200.516(a)) that are required to be reported.

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# City of Valdez, Alaska

## Schedule of Findings and Questioned Costs, continued Year Ended December 31, 2015

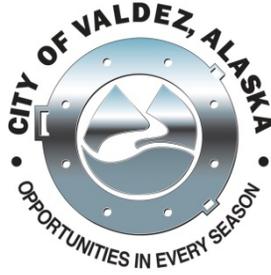
### Section IV - State Award Findings and Questioned Costs

<b>Finding 2015-001</b>	<b>Reporting - Significant Deficiency - Internal Controls over Compliance</b>		
<i>Agency:</i>	Department of Environmental Conservation		
<i>Program:</i>	Wastewater Treatment Plant Outfall		
<i>Award No.:</i>	89131	<i>Award Year:</i>	2015
<i>Criteria:</i>	The grantee is required to submit progress reports with each payment request or at a minimum, quarterly, for all periods in which expenditures were incurred.		
<i>Condition:</i>	The City did not submit three of the four required progress reports when expenditures were incurred.		
<i>Questioned Cost:</i>	None		
<i>Context:</i>	As this is an older grant award, the terms and conditions do not appear to require requests for reimbursement be filed monthly or quarterly, although it does require progress reports to be filed. We noted that only one progress report was filed, and requests for reimbursement were also not filed in a timely manner. As of the date of audit, the last three quarterly reports were still not requested. We also noted that there is a companion loan program through DEC which serves as the match for this grant. That program, though not reported as a major program, also did not have timely reporting.		
<i>Effect:</i>	The City is out of compliance with grant reporting requirements.		
<i>Cause:</i>	Controls were not in place to ensure complete and timely grant reporting for this project.		
<i>Recommendation:</i>	We recommend that the City create a schedule of reporting due dates and follow up on all submissions. As state funding gets tighter, this will be even more important than in the past due to a higher level of scrutiny. In addition, we would also recommend that the City establish a "best practice" of filing requests for reimbursement, at least quarterly (or more frequently if required by the award).		
<i>Views of responsible officials and planned corrective actions:</i>	See Corrective Action Plan.		

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**City of Valdez Single Audit Responses (Unaudited)**

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## City of Valdez, Alaska

### Summary Schedule of Prior Audit Findings Year Ended December 31, 2015

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#### Financial Statement Findings

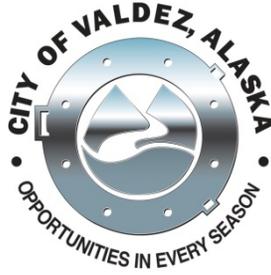
There were no prior year audit findings.

#### Federal Award Findings

There were no prior year audit findings.

#### State Award Findings

There were no prior year audit findings.



**City of Valdez, Alaska**  
**Corrective Action Plan**  
**Year Ended December 31, 2015**

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Management Contact Information:

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BCarlson@ci.valdez.ak.us

**State Award Findings**

**Finding 2015-001      Reporting - Internal Controls over Compliance**

*Agency:* Department of Environmental Conservation

*Program:* Wastewater Treatment Plant Outfall

*Award No.:* 89131                                      *Award Year:* 2015

*Planned Corrective Actions:* All State and Federal grant reporting requirements will be consolidated with City Comptroller, rather than with the various departmental recipients of the grants, as is currently the practice. Department recipients will maintain program administration, but not reporting administration.

*Anticipated Completion*

*Date:* December 31, 2016.