



**Corrective Action Plan for Audit Findings  
June 30, 2020**

**Financial Statement Findings**

**2020-001:     **Audit Adjustment – Taxes Receivable****

Finding Summary:               The City of Sparks did not have adequate internal controls to ensure certain taxes receivable were recorded in the appropriate fund.

Responsible Person:           Jeff Cronk, CPA, Chief Financial Officer

Corrective Action Planned:   Management is working with the debt personnel to improve internal controls to ensure entries of taxes receivable are recorded in the appropriate fund.

Does the City Agree with the finding:        Yes        No        Partially

If No or Partial, please explain the reason(s) why:   N/A

Anticipated completion date: 12/31/2020

**Federal Award Findings**

**2020-002       **U.S. Department of Housing and Urban Development  
Community Development Block Grant – Entitlement Grants Cluster  
Community Development Block Grants/Entitlement Grants, CFDA 14.218****

Finding Summary:               The City did not have adequate internal controls to ensure the C04PR03 demographic information was maintained to support the amounts reported.

Responsible Person:           Jeff Cronk, CPA, Chief Financial Officer

Corrective Action Planned:   Management is working with the report preparers to improve internal controls and assure the reports tie to the underlying information.

Does the City Agree with the finding:        Yes        No        Partially

If No or Partial, please explain the reason(s) why:   N/A

Anticipated completion date: 12/31/2020



**2020-003 U.S. Department of Housing and Urban Development  
Community Development Block Grant – Entitlement Grants Cluster  
Community Development Block Grants/Entitlement Grants, CFDA 14.218**

Finding Summary: The City did not follow up in a timely manner to obtain certain certified payroll reports weekly as required by the Department of Labor regulations (29 CFR part 5) to assure Wage Rate requirements were met.

Responsible Person: Jeff Cronk, CPA, Chief Financial Officer

Corrective Action Planned: Management is researching the feasibility of software that will be used to assure federal contracts meet Wage Rate regulations. Management will also work with City personnel to improve internal controls to ensure the required certified payrolls are received weekly as required.

Does the City Agree with the finding:  Yes  No  Partially

If No or Partial, please explain the reason(s) why: N/A

Anticipated completion date: 06/30/2021

**2020-004 U.S. Department of Housing and Urban Development  
Community Development Block Grant – Entitlement Grants Cluster  
Community Development Block Grants/Entitlement Grants, CFDA 14.218**

Finding Summary: The City had expenditures towards projects that were not included in the analysis of whether an environmental review was required or exempt.

Responsible Person: Jeff Cronk, CPA, Chief Financial Officer

Corrective Action Planned: Management is working with City personnel to assure the required documentation is prepared, and internal controls are in place to ensure we have the proper amount of environmental reviews even if the project is expanded beyond the initial scope of work.

Does the City Agree with the finding:  Yes  No  Partially

If No or Partial, please explain the reason(s) why: N/A

Anticipated completion date: 03/31/2021