

**REVENUE AND FINANCE DEPARTMENT
ACCOUNTING AND BUDGET DIVISIONS
GRANTS MANAGEMENT
AUDIT 25-10
July 17, 2025**



City of Tampa
Jane Castor, Mayor

Internal Audit Department

315 E. Kennedy Boulevard
Tampa, Florida 33602
Office (813) 274-7159

July 17, 2025

Honorable Jane Castor
Mayor, City of Tampa
1 City Hall Plaza
Tampa, Florida

RE: Grants Management, Audit 25-10

Dear Mayor Castor:

Attached is the Internal Audit Department's report on Grants Management.

The Revenue and Finance Department has already taken positive actions in response to our recommendations. We thank the management and staff of the Revenue and Finance Department for their cooperation and assistance during this audit.

Sincerely,

/s/ Christine Glover

Christine Glover
Internal Audit Director

cc: John Bennett, Chief of Staff
Dennis Rogero, Chief Financial Officer
Michael Perry, Budget Officer
Sabrina McAdoo, Accounting Operations Manager
Ken Farrell, Grants Supervisor
Doc Cummings, Accounting Supervisor
Megan Birnholz-Couture, Assistant City Attorney

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/s/ Jimmy Yu

Senior Auditor

/s/ Vivian Walker

Lead Senior Auditor

/s/ Christine Glover

Audit Director

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BACKGROUND

The City of Tampa's (City) Revenue and Finance Department (R&F) is responsible for all financial aspects of grant management. It carries out that responsibility through the Budget Division and the Accounting Division.

In collaboration with various City departments, the Budget Division analyzes and quantifies the City's current grant capability while simultaneously locating opportunities to grow and increase that capacity. The Budget Division is dedicated to assisting departments apply for grants that align with the City's goals. The awarded department's Director is responsible for assigning a Grant Program Manager to manage the program or project funded by the grant.

The Accounting Division is responsible for post-grant award activities such as financial accounting, reporting, and administration. The Accounting Division assists the Grant Program Managers in managing the reporting and reimbursement requirements of the grant.

For fiscal year 2024, excluding housing grants, R&F reported that the City was awarded grants totaling over \$56 million dollars.

STATEMENT OF OBJECTIVES

This audit was conducted in accordance with the Internal Audit Department's FY 2025 Audit Agenda. The objectives of this audit were to ensure that:

1. The system of internal controls over grants management is adequate.
2. Financial and progress reports are submitted in a timely manner.
3. Expenditures under reimbursement grants are properly supported.
4. Equipment purchased under the Urban Area Security Initiative (UASI) Grant is properly tracked.

5. Performance metrics are accurate and relevant.

STATEMENT OF SCOPE

The audit covered active federal, state, and local grants as of September 30, 2024. Housing grants were excluded from our scope as separate audits are dedicated to housing grants. Tests were performed to determine whether department personnel are fulfilling their stated duties and responsibilities effectively and efficiently.

The primary source of information reviewed was generated by the City's accounting system – Oracle software, which has previously been evaluated and deemed reliable. Original records as well as copies were used as evidence and verified through observation and physical examination.

STATEMENT OF METHODOLOGY

We reviewed the policies and procedures contained in the R&F Department's grants manual. Additionally, we reviewed the policies and procedures surrounding the administration of the UASI grant. Interviews were conducted to supplement our understanding, and process flows were created to document the current internal controls in place.

We selected a judgmental sample of active grants for testing compliance with the reporting and reimbursement requirements of each grant. Supporting documentation for the timely submission of reports and appropriateness of the expenditures were reviewed. For the UASI grant, we selected a judgmental sample of equipment across 5 program participants for visual inspection.

The following steps were performed to determine the accuracy and relevance of the metrics reported:

1. Identified Sharepoint and internal spreadsheets as the sources for the metrics reported.
2. Reviewed source documentation to ensure accuracy of grant information recorded on the internal spreadsheets and in Sharepoint.

STATEMENT OF AUDITING STANDARDS

We conducted this performance audit in accordance with generally accepted government auditing standards. Those standards require that we plan and perform the audit to obtain

sufficient, appropriate evidence to provide a reasonable basis for our findings and conclusions based on our audit objectives. We believe that the evidence obtained provides a reasonable basis for our findings and conclusions based on our audit objectives.

AUDIT CONCLUSIONS

Based upon the test work performed and the audit findings noted below, we conclude that:

1. The system of internal controls over grants management could be improved.
2. Financial and progress reports are submitted in a timely manner.
3. Expenditures under reimbursement grants are properly supported.
4. Equipment purchased under the UASI Grant is properly tracked.
5. Performance metrics reported were not always accurate or relevant.

PARTICIPATING AGENCY AGREEMENTS

STATEMENT OF CONDITION: Each year, the Florida Division of Emergency Management (FDEM) receives a UASI grant from the federal government. The grant “assists high-threat, high-density urban areas in efforts to build and sustain the capabilities necessary to prevent, protect against, mitigate, respond to, and recover from acts of terrorism.”

Subsequently, FDEM allocates grant funds to four urban areas within the State of Florida: Tampa, Orlando, Miami, and Jacksonville. The Tampa Police Department (TPD) serves as the administrative agency for the Tampa urban area. TPD is currently administering three UASI Grants (UASI 2021, UASI 2022, UASI 2023) with overlapping terms.

There are numerous participating agencies within the Tampa urban area that work with the City to carry out part of the federal award. The participants benefit from centralized purchasing by the City and training by TPD. The City has entered into a cooperative agreement with each participating agency. The agreements refer generically to the City’s “Federally Funded Subgrant Agreement.” The agreement in use does not have an end date and renews automatically, unless terminated in writing by either party. Created in 2004, some agreements reference the wrong state administrative agency.

CRITERIA: Agreements should be accurate.

CAUSE: The agreement between the City and participating agencies have remained largely unmodified since 2004 and continues to be used for new participants joining the program with minor changes.

EFFECT OF CONDITION: Agreements with errors, even minor, could cause confusion. Any possible legal implications would need to be considered by the Legal Department.

RECOMMENDATION 1: TPD, in cooperation with the City Attorney’s Office, should update and clarify the agreements. Under best practices and to avoid confusion among the group, cooperative agreements should reference the correct state administrative agency, the specific UASI grant award, the corresponding period of performance, and extensions to the term of the grant.

MANAGEMENT RESPONSE: Tampa Police Department has entered and revised the participating agency agreements over time as new agreements have been entered. To the extent that a “Whereas” clause names a state agency which has changed names, TPD

agrees it will amend all agreements going forward to reflect the appropriate name of the state agency. This clause has no legal significance in the opinion of TPD Legal. TPD will work with the Legal Unit to ensure future agreements are current and up to date.

It should be noted that the federal funding for grants is likely to change to a block-style grant to the State. Federal grant changes will likely lead to revising this program and all agreements.

TARGET IMPLEMENTATION DATE: TPD Legal will review all agreements and modify as necessary going forward.

PERFORMANCE METRIC - GOALS

STATEMENT OF CONDITION: R&F reports the following 11 metrics related to grants:

Name of Metric	Reported By
Number of Active Grants	Accounting Division
Grant Award Amount	Accounting Division
Grant Award Match Amount	Accounting Division
Grant Expenditure Amount	Accounting Division
Grant Expenditure Match Amount	Accounting Division
Number of Grants Submitted	Budget Division
Dollar Amount of Grants Submitted	Budget Division
Number of Grants Awarded	Budget Division
Dollar Amount of Grants Awarded	Budget Division
Number New Grant Programs/Grantors Applied	Budget Division
Amount of New Grant Programs/Grantors Applied	Budget Division

There are no goals or targets established for any of the metrics reported. Additionally, both the Accounting Division and the Budget Division provide information about grant amounts awarded. However, the amounts differ because the Accounting Division reports an amount covering all fiscal years for any active grant, but the Budget Division reports activity for the current fiscal year only.

CRITERIA: Performance metrics help guide and gauge an organization's success. Any metric being used should have a target or goal that would enable management to determine how effectively grants are being managed.

CAUSE: Goals for metrics have not previously been developed. No standard has been established for what information should be reported by each division to ensure consistency.

EFFECT OF CONDITION: Management may not be aware that aspects of managing a grant application are not being completed in a timely manner.

RECOMMENDATION 2: As a department, R&F management should develop measurable goals that reflect relevant metrics related to the grants process. Once developed, goals should be established to determine how well each section is performing relative to its involvement in the process.

MANAGEMENT RESPONSE: R&F acknowledges the importance of maintaining internal controls and ensuring full compliance with applicable grant requirements. In response to

the audit inquiry, R&F will implement a departmental goal of achieving zero findings in future Single Audits. The FY2024 Annual Comprehensive Financial Report (ACFR) represents the fourth consecutive year with zero findings.

R&F also recognizes the importance of maintaining accurate and timely compliance reporting (Federal Financial Report, Performance Progress Report, etc.) in accordance with the policies and requirements of each granting agency. As such, R&F is always looking for improvement and will consider implementing future goals and targets that reach the standard framework of a performance metric.

TARGET IMPLEMENTATION DATE: The target implementation date is October 1, 2025 (FY2026).

PERFORMANCE METRIC - ACCURACY

STATEMENT OF CONDITION: A review of the supporting documentation for metric data being reported by the Accounting Division of R&F identified two categories with inaccurate information. The amount of the Hurricane Ian grant was understated by more than \$280,000. The grant amount is being reported based on the payments distributed by the Federal Emergency Management Agency. The September 2023 amount was reported as \$11.3M, but the payments received for FY22 and FY23 totaled more than \$11.612M. Additionally, the count for active grants in FY24 was reported as 103, but the correct count was 106.

CRITERIA: An effective performance metric is based on accurate data for the activity being measured.

CAUSE: The incorrect count was attributed to the exclusion of grants showing an expiration date after September 30, 2024. Additionally, Management indicated that the hurricane grants were inadvertently understated. The amount reported should have been based on the actual expenditures.

EFFECT OF CONDITION: Inaccurately reported grant activity.

RECOMMENDATION 3: Management should implement a level of review by someone not involved with the data preparation prior to posting it on OpenGov.

MANAGEMENT RESPONSE: R&F acknowledges the importance of maintaining internal controls and ensuring full compliance with applicable grant requirements. In response to the audit inquiry, the accounting was correct but was not updated in the performance metric. The correct amount was reported to the external auditors for the FY2022 Single Audit, which resulted in zero findings. The FY2024 ACFR represents the sixth consecutive year with zero findings.

R&F also recognizes the importance of maintaining accurate performance metrics in accordance with the policies and requirements of each granting agency. As such, R&F is always looking for improvement and will consider implementing ongoing internal controls to maintain operational integrity.

TARGET IMPLEMENTATION DATE: The target implementation date is October 1, 2025 (FY2026).