



**HINKLE &
COMPANY**
Strategic PC
Business Advisors

**Independent Auditors' 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 Members of the City Council
City of Englewood
Englewood, Colorado

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, each major fund, and the aggregate remaining fund information of the City of Englewood (the City) as of and for the year ended December 31, 2020, and the related notes to the financial statements, which collectively comprise the basic financial statements of the City, and have issued our report thereon dated June 4, 2021.

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 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 the City's internal control. Accordingly, we do not express an opinion on the effectiveness of the City's internal control over financial reporting.

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 City's financial statements will not be prevented, or detected and corrected, on a timely basis. A significant deficiency is a deficiency, or 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 the City's internal control over financial reporting 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 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 over financial reporting 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 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 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 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 of Englewood's internal control and compliance. Accordingly, this report is not suitable for any other purpose.

Hick & Company, PC

Greenwood Village, Colorado
June 4, 2021





**Independent Auditors' Report on Compliance for Each
Major Federal Program, Internal Control Over Compliance,
And the Schedule of Expenditures of Federal Awards
Required by The Uniform Guidance**

Honorable Mayor and Members of the City Council
City of Englewood
Englewood, Colorado

Report on Compliance for Each Major Federal Program

We have audited Englewood Schools' compliance with the types of compliance requirements described in the U.S. Office of Management and Budget (OMB) *Compliance Supplement* that could have a direct and material effect on each of the City of Englewood's (the City) major federal programs for the year ended December 31, 2020. The City's major federal programs are identified in the summary of auditors' results section of the accompanying schedule of findings and questioned costs.

Management's Responsibility

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

Auditors' Responsibility

Our responsibility is to express an opinion on compliance for each of the City'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 the City'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 the City's compliance.

Opinion on Each Major Federal Program

In our opinion, the City of Englewood 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, 2020.

Report on Internal Control Over Compliance

Management of the City of Englewood 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 the City'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 the City'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 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 the City's 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, each major fund, and the aggregate remaining fund information of the City as of and for the year ended December 31, 2020, and the related notes to the financial statements, which collectively comprise the basic financial statements of the City of Englewood. We issued our report thereon dated June 4, 2021, which contained unmodified opinions on those financial statements. Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the City's 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 basic financial statements and certain additional procedures, including comparing and reconciling the 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.

Hick & Company, PC

Greenwood Village, Colorado
June 4, 2021



City of Englewood
Schedule of Findings and Questioned Costs
For the Year Ended December 31, 2020

Section I: Summary of Auditors' Results

Financial Statements

Type of report the auditor issued on whether the financial statements audited were prepared in accordance with accounting principles generally accepted in the United States of America (GAAP): Unmodified

Internal control over financial reporting:

- Material weaknesses identified? Yes No
- Significant deficiencies identified? Yes None Reported

Noncompliance material to the financial statements noted? Yes No

Federal Awards

Internal control over major federal programs:

- Material weaknesses identified? Yes No
- Significant deficiencies identified? Yes None Reported

Type of auditors' 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 No

Identification of major federal program:

CFDA Number	Name of Federal Cluster/Program
21.019	CARES Act

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

Auditee qualified as low-risk auditee? Yes No

City of Englewood
Schedule of Findings and Questioned Costs
For the Year Ended December 31, 2020

Section II: Financial Statement Findings

No current year findings or questioned costs were reported.

Section III: Federal Award Findings and Questioned Costs

No current year findings or questioned costs were reported.

City of Englewood
Notes to Schedule of Expenditures of Federal Awards
December 31, 2020

Note 1: Basis of Presentation

The accompanying schedule of expenditures of federal awards 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*, using the modified accrual basis of accounting. 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. Therefore, some amounts presented in this schedule may differ from amounts presented in the financial statements.

Note 2: Subrecipients

The City did not pass through any federal funds to sub-recipients during the year ended December 31, 2020.

City of Englewood
Schedule of Prior Year Findings
For the Year Ended December 31, 2020

Findings Required to be Reported by the Uniform Guidance

No items requiring follow up.

**Data Collection Form for Reporting on
AUDITS OF STATES, LOCAL GOVERNMENTS, INDIAN TRIBES,
INSTITUTIONS OF HIGHER EDUCATION, AND NONPROFIT ORGANIZATIONS
for Fiscal Period Ending Dates in 2019, 2020, or 2021**

PART I: GENERAL INFORMATIONREPORT ID: **885654** VERSION: **1****1. Fiscal Period**a. Start Date
(MM/DD/YYYY)b. End Date
(MM/DD/YYYY)**2. Type of Uniform Guidance Audit** Single audit
 Program-specific audit**3. Audit Period Covered** Annual
 Biennial
 Other: Number of Months **4. Auditee Identification Numbers**

a. Auditee Employer Identification Number (EIN)

d. Auditee Data Universal Numbering System (DUNS) Number

b. Are multiple EINs covered in this report?

 Yes No

e. Are multiple DUNS numbers covered in this report?

 Yes No

c. If Part I, Item 4b is Yes, complete the attached Auditee EIN Continuation Sheet

f. If Part I, Item 4e is Yes, complete the attached Auditee DUNS Continuation Sheet

5. Auditee Information

a. Auditee Name

b. Auditee Address

Number and Street

City State Zip Code

c. Auditee Contact

Name

Title

d. Auditee Contact Telephone

e. Auditee Contact E-mail

6. Primary Auditor Information

a. Audit Firm/Organization Name

b. Audit Firm/Organization EIN

c. Audit Firm/Organization Address

Number and Street

City State Zip Code

d. Auditor Contact

Name

Title

e. Auditor Contact Telephone

f. Auditor Contact E-mail

g. Was a secondary auditor used?

 Yes No

h. If Part I, Item 6g is Yes, complete the attached Secondary Auditors' Contact Information Sheet

PART II: FEDERAL AWARDS

PART III: INFORMATION FROM THE SCHEDULE OF FINDINGS AND QUESTIONED COSTS

1. Federal Awards Expended During Fiscal Period

1. Major Program Information and Audit Findings

Schedule of Expenditures of Federal Awards																		
Row Number (auto-generated)	CFDA #		Additional Award Identification ³	Federal Program Name	Amount Expended (\$)	Cluster Name	Federal Program Total ⁴ (auto-generated) (\$)	Cluster Total ⁵ (auto-generated) (\$)	Loan Programs		Federal Award Source			Passed Through		Major Program		Number of Audit Findings
	Federal Awarding Agency Prefix ¹	CFDA Three-Digit Extension ²							Loan/Loan Guarantee (Loan)	If Loan, the End of the Audit Period Outstanding Loan Balance ⁶ (\$)	Direct Award (Direct)	If not Direct, list Name of Pass-through Entity	If not Direct, list Identifying Number/ Assigned by the Pass-through Entity, if assigned ⁷	Federal Award Passed Through to Subrecipients	If Passed Through, provide Amount Passed Through (\$)	Major Program (MP)	If MP, Type of Audit Report ⁸	
1	16	607		BULLETPROOF VEST PARTNERSHIP PROGRAM	\$10,728	N/A	\$10,728											0
2	16	922		EQUITABLE SHARING PROGRAM	\$9,876	N/A	\$9,876											0
3	16	034		CORONAVIRUS EMERGENCY SUPPLEMENTAL FUNDING PROGRAM	\$114,802	N/A	\$114,802				STATE OF COLORADO	2020 VD-20-18-30	Y	\$114,802				0
4	16	575		CRIME VICTIM ASSISTANCE	\$21,043	N/A	\$21,043				STATE OF COLORADO	2018 VA-19-103-18	Y	\$21,043				0
5	21	019		CORONAVIRUS RELIEF FUND	\$3,213,991	N/A	\$3,213,991				ARAPAHOE COUNTY COLORADO	N/A	Y	\$3,213,991	Y	U		0
6	20	614		NATIONAL HIGHWAY TRAFFIC SAFETY ADMINISTRATION (NHTSA) DISCRETIONARY SAFETY GRANTS	\$819	N/A	\$819											0
7	20	507		FEDERAL TRANSIT FORMULA GRANTS	\$240,237	N/A	\$240,237											0
8	20	205		HIGHWAY PLANNING AND CONSTRUCTION	\$105,552	N/A	\$105,552											0
9	14	228		COMMUNITY DEVELOPMENT BLOCK GRANTS/STATE'S PROGRAM AND NON-ENTITLEMENT GRANTS IN HAWAII	\$15,709	N/A	\$15,709				ARAPAHOE COUNTY COLORADO	ENHS1803	Y	\$15,709				0
Total Federal Awards Expended =					\$3,732,757													

1. See Appendix I of instructions for valid Federal awarding agency two-digit prefixes.
 2. Three-digit CFDA extensions listed in the Catalog of Federal Domestic Assistance (CFDA - beta.sam.gov). If the extension is unknown, see instructions.
 3. Used to collect other data or information to identify the award which is not a CFDA number (e.g., program year, contract number). This item is optional if Part II, Item 1(b) has a valid CFDA extension.
 4. The system will provide total Federal awards expended for each Federal program by summing the individual CFDA lines which have the same CFDA number.
 5. The system will provide total Federal awards expended for each cluster of programs by summing the individual CFDA lines which have the same Cluster Name.
 6. Used to collect the loan or loan guarantee (loan) balances outstanding at the end of the audit period for loan programs as identified in Part II, Item 1(i) (2 CFR 200.510(b)(5)). Enter "N/A" for loans made to students of an institution of higher education (IHE) where the IHE does not make the loans (2 CFR 200.502(c)).
 7. If no identifying number was assigned, enter "N/A".
 8. If Major Program is marked "Y", enter only one letter (U = Unmodified opinion, Q = Qualified opinion, A = Adverse opinion, D = Disclaimer of opinion) corresponding to the type of audit report. If Major Program is marked "N", leave item blank.

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PART II: FEDERAL AWARDS - Continued**2. Notes to the Schedule of Expenditures of Federal Awards (SEFA)**

Note 1: Describe the significant accounting policies used in preparing the SEFA. (2 CFR 200.510(b)(6))

The accompanying schedule of expenditures of federal awards 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, using the modified accrual basis of accounting. 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. Therefore, some amounts presented in this schedule may differ from amounts presented in the financial statements.

4,000
characters

Note 2: Did the auditee use the de minimis cost rate? (2 CFR 200.414(f))

- Yes
 No
 Both

Please explain.

The auditee did not use the de minimis cost rate.

4,000
characters

PART III: INFORMATION FROM THE SCHEDULE OF FINDINGS AND QUESTIONED COSTS - Continued**2. Financial Statements**

a. What were the results of the auditor's determination of whether the financial statements of the auditee were prepared in accordance with generally accepted accounting principles (GAAP)?

Select any combination of the following five options:

- Unmodified opinion
 Qualified opinion
 Adverse opinion
 Disclaimer of opinion
 Financial statements were not prepared in accordance with GAAP but were prepared in accordance with a special purpose framework

If the financial statements of the auditee were prepared in accordance with GAAP, proceed to question b.

i. What was the special purpose framework used? (Select only one)

- Cash basis
 Tax basis
 Regulatory basis
 Contractual basis
 Other basis

ii. Was the special purpose framework used as a basis of accounting required by state law? Yes No

iii. What was the auditor's opinion on the special purpose framework? (Select any combination)

- Unmodified opinion
 Qualified opinion
 Adverse opinion
 Disclaimer of opinion

b. Is a "going concern" emphasis-of-matter paragraph included in the auditor's report? Yes No

c. Is a significant deficiency in internal control disclosed? Yes No

d. Is a material weakness in internal control disclosed? Yes No

e. Is a material noncompliance disclosed? Yes No

3. Federal Programs

a. Does the auditor's report include a statement that the auditee's financial statements include departments, agencies, or other organizational units expending Federal awards which are not included in this audit? (AICPA Audit Guide) Yes No

b. What is the dollar threshold used to distinguish Type A and Type B programs? (2 CFR 200.518(b)(1))

c. Did the auditee qualify as a low-risk auditee? (2 CFR 200.520) Yes No

d. Indicate which Federal Agency(ies) have prior audit findings shown in the Summary Schedule of Prior Audit Findings related to direct funding. List the appropriate Federal agency prefix(es), or enter "None".

PART III: INFORMATION FROM THE SCHEDULE OF FINDINGS AND QUESTIONED COSTS - Continued

4. Federal Award Audit Findings

Schedule of Findings and Questioned Costs

Row Number from Part II, Item 1	a	b	c	d	e	f	g	h	i	j	k	l	m	n
	CFDA Number ¹ XX.XXX	Additional Award Identification	Federal Program Name	Amount Expended (\$)	Audit Finding Reference Number YYYY-###	Type(s) of Compliance Requirement(s) ²	Type of Audit Finding ³				Questioned Costs Y/N	Repeat Audit Finding		
							Compliance Audit Findings		Internal Control Audit Findings			Other Audit Findings Y/N	Repeat Audit Finding from Prior Year Y/N	If Repeat Finding, provide Prior Year Audit Finding Reference Number(s) YYYY-###,YYYY-###,etc.
							Modified Opinion Y/N	Other Matters Y/N	Material Weakness Y/N	Significant Deficiency Y/N				

1. A CFDA Number consists of the Federal agency two-digit prefix and CFDA three-digit extension (from Part II, Items 1(a) and 1(b)) separated by a period.
 2. Enter the letter for each type or compliance requirement that applies to the audit findings (i.e., noncompliance, significant deficiency, material weakness, questioned costs, fraud, and other items reported under 2 CFR 200.516(a)) reported for each Federal program. Only enter the type(s) of compliance requirement(s) the auditor was testing which generated the audit finding.
 A. Activities allowed or unallowed F. Equipment and real property management K. Reserved
 B. Allowable costs/cost principles G. Matching, level of effort, earmarking L. Reporting
 C. Cash management H. Period of performance (or availability) of Federal funds M. Subrecipient monitoring
 D. Reserved I. Procurement and suspension and debarment N. Special tests and provisions
 E. Eligibility J. Program income P. Other
 3. There are 9 valid combinations of "Compliance Audit Findings", "Internal Control Audit Findings", and "Other Audit Findings" for each Federal program with audit findings. (See chart in instructions after Part III, Item 4(k))

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PART III: INFORMATION FROM THE SCHEDULE OF FINDINGS AND QUESTIONED COSTS - Continued

5. Text of the Audit Findings

a. Audit Finding Reference Number

b. Audit Finding Text

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PART IV: CORRECTIVE ACTION PLAN

1. Audit Finding Reference Number

2. Text of the Corrective Action Plan

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Part V: CERTIFICATIONS

1. Auditee Certification Statement

I certify that, to the best of my knowledge and belief, the auditee has:

ensured that the Form SF-SAC data and reporting package do not include protected personally identifiable information (Protected PII)¹, **or if they do**, the Federal Audit Clearinghouse (FAC) is authorized to publicly post all information contained in the Form SF-SAC data and the reporting package;

ensured that the Form SF-SAC data and reporting package do not include business identifiable information (BII)², **or if they do**, the FAC is authorized to publicly post all information contained in the Form SF-SAC data and the reporting package;

complied with the requirements of 2 CFR Part 200 Subpart F specific to the auditee;

prepared the data in this Form SF-SAC in accordance with 2 CFR Part 200 Subpart F and the accompanying instructions to this Form SF-SAC;

included all information required to be reported in this Form SF-SAC in its entirety and such information is accurate and complete;

engaged an auditor to perform an audit in accordance with 2 CFR Part 200 Subpart F for the period described in Part I, Items 1 and 3;

ensured the auditor has completed such audit and issued the signed audit report required by 2 CFR 200.515 which states that the audit was conducted in accordance with the audit requirements of the Uniform Guidance; and

authorized the FAC to make the Form SF-SAC data and reporting package publicly available on a website.

Auditee Certification Date

6/11/2021

(MM/DD/YYYY)

Name of certifying official

KEVIN ENGELS

Title of certifying official

FINANCE MANAGER

2. Auditor Statement

I acknowledge that:

the data elements and information included in this Form SF-SAC are limited to those prescribed by the Office of Management and Budget;

the information in Part II of this Form SF-SAC is the responsibility of the auditee and is based on information included in the reporting package required by the Uniform Guidance;

the information included in Part III of this Form SF-SAC, except for Part III, Item 3(d), and Items 4(a)-(d) (when there are audit findings), was transferred by the auditor from the auditor's report(s) for the period described in Part I, Items 1 and 3, and is not a substitute for such reports;

the auditor has not performed any auditing procedures since the date of the auditor's report(s) or any additional auditing procedures in connection with the completion of this Form SF-SAC; and

a copy of the reporting package required by the Uniform Guidance, which includes the complete auditor's report(s), may be made available by the Federal Audit Clearinghouse (FAC) on the FAC website or from the auditee at the address listed in Part I of this Form SF-SAC.

Auditor Signature Date

6/11/2021

(MM/DD/YYYY)

1. 2 CFR 200.79 and 2 CFR 200.82.

2. BII consists of information defined in the Freedom of Information Act (FOIA) as "trade secrets and commercial or financial information obtained from a person [that is] privileged or confidential." (5 U.S.C.552(b)(4)). This information is exempt from automatic release under the (b)(4) FOIA exemption. "Commercial" is not confined to records that reveal "basic commercial operations" but includes any records or information in which the submitter has a commercial interest, and can include information submitted by a nonprofit entity.