

City of Springfield, Missouri

Compliance Report
June 30, 2016

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RSM US LLP

**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

Honorable Mayor and Members of the City Council
City of Springfield, Missouri
Springfield, Missouri

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 business-type activities, the discretely presented component unit, each major fund and the aggregate remaining fund information of the City of Springfield, Missouri (the City), as of and for the year ended June 30, 2016, 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 16, 2016. Our report includes a reference to other auditors who audited the financial statements of the City Utilities, the discretely presented component unit, as described in our report on the City's financial statements. This report does not include the results of the other auditor's testing of internal control over financial reporting or compliance and other matters that are reported on separately by those auditors.

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) 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.

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 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 first paragraph of this section and was not designed to identify all deficiencies in internal control 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 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's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

RSM US LLP

Kansas City, Missouri
December 16, 2016



RSM US LLP

**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**

Independent Auditor's Report

Honorable Mayor and Members of the City Council
City of Springfield, Missouri
Springfield, Missouri

Report on Compliance for Each Major Federal Program

We have audited the City of Springfield, Missouri's (the City) compliance with the types of compliance requirements described 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, 2016. 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.

Scope

The City's basic financial statements include the operations of the City Utilities discretely presented component unit. Our audit, described below, did not include the operations of City Utilities because the component unit engaged other auditors to perform their June 30, 2016 audit.

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 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 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 June 30, 2016.

Report on Internal Control over Compliance

Management of the City 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 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, business-type activities, the discretely presented component unit, each major fund, and the aggregate remaining fund information of the City of Springfield, Missouri as of and for the year ended June 30, 2016, and the related notes to the financial statements, which collectively comprise the City's basic financial statements. We issued our report thereon dated December 16, 2016, which contained unmodified opinions on those financial statements. The beginning net position of the discretely presented component unit was restated due to the implementation of GASB Statement Nos. 68 and 71 to recognize a net pension liability and deferred outflows of resources. Our audit report includes a reference to other auditors who audited the financial statements of City Utilities, the discretely presented component unit, as described in our report on the City's financial statements. 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.

RSM US LLP

Kansas City, Missouri
December 16, 2016

City of Springfield, Missouri

**Schedule of Expenditures of Federal Awards
Year Ended June 30, 2016**

Federal Grantor/ Pass-Through Grantor/Program Title	Federal CFDA Number	Pass-Through Entity Identifying Number	Amounts Provided to Subrecipients	Federal Expenditures
U.S. Department of Agriculture:				
Special Supplemental Nutrition Program for Women, Infants, and Children:				
Passed through the Missouri Department of Health and Senior Services:				
2014 – 15 WIC Local Agency Nutrition Services	10.557	ERS04515091	\$ —	\$ 322,315
2015 – 16 WIC Local Agency Nutrition Services	10.557	ERS04516087-Am.1, 2	—	976,688
Subtotal for CFDA 10.557			—	1,299,003
Child Nutrition Cluster:				
Summer Food Service Program for Children:				
Passed through the Missouri Department of Health and Senior Services:				
2015 Summer Food Service Program Inspections - Child Nutrition	10.559	ERS219-1597I	—	170
2016 Summer Food Service Program Inspections - Child Nutrition	10.559	ERS219-1697I	—	1,300
Subtotal for CFDA 10.559			—	1,470
Team Nutrition Grants:				
Passed through the Missouri Department of Health and Senior Services:				
2015 Team Nutrition Training Grant	10.574	CNTN-15-MO	—	644
State Administrative Expenses for Child Nutrition:				
Passed through the Missouri Department of Health and Senior Services:				
2014 – 15 Child Care Health Consultation	10.560	DH150008102	—	1,189
State Administrative Matching Grants for the Supplemental Nutrition Assistance Program:				
Passed through the Missouri Division of Workforce Development:				
Missouri Employment Training Program (METP) Health and Human Services	10.561	—	—	35,608
Total U.S. Department of Agriculture			—	1,337,914
U.S. Department of Housing and Urban Development:				
CDBG - Entitlement Grants Cluster:				
Community Development Block Grants/Entitlement Grants:				
2013 – 14 Community Development Block Grant (CDBG)	14.218	B-13-MC-29-0007	88,379	101,416
2014 – 15 Community Development Block Grant (CDBG)	14.218	B-14-MC-29-0007	263,924	1,250,993
2015 – 16 Community Development Block Grant (CDBG)	14.218	B-15-MC-29-0007	3,576	332,953
Subtotal for CFDA 14.218 and CDBG Entitlement Grants Cluster			355,879	1,685,362
Emergency Solutions Grant Program:				
Passed through the Missouri Department of Social Services:				
2014 – 15 Emergency Solutions Grant	14.231	15-721-E	84,723	84,723
2015 – 16 Emergency Solutions Grant	14.231	16-718-E	18,887	18,887
Subtotal for CFDA 14.231			103,610	103,610
Home Investment Partnerships Program:				
2013 – 14 HOME Investment Partnerships	14.239	M-13-MC-29-0202	—	624,427
2014 – 15 HOME Investment Partnerships	14.239	M-14-MC-29-0202	—	417,687
Program income	14.239	—	—	1,896,518
Subtotal for CFDA 14.239			—	2,938,632
Housing Opportunities for Persons with AIDS:				
Passed through the Missouri Department of Health and Senior Services:				
2015 – 16 HIV Case Management Services – Southwest Region	14.241	C313111001-Am. 1, 2, 3, 4, 5	27,406	30,057
Continuum of Care Program:				
Continuum of Care Grant	14.267	MO0189L7P001300	12,423	12,423
Public and Indian Housing:				
Passed through the Housing Authority of the City of Springfield, Missouri:				
2015 – 16 Housing Authority of Springfield	14.850	—	—	2,030
Total U.S. Department of Housing and Urban Development			499,318	4,772,114

City of Springfield, Missouri

**Schedule of Expenditures of Federal Awards
Year Ended June 30, 2016**

Federal Grantor/ Pass-Through Grantor/Program Title	Federal CFDA Number	Pass-Through Entity Identifying Number	Amounts Provided to Subrecipients	Federal Expenditures
U.S. Department of Justice:				
Public Safety Partnership and Community Policing Grants:				
2014 – 15 Community Oriented Policing Services (COPS) Hiring Program Grant	16.710	2014ULWX0021	—	371,714
JAG Program Cluster:				
Edward Byrne Memorial Justice Assistance Grant Program:				
2014 – 15 Justice Assistance Grant (JAG) - Law Enforcement Equipment	16.738	2014-DJ-BX-0094	—	18,260
2015 – 16 Justice Assistance Grant (JAG) - Law Enforcement Equipment	16.738	2015-DJ-BX-0737	49,637	98,729
Subtotal for CFDA 16.738			49,637	116,989
Equitable Sharing Program:				
Equitable Sharing Program	16.922	—	—	87,828
Total U.S. Department of Justice			49,637	576,531
U.S. Department of Labor:				
Workforce Investment Act (WIA) Cluster:				
WIA/WIOA Adult Program:				
Passed through the Missouri Division of Workforce Development:				
WIA Adult FY14, PY14/15	17.258	10-08-08-15	—	165,036
WIOA Adult PY15, PY15/16	17.258	10-08-08-16	—	81,015
WIOA Adult FY16, PY15/16	17.258	10-08-08-16	—	681,700
Equal Opportunity Compliance PY15/16	17.258	99-08-08-16	—	1,796
Job Fair PY92/93	17.258	—	—	32
2003 JTPA, IV-D Hi-Risk Adult Special Project PY02/03	17.258	—	—	53
Subtotal for CFDA 17.258			—	929,632
WIA/WIOA Youth Activities:				
Passed through the Missouri Division of Workforce Development:				
WIA Youth Program PY14, PY14/15	17.259	10-08-08-15	—	163,770
WIOA Youth Program PY15, PY15/16	17.259	10-08-08-16	703,298	851,759
WIOA Youth Program PY16, PY16/17	17.259	10-08-08-17	—	176,774
Equal Opportunity Compliance PY15/16	17.259	99-08-08-16	—	23,350
Subtotal for CFDA 17.259			703,298	1,215,653
WIA/WIOA Dislocated Worker Formula Grants:				
Passed through the Missouri Division of Workforce Development:				
WIA, Dislocated Worker Program FY15, PY14/15	17.278	10-08-08-15	—	150,674
WIOA, Dislocated Worker Program PY15, PY15/16	17.278	10-08-08-16	—	142,309
WIOA, Dislocated Worker Program FY16, PY15/16	17.278	10-08-08-16	—	568,356
WIOA, Transitional Activities PY15/16	17.278	99-08-08-15	—	25,479
WIOA 25%, Show-Me Heroes On-the-Job Training Program PY15/16	17.278	99-08-08-16	—	43,087
Dislocated Worker 25% Tuition Pool	17.278	99-08-08-16	—	94,373
Equal Opportunity Compliance PY15/16	17.278	99-08-08-16	—	4,790
On-the-Job Staffing FY15, PY14/15	17.278	99-08-08-15	—	43,093
On-the-Job Staffing FY16, PY15/16	17.278	99-08-08-16	—	20,047
Subtotal for CFDA 17.278			—	1,092,208
Subtotal for Workforce Investment Act (WIA) Cluster			703,298	3,237,493
Workforce Investment Act (WIA) National Emergency Grants:				
Passed through the Missouri Division of Workforce Development:				
National Emergency Grant (NEG) Jobs Driven MO-40	17.277	MO-40 08	1,784	176,134
Total U.S. Department of Labor			705,082	3,413,627

City of Springfield, Missouri

**Schedule of Expenditures of Federal Awards
Year Ended June 30, 2016**

Federal Grantor/ Pass-Through Grantor/Program Title	Federal CFDA Number	Pass-Through Entity Identifying Number	Amounts Provided to Subrecipients	Federal Expenditures
U.S. Department of Transportation:				
Highway Planning and Construction Cluster:				
Highway Planning and Construction:				
Passed through the Missouri Highways and Transportation Commission:				
Main Avenue Streetscape Phase 1 (College to Olive)	20.205	TAP-5901(805)	—	250,000
Phelps Street Streetscape - Campbell to Boonville	20.205	STP-5901(804)	—	200,000
FY 2014 – FY 2015 Surface Transportation Program (STP) - Urban Program Agreement - Transportation Management Center Salaries	20.205	STP-5938(805)	—	85,299
Surface Transportation Program (STP) - Urban Program Agreement - West Republic Road Bridge Over James River Freeway (Route 60)	20.205	ACNHPP-S600(40)	—	2,277,853
2016 Aerial Othro Pictometry	20.205	2015-1887	—	40,000
2014-15 Work Zone Enforcement Program	20.205	GWZEA21Z	—	4,336
2015-16 Work Zone Enforcement Program	20.205	GWZEA23Z	—	8,625
Subtotal for CFDA 20.205			—	2,866,113
Recreational Trails Program:				
Passed through the Missouri Department of Natural Resources:				
Wilson's Creek Greenway Trail Phase IV	20.219	—	—	100,000
Subtotal for Highway Planning and Construction Cluster			—	2,966,113
Rail Line Relocation and Improvement:				
West Wye Rail Line Relocation Project - Construction Phase	20.320	FR-LRI-0051-13-01-01	—	1,542,061
Highway Safety Cluster:				
State and Community Highway Safety:				
Passed through the Missouri Department of Transportation:				
2014-15 Hazardous Moving Violation Enforcement	20.600	15-PT-02-133	—	19,328
2015-16 Hazardous Moving Violation Enforcement	20.600	16-PT-02-096	—	61,382
Subtotal for CFDA 20.600			—	80,710
Alcohol Impaired Driving Prevention:				
Passed through the Missouri Department of Transportation:				
2015-16 Youth Alcohol Enforcement	20.601	16-154L-AL-099	—	24,165
National Priority Safety Programs:				
Passed through the Missouri Department of Transportation:				
2014-15 Youth Alcohol Enforcement	20.616	15-M5HVE-03-078	—	7,786
Subtotal for Highway Safety Cluster			—	112,661
Alcohol Open Container Requirements:				
Passed through the Missouri Department of Transportation:				
2014-15 DWI Enforcement/Sobriety Checkpoint	20.607	15-154-AL-124	—	45,246
2015-16 DWI Enforcement/Sobriety Checkpoint	20.607	16-154-AL-094	—	59,958
Subtotal for CFDA 20.607			—	105,204
Small Community Air Service Development:				
Payments for Small Community Air Service Development	20.930	2013-0120-0056	—	159,654
Total U.S. Department of Transportation			—	4,885,693
U.S. Environmental Protection Agency:				
Nonpoint Source Implementation Grants:				
Passed through the Missouri Department of Natural Resources:				
South Creek Restoration Project	66.460	G14-NPS-03	—	615,976
Brownfields Assessment and Cleanup Cooperative Agreements:				
Brownfields General – Program Income	66.818	—	—	860
Brownfields Hazardous and Petroleum Assessment	66.818	BF – 97740501-0	—	134,695
Brownfields Revolving Loan Fund	66.818	BF – 98788001-1	247	299
Subtotal for CFDA 66.818			247	135,854
Total U.S. Environmental Protection Agency			247	751,830

City of Springfield, Missouri

**Schedule of Expenditures of Federal Awards
Year Ended June 30, 2016**

Federal Grantor/ Pass-Through Grantor/Program Title	Federal CFDA Number	Pass-Through Entity Identifying Number	Amounts Provided to Subrecipients	Federal Expenditures
U.S. Department of Education:				
Twenty-First Century Community Learning Centers:				
Passed through Springfield R-XII School District:				
2015-16 21st Century Community Learning Centers/Afterschool Program – COHORT 6	84.287	21stCCLC1112-YR5	—	262,935
Total U.S. Department of Education			—	262,935
U.S. Department of Health and Human Services:				
Public Health Emergency Preparedness:				
Passed through the Missouri Department of Health and Senior Services:				
2015-16 Public Health Emergency Preparedness	93.069	AOC14380145 - Am. 1	—	297,041
TANF Cluster:				
Temporary Assistance for Needy Families:				
Passed through the Missouri Department of Social Services:				
Missouri Work Assistance Program PY13/14 Incentive	93.558	C311006004 - Am. 4	—	750
Missouri Work Assistance Program PY14/15	93.558	C311006004 - Am. 4	—	433,146
Missouri Work Assistance Program PY15/16	93.558	C311006004 - Am. 4	—	1,390,558
Missouri Work Assistance Program PY13/14 - Joplin Incentive	93.558	C311006004 - Am. 4	—	5,376
Missouri Work Assistance Program PY14/15 - Joplin	93.558	C311006004 - Am. 4	—	207,386
Missouri Work Assistance Program PY15/16 - Joplin	93.558	C311006004 - Am. 4	—	521,100
State Park Youth Corp PY14/15	93.558	42-08-08-15	37,746	37,755
State Park Youth Corp PY15/16	93.558	42-08-08-16	15,000	19,035
Summer Youth PY14/15	93.558	42-08-05-15	230,397	230,397
Summer Youth PY15/16	93.558	42-08-05-16	39,933	39,933
Subtotal for CFDA 93.558 and TANF Cluster			323,076	2,885,436
Child Care and Development Block Grant:				
Passed through the Missouri Department of Health and Senior Services:				
2015 – 16 Child Care Health Consultation	93.575	DH160014078	—	6,169
Preventive Health and Health Services Block Grant:				
Passed through the Missouri Department of Health and Senior Services:				
2014 – 15 Healthy Eating Active Living in Local Communities	93.758	AOC15380161	—	48,465
2015 – 16 Healthy Eating Active Living in Local Communities	93.758	AOC15380161-Am. 1,2	—	20,614
Subtotal for CFDA 93.758			—	69,079
Children's Health Insurance Program:				
Passed through the Missouri Department of Health and Senior Services:				
Children's Health Insurance Program (CHIP) Health Services Initiative	93.767	AOC16380023	—	333,234
Medical Assistance Program:				
Passed through the Missouri Department of Health and Senior Services:				
2015 – 16 HIV Case Management Services – Southwest Region	93.778	C313111001-Am. 1, 2, 3, 4, 5	407	447
HIV Care Formula Grants:				
Passed through the Missouri Department of Health and Senior Services:				
2015 – 16 HIV Case Management Services – Southwest Region	93.917	C313111001-Am. 1, 2, 3, 4, 5	1,043,965	1,144,978
Maternal and Child Health Services Block Grant to the States:				
Passed through the Missouri Department of Health and Senior Services:				
2014 – 15 Maternal Child Health Services	93.994	AOC15380107	—	25,625
2015 – 16 Maternal Child Health Services	93.994	AOC15380107-Am. 1	—	78,275
2014 – 15 Child Care Health Consultation	93.994	DH150008102	—	6,523
2015 – 16 Child Care Health Consultation	93.994	DH160014078	—	6,310
Subtotal for CFDA 93.994			—	116,733
Total U.S. Department of Health and Human Services			1,367,448	4,853,117

City of Springfield, Missouri

**Schedule of Expenditures of Federal Awards
Year Ended June 30, 2016**

Federal Grantor/ Pass-Through Grantor/Program Title	Federal CFDA Number	Pass-Through Entity Identifying Number	Amounts Provided to Subrecipients	Federal Expenditures
Executive Office of the President:				
High Intensity Drug Trafficking Areas Program:				
Passed through the Missouri Department of Public Safety:				
2015 – 16 High Intensity Drug Trafficking Area (HIDTA) Program	95.001	G15MW0001A	—	91,898
2016 – 17 High Intensity Drug Trafficking Area (HIDTA) Program	95.001	G16MW0001A	—	43,756
Total Executive Office of the President			<u>—</u>	<u>135,654</u>
U.S. Department of Homeland Security:				
Disaster Grants - Public Assistance (Presidentially Declared Disasters):				
Passed through the Missouri State Emergency Management Agency - SEMA:				
2015 – 16 Christmas Flood Clean-Up & Repair	97.036	FEMA-4250-DR-MO	—	107,625
Hazard Mitigation Grant:				
Passed through the Missouri State Emergency Management Agency - SEMA:				
2015 – 16 Christmas Flood Mitigation	97.039	FEMA-4250-DR-MO	—	199,643
Homeland Security Grant Program:				
Passed through Missouri State University Southwest Missouri Council of Governments:				
2014 Region D Regional Homeland Security Oversight Committee (RHSOC):	97.067			
Hazmat Repair Training		EMW-2014-SS-00002-S01-010A	—	1,644
Tactical Vests & Helmets (noncash)		EMW-2014-SS-00002-S01-010A	—	9,345
Lamps, Sensors, & Filters (noncash)		EMW-2014-SS-00002-S01-010A	—	11,021
Air Cylinders (noncash)		EMW-2014-SS-00002-S01-010A	—	23,374
Upgrade Bomb Robot (noncash)		EMW-2014-SS-00002-S01-010A	—	99,423
2015 Region D Regional Homeland Security Oversight Committee (RHSOC):	97.067			
ATTAK Training Kit & PRO PACK (noncash)		EMW-2015-SS-00020-S01-018	—	1,847
Hazmat Partnership Program		EMW-2015-SS-00020-S01-018	—	11,000
Subtotal for CFDA 97.067			<u>—</u>	<u>157,654</u>
Total U.S. Department of Homeland Security			<u>—</u>	<u>464,922</u>
Total expenditures of federal awards			<u>\$ 2,621,732</u>	<u>\$ 21,454,337</u>

See notes to schedule of expenditures of federal awards.

City of Springfield, Missouri

**Notes to Schedule of Expenditures of Federal Awards
Year Ended June 30, 2016**

Note 1. Basis of Presentation

The accompanying schedule of expenditures of federal awards includes the federal grant activity of the City of Springfield, Missouri (the City) for the year ended June 30, 2016 and is presented on the accrual basis of accounting. All federal awards received directly from federal agencies, as well as federal awards passed through other governmental agencies is included in the schedule. 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). Therefore, some amounts presented in the schedule may differ from the amounts presented in or used in the preparation of the basic financial statements. 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.

Note 2. Significant Accounting Policies

Expenditures of federal awards are recognized in the accounting period when the liability is incurred and approved for reimbursement and reported on the schedule on the modified accrual basis of accounting. Such expenditures are recognized following the cost principles contained in the OMB Circular A-87, *Cost Principles for State, Local and Indian Tribal Governments*, or 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.

Note 3. Local Government Contributions

Local cost-sharing is required by certain federal grants. The amount of cost-sharing varies by program. Only the federal share of expenditures is presented in the schedule.

City of Springfield, Missouri

Notes to Schedule of Expenditures of Federal Awards
Year Ended June 30, 2016

Note 4. Relationship to Basic Financial Statements

Federal award revenues and contributions are reported in the City's basic financial statements as follows:

CFDA	Program Title	General	Special Revenue	Capital Projects	Enterprise	Primary Government Total
10.557	Special Supplemental Nutrition Program for Women, Infants, and Children	\$ -	\$ 1,299,003	\$ -	\$ -	\$ 1,299,003
10.559	Summer Food Service Program For Children	-	1,470	-	-	1,470
10.560	State Administrative Expenses for Child Nutrition	-	1,189	-	-	1,189
10.561	State Administrative Matching Grants for the Supplemental Nutrition Assistance Program	-	35,608	-	-	35,608
10.574	Team Nutrition Grants	-	644	-	-	644
14.218	Community Development Block Grants/Entitlement Grants	-	1,685,362	-	-	1,685,362
14.231	Emergency Solutions Grant Program	-	103,610	-	-	103,610
14.239	Home Investment Partnerships Program	-	2,938,632	-	-	2,938,632
14.241	Housing Opportunities for Persons with AIDS	-	30,057	-	-	30,057
14.267	Continuum of Care Program	-	12,423	-	-	12,423
14.850	Public and Indian Housing	-	2,030	-	-	2,030
16.710	Public Safety Partnership and Community Policing Grants	-	371,714	-	-	371,714
16.738	Edward Byrne Memorial Justice Assistance Grant Program	-	116,989	-	-	116,989
16.922	Equitable Sharing Program	-	87,828	-	-	87,828
17.258	WIA/WIOA Adult Program	-	929,632	-	-	929,632
17.259	WIA/WIOA Youth Activities	-	1,215,653	-	-	1,215,653
17.277	Workforce Investment Act (WIA) National Emergency Grants	-	176,134	-	-	176,134
17.278	WIA/WIOA Dislocated Worker Formula Grants	-	1,092,208	-	-	1,092,208
20.205	Highway Planning and Construction	-	12,961	2,853,152	-	2,866,113
20.219	Recreational Trails Program	-	-	100,000	-	100,000
20.320	Rail Line Relocation and Improvement	-	-	1,542,061	-	1,542,061
20.600	State and Community Highway Safety	-	80,710	-	-	80,710
20.601	Alcohol Impaired Driving Countermeasures Incentive Grants	-	24,165	-	-	24,165
20.607	Alcohol Open Container Requirements	-	105,204	-	-	105,204
20.616	National Priority Safety Programs	-	7,786	-	-	7,786
20.930	Small Community Air Service Development	-	-	-	159,654	159,654
66.460	Nonpoint Source Implementation Grants	-	-	615,976	-	615,976
66.818	Brownfields Assessment and Cleanup Cooperative Agreements	-	135,854	-	-	135,854
84.287	Twenty-First Century Community Learning Centers	-	262,935	-	-	262,935
93.069	Public Health Emergency Preparedness	-	297,041	-	-	297,041
93.558	Temporary Assistance For Needy Families	-	2,885,436	-	-	2,885,436
93.575	Child Care and Development Block Grant	-	6,169	-	-	6,169
93.758	Preventive Health and Health Services Block Grant	-	69,079	-	-	69,079
93.767	Children's Health Insurance Program	-	333,234	-	-	333,234
93.778	Medical Assistance Program	-	447	-	-	447
93.917	HIV Care Formula Grants	-	1,144,978	-	-	1,144,978
93.994	Maternal and Child Health Services Block Grant to the States	-	116,733	-	-	116,733
95.001	High Intensity Drug Trafficking Areas Program	-	135,654	-	-	135,654
97.036	Disaster Grants - Public Assistance (Presidentially Declared Disasters)	-	107,625	-	-	107,625
97.039	Hazard Mitigation Grant	-	-	199,643	-	199,643
97.067	Homeland Security Grant Program	-	12,644	-	-	12,644
Total federal awards recorded as revenue in the fund						
	financial statements	-	15,838,841	5,310,832	159,654	21,309,327
97.067	Additional noncash federal awards not recorded as revenue in the fund					
	financial statements, as they represent donated equipment	-	145,010	-	-	145,010
	Total	\$ -	\$ 15,983,851	\$ 5,310,832	\$ 159,654	\$ 21,454,337

City of Springfield, Missouri

**Notes to Schedule of Expenditures of Federal Awards
Year Ended June 30, 2016**

Note 5. Federal Expenditures for MoDOT-Managed Projects

Certain highway and construction projects funded with federal awards are performed in conjunction with the Missouri Department of Transportation (MoDOT). MoDOT leads some joint projects, incurring all expenditures and handling the reimbursement requests. In these instances, the City authorizes MoDOT to use its awarded federal monies to complete the project. MoDOT accepts responsibility for any compliance requirements related to the federal monies utilized for the project. The City does not actually expend the monies or receive reimbursement. Due to these factors, the MoDOT-led projects are not presented on the schedule.

During the fiscal year ended June 30, 2016, the following federal monies awarded to the City were expended on joint projects with MoDOT.

Federal Grantor/Pass-Through Grantor/Program Title	Federal CFDA Number	Grant/Contract Number	Federal Expenditures
U.S. Department of Transportation			
Highway Planning and Construction:			
Passed through the Missouri Highways and Transportation Commission:			
Battlefield Road / Highway 65 Interchange Improvements	20.205	JBU0500	\$ 1,497,983
Battlefield Road / Highway 65 Interchange Improvements	20.205	BMR-J8U0500	218,538
Campbell / Plainview Road Intersection	20.205	STP-3301 (486)	158,520
Chestnut Expressway / Railroad Crossing Improvement West of Highway 65	20.205	J8P2196	855,451
Division / Highway 65 Intersection Improvements	20.205	J8P3036	223,640
Glenstone Ave. - Battlefield Road to James River Freeway Six Lanes	20.205	J8P3013	564,839
Kansas Expressway Pavement Rehabilitation - I44 to Mt. Vernon	20.205	8P3042	620,644
Kearney / Packer Intersection Improvements	20.205	J8S3019	326,250
			<u>\$ 4,465,865</u>

City of Springfield, Missouri

Notes to Schedule of Expenditures of Federal Awards
Year Ended June 30, 2016

Note 6. Outstanding Loan Principal Balances

The following is a list of the outstanding principal balances related to program loans at June 30, 2016, because there are no continuing compliance requirements, the outstanding balances have not been included in the SEFA:

Community Development Block Grants/Entitlement Grants (14.218)

Outstanding principal balances at June 30, 2016	\$ 12,090,751
Current year loans included in the SEFA	712,457
Current year expenses included in the SEFA	972,905

Neighborhood Stabilization Program Grants (14.228)

Outstanding principal balances at June 30, 2016	1,947,999
Current year loans included in the SEFA	-
Current year expenses included in the SEFA	-

HOME Investment Partnerships Program (14.239)

Outstanding principal balances at June 30, 2016	21,000,660
Current year loans included in the SEFA	2,628,698
Current year expenses included in the SEFA	309,933

Community Development Block Grants _ Section 108 Loan Guarantees (14.248)

Outstanding principal balances at June 30, 2016	5,321,023
Current year loans included in the SEFA	-
Current year expenses included in the SEFA	-

Brownfields Assessment and Cleanup Cooperative Agreements (66.818)

Outstanding principal balances at June 30, 2016	86,145
Current year loans included in the SEFA	-
Current year expenses included in the SEFA	135,854

Note 7. Indirect Cost Rate

The City elected not to use the 10 percent de minimis indirect cost rate allowed under the Uniform Guidance.

City of Springfield, Missouri

**Summary Schedule of Prior Audit Findings
Year Ended June 30, 2016**

Number	Comment	Status	Corrective Action or Other Explanation
None Reported			

City of Springfield, Missouri

**Schedule of Findings and Questioned Costs
Year Ended June 30, 2016**

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 No
- Significant deficiency(ies) identified? Yes None reported
- Noncompliance material to financial statements noted? Yes No

Federal Awards

Internal control over major programs:

- Material weakness(es) identified? Yes No
- Significant deficiency(ies) identified? Yes None reported

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

- Any audit findings disclosed that are required to be reported in accordance with Section 2 CFR 200.516(a)? Yes No

Identification of major programs:

CFDA Number	Name of Federal Program or Cluster
20.320	Rail Line Relocation and Improvement
93.917	HIV Care Formula Grants
20.205, 20.219	Highway Planning and Construction Cluster
66.460	Nonpoint Source Implementation Grants - South Creek Restoration Project

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

- Auditee qualified as low-risk auditee? Yes No

(Continued)

City of Springfield, Missouri

**Schedule of Findings and Questioned Costs (Continued)
Year Ended June 30, 2016**

II. Financial Statement Findings

A. Internal Control

None reported.

B. Compliance findings

None reported.

III. Findings and Questioned Costs for Federal Awards

A. Internal Control

None reported.

B. Instances of Noncompliance

None reported.

City of Springfield, Missouri

**Corrective Action Plan
Year Ended June 30, 2016**

Current Number	Comment	Corrective Action Plan	Anticipated Date of Completion	Contact Person
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None reported

