



CITY OF SPRINGFIELD, MISSOURI

OMB Circular A-133 Single Audit Report

Year ended June 30, 2009

(With Independent Auditors' Reports Thereon)

CITY OF SPRINGFIELD, MISSOURI

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Independent Auditors' Report on Internal Control over Financial Reporting and on Compliance and Other Matters Based on an Audit of Basic Financial Statements Performed in Accordance with *Government Auditing Standards*

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

We have audited 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, 2009, which collectively comprise the City's basic financial statements, and have issued our report thereon dated December 11, 2009. Our report was modified to include a reference to other auditors and to changes in accounting policies. We conducted our audit 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. Other auditors audited the financial statements of the pension trust fund, as described in our report on the City's financial statements. 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.

Internal Control over Financial Reporting

In planning and performing our audit, we considered the City's internal control over financial reporting as a basis for designing our auditing procedures 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 over financial reporting. Accordingly, we do not express an opinion on the effectiveness of the City's internal control over financial reporting.

A deficiency in internal control over financial reporting 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 over financial reporting, 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.

Our consideration of 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 deficiencies, significant deficiencies, or material weaknesses. We did not identify any deficiencies in internal control over financial reporting that we consider to be material weaknesses, as defined above. However, we identified a certain deficiency in internal control over financial reporting that we consider to be a significant deficiency and that is described in the accompanying schedule of findings and questioned costs as finding 2009-01. A significant deficiency is a deficiency, or combination of deficiencies, in internal control over financial reporting that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

Compliance and Other Matters

As part of obtaining reasonable assurance about whether the City’s financial statements are free of 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 basic 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 and other matters that are required to be reported under *Government Auditing Standards*.

We noted certain matters that we reported to management of the City in a separate letter dated December 11, 2009.

The City’s response to the finding identified in our audit is described in the accompanying schedule of findings and questioned costs. We did not audit the City’s response, and accordingly, we express no opinion on it.

This report is intended solely for the information and use of the Honorable Mayor, City Council, City Management, and federal awarding agencies and pass-through entities, and is not intended to be and should not be used by anyone other than these specified parties.

KPMG LLP

Kansas City, Missouri
December 11, 2009



KPMG LLP
Suite 1000
1000 Walnut Street
Kansas City, MO 64106-2162

**Independent Auditors' Report on Compliance with Requirements
Applicable to Each Major Program and on Internal Control over
Compliance in Accordance with OMB Circular A-133,
and on the Schedule of Expenditures of Federal Awards**

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

Compliance

We have audited the compliance of the City of Springfield, Missouri (the City) with the types of compliance requirements described in the U.S. Office of Management and Budget (OMB) *Circular A-133 Compliance Supplement* that are applicable to each of its major federal programs for the year ended June 30, 2009. The City's major federal programs are identified in the summary of auditors' results section of the accompanying schedule of findings and questioned costs. Compliance with the requirements of laws, regulations, contracts, and grants applicable to each of its major federal programs is the responsibility of the City's management. Our responsibility is to express an opinion on the City's compliance based on our audit.

The City's basic financial statements include the operations of the City Utilities of Springfield, Missouri, a discretely presented component unit, which expended \$5,889,287 in federal awards during their fiscal year ended September 30, 2008; such amounts are not included in the City's schedule of expenditures of federal awards for the year ended June 30, 2009. Our audit procedures, described below, did not include the operations of the City Utilities of Springfield, Missouri, because the component unit engaged other auditors to perform an audit in accordance with OMB Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations*.

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 OMB Circular A-133, *Audits of States, Local Governments and Non-Profit Organizations*. Those standards and OMB Circular A-133 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. Our audit does not provide a legal determination of the City's compliance with those requirements.

In our opinion, the City complied, in all material respects, with the requirements referred to above that are applicable to each of its major federal programs for the year ended June 30, 2009. However, the results of our auditing procedures disclosed instances of noncompliance with those requirements, which are required to be reported in accordance with OMB Circular A-133 and which are described in the accompanying schedule of findings and questioned costs as finding 2009-03.

Internal Control over Compliance

The management of the City is responsible for establishing and maintaining effective internal control over compliance with the requirements of laws, regulations, contracts, and grants applicable to federal programs. In planning and performing our audit, we considered the City's internal control over compliance with the requirements that could have a direct and material effect on a major federal program in order to determine our auditing procedures for the purpose of expressing our opinion on compliance, 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.

Our consideration of internal control over compliance was for the limited purpose described in the preceding paragraph of this section and would not necessarily identify all deficiencies in the entity's internal control that might be significant deficiencies or material weaknesses as defined below. However, as discussed below, we identified certain deficiencies in internal control over compliance that we consider to be significant deficiencies.

A control deficiency in an entity's internal control over compliance 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 noncompliance with a type of compliance requirement of a federal program on a timely basis. A significant deficiency is a control deficiency, or combination of control deficiencies, that adversely affects the entity's ability to administer a federal program such that there is more than a remote likelihood that noncompliance with a type of compliance requirement of a federal program that is more than inconsequential will not be prevented or detected by the entity's internal control. We consider the deficiencies in internal control over compliance described in the accompanying schedule of findings and questioned costs as findings 2009-02 and 2009-03 to be significant deficiencies.

A material weakness is a significant deficiency, or combination of significant deficiencies, that results in more than a remote likelihood that material noncompliance with a type of compliance requirement of a federal program will not be prevented or detected by the entity's internal control. We did not consider any of the deficiencies described in the accompany schedule of findings and questioned costs to be material weaknesses.

The City's responses to the findings identified in our audit is described in the accompanying schedule of findings and questioned costs. We did not audit the City's responses, and accordingly, we express no opinion on them.

Schedule of Expenditures of Federal Awards

We have audited 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 as of and for the year ended June 30, 2009, and have issued our report dated December 11, 2009. That report was modified to include a reference to other auditors and to changes in accounting policies. Our audit was performed for the purpose of forming opinions on the financial statements that collectively comprise the City of Springfield, Missouri's basic financial statements. The accompanying schedule of expenditures of federal awards is presented for purposes of additional analysis as required by OMB Circular A-133 and is not a required part of the basic financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and, in our opinion, is fairly stated, in all material respects, in relation to the basic financial statements taken as a whole.

This report is intended solely for the information and use of the Honorable Mayor, City Council, City Management, and federal awarding agencies and pass-through entities, and is not intended to be and should not be used by anyone other than these specified parties.

KPMG LLP

Kansas City, Missouri
March 29, 2010, except as to
paragraph 10, which is as of
December 11, 2009

CITY OF SPRINGFIELD, MISSOURI
Schedule of Findings and Questioned Costs
Year ended June 30, 2009

(1) Summary of Auditors' Results

- (a) The type of report issued on the basic financial statements: **Unqualified Opinions**
- (b) Significant deficiencies in internal control were disclosed by the audit of the basic financial statements: **Yes**
- (c) Material weaknesses in internal control were disclosed by the audit of the basic financial statements: **No**
- (d) Noncompliance which is material to the basic financial statements: **No**
- (e) Significant deficiencies in internal control over compliance for major programs: **Yes**
- (f) Material weaknesses in internal control over compliance for major programs: **No**
- (g) The type of report issued on compliance for major programs: **Unqualified Opinion**
- (h) Any audit findings which are required to be reported under Section 510(a) of OMB Circular A-133: **Yes**
- (i) Major programs:
 - *U.S. Department of Labor – Workforce Investment Act (WIA) Cluster (CFDA #17.258, 17.259 and 17.260)*
 - *U.S. Department of Transportation – Airport Improvement Program (CFDA #20.106)*
 - *U.S. Environmental Protection Agency – Capitalization Grants for Clean Water State Revolving Funds (CFDA #66.458)*
 - *U.S. Department of Energy – Energy Efficiency and Conservation Block Grant Program (CFDA #81.128)*
- (j) Dollar threshold used to distinguish between Type A and Type B programs: **\$1,933,909**
- (k) Auditee qualified as a low-risk auditee under Section 530 of OMB Circular A-133: **Yes**

CITY OF SPRINGFIELD, MISSOURI

Schedule of Findings and Questioned Costs

Year ended June 30, 2009

(2) **Findings Relating to the Basic Financial Statements Reported in Accordance with *Government Auditing Standards***

Finding 2009-01: Full Accrual, Economic Resources Basis of Accounting Reporting

Criteria: The City should have appropriate internal controls to ensure that the financial statements prepared under the full accrual, economic resources basis of accounting appropriately reflect all earned revenue in accordance with generally accepted accounting principles.

Condition: Deferred revenues were not properly stated in accordance with generally accepted accounting principles during the City's conversion from modified accrual statements to its full accrual financial statements.

Cause: Internal controls over the conversion process related to deferred revenues were not in place.

Effect: Approximately \$2.7 million of deferred revenue as of June 30, 2008 should have been recorded as revenues in the City's full accrual government-wide financial statements. This was part of the City's immaterial change in net assets as noted in note 1 of the City's June 30, 2009 Comprehensive Annual Financial Report, in which the City corrected its June 30, 2008 net asset balance.

Recommendation: The City should implement appropriate internal controls to ensure the accuracy of the deferred revenues reported in the City's full accrual financial statements.

Management's Response: The City agrees with the recommendation and will implement during the next fiscal year.

CITY OF SPRINGFIELD, MISSOURI

Schedule of Findings and Questioned Costs

Year ended June 30, 2009

(3) Findings and Questioned Costs Relating to Federal Awards

Finding 2009-02:

Federal Program: American Recovery and Reinvestment Act (ARRA) Grant – Energy Efficiency and Conservation Block Grant Program – *Procurement and Suspension and Debarment*

Award #: CFDA #81.128

Federal Agency: U.S. Department of Energy

Federal Award Year: June 30, 2009

Criteria: Based on the requirements in Office of Management and Budget (OMB) guidance in 2 CFR part 180, nonfederal entities are prohibited from contracting with or making subawards under covered transactions to parties that are suspended or debarred or whose principals are suspended or debarred. “Covered transactions” include those procurement contracts for goods and services awarded under a nonprocurement transaction that are expected to equal or exceed \$25,000 or meet certain other specified criteria. 2CFR section 180.220 of the government-wide nonprocurement debarment and suspension guidance contains those additional limited circumstances. All nonprocurement transactions, irrespective of award amount, are considered covered transactions.

Condition: The City was not able to provide documentation supporting controls the City had in place to ensure the City did not contract with suspended or debarred parties.

Questioned Costs: None

Proper Perspective: Total expenditures incurred by the City for the year ended June 30, 2009, regarding this grant, were \$210,950. Expenditures relating to contract work totaled \$202,950, or 96%. The initial project was performed as an emergency project, consisting of replacing an air conditioning unit. Subsequent to the replacement, the City applied for and received this grant, which allowed the City to be reimbursed for this project. While none of the vendors used by the City were suspended or debarred parties, the City should have controls in place and should be able to provide appropriate documentation regarding these controls ensuring the suspension and debarment compliance requirements were met during the year. Subsequent to June 30, 2009, the City has updated its standard contract language to projects covered by this grant to include an appropriate suspension and debarment clause.

Effect: The City was not able to provide documentation of controls in place over the suspension and debarment compliance requirements.

CITY OF SPRINGFIELD, MISSOURI

Schedule of Findings and Questioned Costs

Year ended June 30, 2009

Recommendation: We recommend the City ensure appropriate supporting documentation is maintained for all controls that are in place, relating to suspension and debarment requirements.

Management's Response: The Busch Building Phase 1 Retrofits was designed, contracted, and built before we received award of the grant. As part of the City's normal process, both the state and federal website for debarred contractors was reviewed to ensure the vendors used were not suspended or debarred. The City now requires a "Certification Regarding Debarment" that is included as a document to be executed and turned in with the bid.

CITY OF SPRINGFIELD, MISSOURI

Schedule of Findings and Questioned Costs

Year ended June 30, 2009

Finding 2009-03:

Federal Program: *ARRA Grant – Energy Efficiency and Conservation Block Grant Program – Equipment and Real Property Management*

Award #: **CFDA #81.128**

Federal Agency: **U.S. Department of Energy**

Federal Award Year: **June 30, 2009**

Criteria: Based on the requirements in the Office of Management and Budget Circular A-110 (2 CFR section 215.32), equipment must be used in the program for which it was acquired or, when appropriate, other Federal programs. Equipment records shall be maintained (including the source, who holds title, percentage of Federal participation in the cost, and other information), a physical inventory of equipment shall be taken at least once every two years and reconciled to the equipment records, an appropriate control system shall be used to safeguard equipment, and equipment shall be adequately maintained.

Condition: The City does not currently have a policy in place to identify equipment funded via federal funds in its equipment records.

Questioned Costs: None

Proper Perspective: Total expenditures incurred by the City for the year ended June 30, 2009, regarding this grant, were \$210,950. Expenditures relating to the procurement of equipment totaled \$202,950, or 96%. It is a federal requirement that there must be a proper policy in place for inventory management of equipment acquired with federal funds.

Effect: The City was not able to provide support to identify equipment acquired with federal funds, in its equipment records.

Recommendation: We recommend the City put into place a policy to identify equipment acquired with federal funds, in its equipment records.

Management's Response: The City currently reconciles all capital asset additions by fund. This fund account number identified for purchases identifies the funding source and is entered into the City's fixed asset system with the newly acquired capital item. Additionally, the City currently has a process in place in which moveable assets with costs of at least \$5,000 are inventoried at least once every two years and permanent fixtures are reviewed only periodically.

The City agrees to further define its asset inventory process to create a sub-set of federally funded assets within the overall inventory process. These assets will be inventoried at least once every two years and will be evidenced by documentation of the responsible employees identified with the respective federally funded assets.

CITY OF SPRINGFIELD, MISSOURI
Schedule of Expenditures of Federal Awards
Year ended June 30, 2009

Federal grantor/pass-through grantor/ program title	Federal CFDA number	Grant/contract number	Federal expenditures
U.S. Department of Agriculture:			
Special Supplemental Nutritional Program for Women, Infants & Children:			
Passed through the Missouri Department of Health and Senior Services:			
2007 – 08 WIC Local Agency Nutrition Services	10.557	ERS0458216-Am. 3	\$ 240,423
2008 – 09 WIC Local Agency Nutrition Services	10.557	ERS04509216-Am. 1	563,916
Subtotal for CFDA 10.557			<u>804,339</u>
Summer Food Services Program for Children:			
Passed through the Missouri Department of Health and Senior Services:			
2008 Summer Food Service Program Inspections	10.559	ERS219-8183i	980
2009 Summer Food Service Program Inspections	10.559	ERS219-9196i	1,120
Subtotal for CFDA 10.559			<u>2,100</u>
Total U.S. Department of Agriculture			<u>806,439</u>
U.S. Department of Housing and Urban Development:			
Community Development Block Grants/Entitlement Grants Cluster:			
2007 – 08 Community Development Block Grant (CDBG)	14.218	B-07-MC-29-0007	896,103
2008 – 09 Community Development Block Grant (CDBG)	14.218	B-08-MC-29-0007	409,496
ARRA – Community Development Block Grant Recovery (CDBG-R) Funds	14.253	B-09-MY-29-0007	5,052
Subtotal for CDBG Entitlement Grants Cluster			<u>1,310,651</u>
Emergency Shelter Grants Program (ESG):			
Passed through the Missouri Department of Social Services:			
2008 – 09 Emergency Shelter Grant	14.231	ERO 1640 959	75,000
Home Investment Partnerships Program (HOME Program):			
2006 – 07 HOME Investment Partnerships	14.239	M06-MC-29-0202	392,486
2007 – 08 HOME Investment Partnerships	14.239	M07-MC-29-0202	745,921
Program Income Administration	14.239		65,363
Program Income Projects	14.239		710,772
2004 – 05 American Dream Downpayment Initiative (ADDI)	14.239	M04-MC-29-0202	23,395
2007 – 08 American Dream Downpayment Initiative (ADDI)	14.239	M07-MC-29-0202	14,238
Subtotal for CFDA 14.239			<u>1,952,175</u>
Community Development Block Grants/Brownfields Economic Development Initiative:			
Brownfields Economic Development Grant (BEDI)	14.246	B-03-BD-29-0043	287,760
Economic Development Initiative – Special Project, Neighborhood Initiative and Miscellaneous Grants:			
Economic Development Initiative (EDI) Special Project Grant I	14.251	B-02-SP-MO-0341	32,106
Economic Development Initiative (EDI) Special Project Grant II	14.251	B-03-SP-MO-0394	31,403
Economic Development Initiative (EDI) Special Project Grant – Historic Commercial Club Building Renovation	14.251	B-06-SP-MO-0523	164,355
Subtotal for CFDA 14.251			<u>227,864</u>
Homelessness Prevention and Rapid Re-Housing Program:			
ARRA – Homelessness Prevention & Rapid Re-Housing Program (HPRP)			
14.257	14.257	S09-MY-29-0007	4,280
Public and Indian Housing:			
Passed through the Housing Authority of the City of Springfield, Missouri:			
2008 – 09 Housing Authority of Springfield	14.850	-	7,552
Total U.S. Department of Housing and Urban Development			<u>3,865,282</u>
U.S. Department of Justice:			
Edward Byrne Memorial Formula Grant Program:			
Passed through the Missouri Department of Public Safety:			
2007 – 08 High Intensity Drug Trafficking	16.579	I7PMWP549J	8,452
2008 – 09 High Intensity Drug Trafficking	16.579	I8PMWP549J	132,790
2009 – 10 High Intensity Drug Trafficking	16.579	G09MW0001A-J	8,650
Subtotal for CFDA 16.579			<u>149,892</u>
Edward Byrne Memorial State and Local Law Enforcement Assistance Discretionary Grants Program:			
FY 2006 BJA Congressionally Mandated Award	16.580	2006-DD-BX-0353	1,480,842
Edward Byrne Memorial Justice Assistance Grant Program:			
2007 – 08 JAG Grant	16.738	2007-DJ-BX-0142	49,486
2008 – 09 JAG Grant	16.738	2008-DJ-BX-0440	26,151
Subtotal for CFDA 16.738			<u>75,637</u>
Total U.S. Department of Justice			<u>1,706,371</u>
U.S. Department of Labor:			
Employment Service/Wagner-Peyser Funded Activities:			
Passed through the Missouri Division of Workforce Development:			
PY 08/09, 10% Wagner-Peyser, Jobs for America's Graduates Program	17.207	99-08-08-09	105,375

CITY OF SPRINGFIELD, MISSOURI
Schedule of Expenditures of Federal Awards
Year ended June 30, 2009

Federal grantor/pass-through grantor/ program title	Federal CFDA number	Grant/contract number	Federal expenditures
WIA Cluster:			
WIA Adult Program:			
Passed through the Missouri Division of Workforce Development:			
Administration FY08, PY 07/08	17.258	10-08-08-08	\$ 19,706
WIA 15% Flexible Staffing Funds, PY08, PY08/09	17.258	99-08-08-09	2,700
WIA 15% Flexible Staffing Funds, FY09, PY08/09	17.258	99-08-08-09	11,875
WIA Adult FY08, PY07/08	17.258	10-08-08-08	95,179
WIA Adult PY08, PY08/09	17.258	10-08-08-09	173,893
WIA Adult FY09, PY08/09	17.258	10-08-08-09	782,955
Incumbent Worker Skilled Workforce Initiative 2008 – Cox Talent Acquisition, PY08/09	17.258	99-08-08-09	10,630
2003 JTPA, IV-D Hi-Risk Adult Special Project PY02/03	17.258	-	835
ARRA – Adult ARRA PY08, PY09/11	17.258	55-08-08-09	116,879
Subtotal for CFDA 17.258			<u>1,214,652</u>
WIA Youth Activities:			
Passed through the Missouri Division of Workforce Development:			
WIA 15% Flexible Staffing Funds, PY08, PY08/09	17.259	99-08-08-09	16,700
2007 WIA Youth Program PY07, PY07/08	17.259	10-08-08-08	96,272
2008 WIA Youth Program PY08, PY08/09	17.259	10-08-08-09	1,025,350
2009 WIA Youth Program PY09, PY09/10	17.259	10-08-08-10	24,750
Incumbent Worker Skilled Workforce Initiative 2008 – Cox Talent Acquisition, PY08/09	17.259	99-08-08-09	66,310
ARRA – Governor’s 15% Youth ARRA PY08, PY09/11	17.259	75-08-08-09	26,962
ARRA – Youth 85% ARRA PY08, PY09/11	17.259	55-08-08-09	99,860
Subtotal for CFDA 17.259			<u>1,356,204</u>
WIA Dislocated Workers:			
Passed through the Missouri Division of Workforce Development:			
Administration FY08, PY 07/08	17.260	10-08-08-08	13,582
WIA 15% Flexible Staffing Funds, PY08, PY08/09	17.260	99-08-08-09	5,600
WIA 15% Flexible Staffing Funds, FY09, PY08/09	17.260	99-08-08-09	13,125
WIA 25% Flexible Staffing Funds, PY08, PY08/09	17.260	99-08-08-09	17,000
WIA 25% Flexible Staffing Funds, FY09, PY08/09	17.260	99-08-08-09	32,168
2008 WIA, DWP FY08, PY07/08	17.260	10-08-08-08	100,815
2009 WIA, DWP PY08, PY08/09	17.260	10-08-08-09	254,610
2009 WIA, DWP FY09, PY08/09	17.260	10-08-08-09	625,070
2009 WIA 25%, Rapid Response Funds PY08, PY08/09	17.260	99-08-08-09	17,000
2009 WIA 25%, Rapid Response Funds FY09, PY08/09	17.260	99-08-08-09	33,000
Guard At Home/Hero At Home PY08/09	17.260	99-08-08-09	277
Incumbent Worker Skilled Workforce Initiative 2008 – Cox Talent Acquisition, PY08/09	17.260	99-08-08-09	24,297
NEG Flood Clean Up Webster County PY08/10	17.260	99-08-08-09	166,553
ARRA – DWP ARRA PY08, PY09/11	17.260	55-08-08-09	103,098
ARRA – NEG DWP Worker/Mass Layoff, ARRA PY09/10	17.260	75-08-08-09	21,177
Subtotal for CFDA 17.260			<u>1,427,372</u>
Subtotal for WIA Cluster			<u>3,998,228</u>
Work Incentive Grants:			
Passed through the Missouri Division of Workforce Development:			
2009 Disability Program Navigator DPN Funds PY 08/09	17.266	99-08-08-09	30,624
Total U.S. Department of Labor			<u>4,134,227</u>
U.S. Department of Transportation:			
Airport Improvement Program:			
Construct Terminal Building – Phase 7	20.106	3-29-0077-35-2008	826,160
Construct Terminal Building – Phase 8	20.106	3-29-0077-36-2009	1,076,254
Construct Terminal Building – Phase 9	20.106	3-29-0077-39-2009	2,205,531
Construct Terminal Building – Future Phases	20.106	-	31,797,411
Acquire Aircraft Rescue Firefighting (ARFF) Vehicle and Proximity Suits	20.106	3-29-0077-37-2009	14,998
ARRA – Design and Construct Parallel Taxiway “W” and Associated Connector Taxiways and Apron (from Runway 14 to Taxiway “U”)	20.106	3-29-0077-38-2009	1,207,944
Subtotal for CFDA 20.106			<u>37,128,298</u>

CITY OF SPRINGFIELD, MISSOURI
Schedule of Expenditures of Federal Awards
Year ended June 30, 2009

Federal grantor/pass-through grantor/ program title	Federal CFDA number	Grant/contract number	Federal expenditures
Highway Planning and Construction Cluster:			
Highway Planning and Construction:			
Passed through the Missouri Highways and Transportation Commission:			
Benton Avenue Streetscape Project	20.205	STP-5900(838)	\$ 12,470
College Station Streetscape Phase 1 Project	20.205	STP-5910(802)	18,750
College Station Streetscape Phase 2 Project	20.205	STP-5910(803)	13,050
College Station Streetscape Phase 3 Project	20.205	DP-5911(801)	91,939
Heers Streetscape Project	20.205	STP-5910(804)	95,470
Park Central Mall Streetscape Phase 1 Project	20.205	TCSP-5905(802)	556,199
St. Louis Streetscape Phase 1 Project	20.205	STP-5900(840)	12,021
Chestnut Expressway and National Avenue Intersection Improvements	20.205	J8S0788	79,500
Evergreen Street and Kansas Expressway Signal Relocation	20.205	STP-5933(803)	167,236
Glenstone Avenue and James River Freeway Interchange Improvements	20.205	J8P0692C	951,203
Glenstone Avenue and Primrose Street Intersection Improvements	20.205	J8P0789	111,157
Glenstone Avenue and Valley Water Mill Road Improvements	20.205	J8S0724	712,738
I-44 and Kansas Expressway Interchange Improvements	20.205	J8P0841	978,000
Republic Road Improvements – Charleston Avenue to Harvard Avenue	20.205	J8P0692C	823,953
ITS/Heers/Transportation Management Center (TMC) Federal FY 2004 Grant	20.205	ITS-0429(801)	85,025
FY 2008-FY 2009 STP – Urban Program Agreement – Transportation Management Center Salaries	20.205	STP-5905(804)	37,293
FY 2009-FY 2010 STP – Urban Program Agreement – Transportation Management Center Salaries	20.205	STP-5905(805)	86,952
FY 2005 STP – Urban Program – Airport Boulevard Construction	20.205	8S0795	2,188,099
2008 Safe Routes to School Grant	20.205	SRTS-INF-H108(001)	212,900
Passed through the Ozarks Transportation Organization:			
2008-09 Transportation Planning – Aerial Ortho Pictometry Grant	20.205	–	35,000
Subtotal for CFDA 20.205			<u>7,268,955</u>
Recreational Trails Program:			
Passed through the Missouri Department of Natural Resources:			
Ward Branch Greenway – Shadowood Subdivision to Library Center	20.219	FY2004-06	15,285
Jordan Creek Greenway – Loren Park Trailhead	20.219	FY2006-19	82,740
Subtotal for CFDA 20.219			<u>98,025</u>
Subtotal for Highway Planning and Construction Cluster			<u>7,366,980</u>
High Speed Ground Transportation – Next Generation High Speed Rail Program:			
Railroad Reconfiguration and Grade Separation Study	20.312	DTFR53-04-G-00018	52,344
Highway Safety Cluster:			
State and Community Highway Safety:			
Passed through the Missouri Department of Transportation:			
2007-08 Traffic Safety Alliance – Safe Communities	20.600	08-SA-09-04	7,090
2008-09 Traffic Safety Alliance – Safe Communities	20.600	09-SA-09-03	27,641
2007-08 Hazardous Moving Violation	20.600	08-PT-02-100	13,707
2008-09 Hazardous Moving Violation	20.600	09-PT-02-122	26,369
2007-08 Red Light Running	20.600	08-PT-02-101	12,110
2008-09 Red Light Running	20.600	09-PT-02-123	13,810
2008-09 MODOT/Highway Safety Records LETS/DWITS Grant (Part-Time Employee)	20.600	09-PT-02-124	9,100
Subtotal for CFDA 20.600			<u>109,827</u>
Alcohol Impaired Driving Countermeasures Incentive Grants:			
Passed through the Missouri Department of Transportation:			
2007-08 Sobriety Checkpoint	20.601	08-K8-03-203	6,300
2007-08 DWI Enforcement	20.601	08-K8-03-32	10,361
2007-08 Youth Alcohol	20.601	08-K8-03-33	3,039
Subtotal for CFDA 20.601			<u>19,700</u>
Alcohol Open Container Requirements:			
Passed through the Missouri Safety Center:			
2008-09 You Drink & Drive, You Lose! – DWI Enforcement Wave	20.607	–	2,793
Passed through the Missouri Department of Transportation:			
2008-09 DWI Enforcement	20.607	09-154-AL-40	30,270
2008-09 Youth Alcohol	20.607	09-154-AL-41	17,376
Subtotal for CFDA 20.607			<u>50,439</u>
Subtotal for Highway Safety Cluster			<u>179,966</u>
Total U.S. Department of Transportation			<u>44,727,588</u>
U.S. Environmental Protection Agency:			
Surveys, Studies, Investigations, Demonstrations & Special Purpose Activities			
Relating to the Clean Air Act:			
Passed through the Missouri Department of Natural Resources:			
2007-08 Fine Particulate Matter 2.5 (PM2.5) Ambient Air Monitoring Network	66.034	A-5004-08	15,381
2008-09 Fine Particulate Matter 2.5 (PM2.5) Ambient Air Monitoring Network	66.034	A-5004-09	5,241
Subtotal for CFDA 66.034			<u>20,622</u>

CITY OF SPRINGFIELD, MISSOURI
Schedule of Expenditures of Federal Awards
Year ended June 30, 2009

Federal grantor/pass-through grantor/ program title	Federal CFDA number	Grant/contract number	Federal expenditures
Congressionally Mandated Projects:			
Congressional Earmark for Wastewater System Improvements	66.202	XP-98782701-0	170,826
Capitalization Grants for Clean Water State Revolving Funds:			
Passed through the Missouri Department of Natural Resources:			
Capitalization Grants for Clean Water State Revolving Funds	66.458	-	4,650,235
Performance Partnership Grants:			
Passed through the Missouri Department of Natural Resources:			
2007-08 Air Pollution Control	66.605	A-0004-08-01	\$ 43,363
2008-09 Air Pollution Control	66.605	A-0004-09	157,780
Subtotal for CFDA 66.605			201,143
Brownfields Assessment and Cleanup Cooperative Agreements:			
Brownfields V – Petroleum	66.818	BF – 98777001	91,979
Brownfields VI – Hazardous Substances	66.818	BF – 98786301	127,450
Brownfields VII – Cleanup Site 1	66.818	BF – 98796601	940
Brownfields Revolving Loan Fund	66.818	BF – 98788001	13,234
Subtotal for CFDA 66.818			233,603
Total U.S. Environmental Protection Agency			5,276,429
U.S. Department of Energy:			
Energy Efficiency and Conservation Block Grant Program (EECBG):			
ARRA – Busch Municipal Building Renovations	81.128	DE-SC0001796	210,950
Total U.S. Department of Energy			210,950
U.S. Department of Education:			
Fund for the Improvement of Education (FIE):			
2008-09 Ready to Learn Grant	84.215	U215K080223	270,709
Twenty-First Century Community Learning Centers:			
Passed through Springfield Public Schools:			
2007-08 21st Century Community Learning Centers/Afterschool Program – COHORT 2	84.287	21stCCLC0304-YR5	924
2007-08 21st Century Community Learning Centers/Afterschool Program – COHORT 4	84.287	21stCCLC07082	11,219
2008-09 21st Century Community Learning Centers/Afterschool Program – COHORT 4	84.287	21stCCLC0708-YR2	292,353
Subtotal for CFDA 84.287			304,496
Total U.S. Department of Education			575,205
U.S. Department of Health and Human Services:			
Public Health Emergency Preparedness:			
Passed through the Missouri Department of Health and Senior Services:			
2008-09 Regional Public Health Emergency Planning & Preparedness	93.069	AOC08380139-Am. 3	309,496
Centers For Disease Control and Prevention – Investigations and Technical Assistance:			
Passed through the Missouri Department of Health and Senior Services:			
2007-08 Regional Public Health Emergency Planning & Preparedness	93.283	AOC08380139-Am. 1	59,908
2007-08 Community Pandemic Preparedness Planning	93.283	AOC08380371	13,796
2007-08 Heart Disease & Stroke Prevention Program	93.283	AOC08380038	1,270
2008-09 Heart Disease & Stroke Prevention Program	93.283	AOC09380011	29,944
Subtotal for CFDA 93.283			104,918
Temporary Assistance to Needy Families:			
Passed through the Missouri Division of Workforce Development:			
2009 Career Assistance Program PY 08/09 – Federal (TANF)	93.558	99-08-08-09	984,322
Child Care and Development Block Grant (CCDBG):			
Passed through the Missouri Department of Health and Senior Services:			
2007-08 Child Care Sanitation Program	93.575	ERS22008096	2,605
2008-09 Child Care Sanitation Program	93.575	ERS22008096	5,240
2007-08 Child Care Health Consultation	93.575	DH080008101-Am. 1	3,308
2008-09 Child Care Health Consultation	93.575	DH090004102-Am. 1	11,736
Passed through Springfield Public Schools:			
2007-08 Child Care Development Fund Grant (School Age Community Grant)	93.575	SAC000506RE0708	1,391
2008-09 Child Care Development Fund Grant (School Age Community Grant)	93.575	SAC0809	26,622
Subtotal for CFDA 93.575			50,902
HIV Care Formula Grants:			
Passed through the Missouri Department of Health and Senior Services:			
2007 – 08 HIV Case Management	93.917	AOC06380236-Am. 10	332,442
2008 – 09 HIV Case Management	93.917	C308243001	563,188
2009 – 10 HIV Case Management	93.917	C308243001-Am. 001	328,988
Subtotal for CFDA 93.917			1,224,618
HIV Prevention Activities – Health Department Based (HIV Prevention Program):			
Passed through the Missouri Department of Health and Senior Services:			
2007 HIV Prevention Project	93.940	AOC05380261-Am. 5	26,287
2008 HIV Prevention Project	93.940	C308196001-Am. 001	88,043
2009 HIV Prevention Project	93.940	C308196001-Am. 002	127,352
Subtotal for CFDA 93.940			241,682

CITY OF SPRINGFIELD, MISSOURI
Schedule of Expenditures of Federal Awards
Year ended June 30, 2009

Federal grantor/pass-through grantor/ program title	Federal CFDA number	Grant/contract number	Federal expenditures
Block Grants for Prevention and Treatment of Substance Abuse:			
Passed through Community Partnership of the Ozarks:			
2007-08 Strategic Prevention Framework State Incentive Grant	93.959	-	\$ 1,597
2008-09 Strategic Prevention Framework State Incentive Grant	93.959	-	2,940
Passed through Partners in Prevention:			
2008-09 Strategic Prevention Framework State Incentive Grant	93.959	-	1,587
Subtotal for CFDA 93.959			<u>6,124</u>
Maternal and Child Health Services Block Grant to the States (MCH Block Grants):			
Passed through the Missouri Department of Health and Senior Services:			
2007 - 08 Maternal Child Health Services	93.994	AOC08380284	20,760
2008 - 09 Maternal Child Health Services	93.994	AOC08380284	46,887
Subtotal for CFDA 93.994			<u>67,647</u>
Total U.S. Department of Health and Human Services			<u>2,989,709</u>
U.S. Department of Homeland Security:			
Disaster Grants - Public Assistance (Presidentially Declared Disasters):			
Passed through the Missouri State Emergency Management Agency:			
2009 FEMA Public Assistance Grant	97.036	FEMA MO DR 1847	25,989
Law Enforcement Officer Reimbursement Agreement Program:			
Law Enforcement Officer Reimbursement Agreement Program	97.090	HSTS0208HSLR261	145,429
Total U.S. Department of Homeland Security			<u>171,418</u>
Total expenditures of federal awards			<u>\$ 64,463,618</u>

See accompanying notes to schedule of expenditures of federal awards and independent auditors' report.

CITY OF SPRINGFIELD, MISSOURI

Notes to Schedule of Expenditures of Federal Awards

Year ended June 30, 2009

(1) **Organization and Basis of Presentation**

The City of Springfield, Missouri (the City) is the recipient of many federal grants. Various City departments administer these grant programs. All grants are accounted for in the general fund, special revenue funds, capital projects funds, and enterprise funds of the City department benefiting from the grant.

The accompanying schedule of expenditures of federal awards (the schedule) presents the activity of all federal award programs of the City. This schedule does not include grant funds received by the City Utilities of Springfield, Missouri, a component unit of the City. All federal awards received directly from federal agencies, as well as federal awards passed through other government agencies, are included in the schedule.

Basis of Presentation

The accompanying schedule of expenditures of federal awards has been prepared in accordance with U.S. generally accepted accounting principles, with expenditures presented on a modified accrual basis in the general, special revenue and capital projects funds and an accrual basis in the enterprise funds, whereby they are recognized in the accounting period in which the fund liability is incurred. For reimbursement-type grants, only the reimbursable expenditures are shown as federal expenditures.

The City has entered into grant agreements with government agencies on certain construction projects. The City recognizes grant expenditures as construction progresses on each project. The City has in process various grants from the U.S. Department of Transportation – Federal Aviation Administration for the funding of Airport Improvement Program projects including construction of the Midfield Terminal. As of June 30, 2009, the City has expended significant construction costs, which have been determined eligible for funding under these grant programs. However, the grant funding related to these construction costs has not yet been applied for or appropriated by the U.S. Congress, but is anticipated in 2010 – 2011. Because the appropriations have not yet occurred as of June 30, 2009, the City has not recognized grant revenue or a grant receivable thereon. The estimated future available grant funding under the aforementioned project for which construction costs have been paid or accrued as of June 30, 2009 is \$31,797,411. Such amounts are reflected as federal expenditures in the accompanying schedule.

(2) **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, 2009

(3) Subgrantees

Certain program funds are passed through the City to subgrantee organizations. The schedule does not include disbursements made by the subgrantees outside the City's direct control, but does include disbursements to those subgrantees. Of the programs in the accompanying schedule, the following amounts were passed through the City to subgrantee organizations:

Federal grantor/program title	Subgrantee amounts
Community Development Block Grant	\$ 200,200
Emergency Shelter Grants Program	75,000
Edward Byrne Memorial Justice Assistance Grant Program	6,975
Employment Service/Wagner-Peysner Funded Activities	114,548
HIV Care Formula Grants	2,747,822
HIV Prevention Activities – Health Department Based	403,756
WIA Adult Program	10,528
WIA Youth Activities	813,879
WIA Dislocated Workers	178,790
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Total funds disbursed to subgrantees	\$ <u>4,551,498</u>

(4) Relationship to Basic Financial Statements

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

	General fund	Special revenue	Capital projects	Enterprise	Primary government total
Special Supplemental Nutritional Program for Women, Infants, and Children	\$ —	804,339	—	—	804,339
Summer Food Services Program for Children	—	2,100	—	—	2,100
Community Development Block Grants/Entitlement Grants	—	1,305,599	—	—	1,305,599
Emergency Shelter Grants Program (ESG)	—	75,000	—	—	75,000
Home Investment Partnerships Program (HOME Program)	—	1,952,175	—	—	1,952,175
Community Development Block Grants/Brownfields Economic Development Initiative	—	287,760	—	—	287,760
Economic Development Initiative-Special Project, Neighborhood Initiative and Miscellaneous Grants	—	—	227,864	—	227,864

CITY OF SPRINGFIELD, MISSOURI

Notes to Schedule of Expenditures of Federal Awards

Year ended June 30, 2009

	<u>General fund</u>	<u>Special revenue</u>	<u>Capital projects</u>	<u>Enterprise</u>	<u>Primary government total</u>
Community Development Block Grant ARRA Entitlement Grants (CDBG-R)	\$ —	5,052	—	—	5,052
Homelessness Prevention and Rapid Re-Housing Program	—	4,280	—	—	4,280
Public and Indian Housing	—	7,552	—	—	7,552
Edward Byrne Memorial Formula Grant Program	—	149,892	—	—	149,892
Edward Byrne Memorial State and Local Law Enforcement Assistance Discretionary Grants Program	—	1,480,842	—	—	1,480,842
Edward Byrne Memorial Justice Assistance Grants Program	—	75,637	—	—	75,637
Employment Service/Wagner- Peysen Funded Activities	—	105,375	—	—	105,375
WIA Adult Program	—	1,214,652	—	—	1,214,652
WIA Youth Activities	—	1,356,204	—	—	1,356,204
WIA Dislocated Workers	—	1,427,372	—	—	1,427,372
Work Initiatives Grant	—	30,624	—	—	30,624
Airport Improvement Program	—	—	—	5,330,887	5,330,887
Highway Planning and Construction	—	—	7,268,955	—	7,268,955
Recreational Trails Program	—	—	98,025	—	98,025
High Speed Ground Transp. – Next Generation High Speed Rail Program	—	52,344	—	—	52,344
State and Community Highway Safety	—	109,827	—	—	109,827
Alcohol Impaired Driving Countermeasures Incentive Grants	—	19,700	—	—	19,700
Alcohol Open Container Requirements	—	50,439	—	—	50,439
Surveys, Studies, Investigations, Demonstrations and Special Purpose Activities Relating to the Clean Air Act	—	20,622	—	—	20,622
Congressionally Mandated Projects	—	—	—	170,826	170,826
Capitalization Grants for Clean Water State Revolving Funds	—	—	—	4,650,235	4,650,235
Performance Partnership Grants	—	201,143	—	—	201,143
Brownfield Assessment and Cleanup Cooperative Agreements	—	233,603	—	—	233,603

CITY OF SPRINGFIELD, MISSOURI

Notes to Schedule of Expenditures of Federal Awards

Year ended June 30, 2009

	<u>General fund</u>	<u>Special revenue</u>	<u>Capital projects</u>	<u>Enterprise</u>	<u>Primary government total</u>
Energy Efficiency and Conservation Block Grant Program (EECBG)	\$ 210,950	—	—	—	210,950
Fund for the Improvement of Education (FIE)	—	270,709	—	—	270,709
Twenty-First Century Community Learning Centers	—	304,496	—	—	304,496
Public Health Emergency Preparedness	—	309,496	—	—	309,496
Centers for Disease Control and Prevention – Investigations and Technical Assistance	—	104,918	—	—	104,918
Temporary Assistance to Needy Families	—	984,322	—	—	984,322
Child Care and Development Block Grant (CCDBG)	—	50,902	—	—	50,902
HIV Care Formula Grants	—	1,224,618	—	—	1,224,618
HIV Prevention Activities – Health Department Based (HIV Prevention Program)	—	241,682	—	—	241,682
Block Grants for Prevention and Treatment of Substance Abuse	—	6,124	—	—	6,124
Maternal and Child Health Services Block Grant to the States (MCH Block Grants)	—	67,647	—	—	67,647
Disaster Grants – Public Assistance (Presidentially Declared Disasters)	—	25,989	—	—	25,989
Law Enforcement Officer Reimbursement Agreement Program	—	—	—	145,429	145,429
Total	<u>\$ 210,950</u>	<u>14,563,036</u>	<u>7,594,844</u>	<u>10,297,377</u>	<u>32,666,207</u>