



**CITY OF SPRINGFIELD, MISSOURI**

OMB Circular A-133 Single Audit Report

Year ended June 30, 2011

(With Independent Auditors' Reports Thereon)

# CITY OF SPRINGFIELD, MISSOURI

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KPMG LLP  
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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, 2011, which collectively comprise the City's basic financial statements, and have issued our report thereon dated December 16, 2011. Our report was modified to include a reference to other auditors and the adoption of a new accounting pronouncement. 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 and 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 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**

Management of the City is responsible for establishing and maintaining effective 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 2011-01. 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*.

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 16, 2011



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

**Independent Auditors' Report on Compliance with Requirements That Could Have a Direct and Material Effect on 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 City of Springfield, Missouri's (the City) compliance with the types of compliance requirements described in the U.S. Office of Management and Budget (OMB) *Circular A-133 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, 2011. 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 \$5,302,475 in federal awards during its fiscal year ended September 30, 2010; such amounts are not included in the City's schedule of expenditures of federal awards for the year ended June 30, 2011. 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 of Springfield, Missouri complied, in all material respects, with the 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, 2011. 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 2011-03.

### **Internal Control over Compliance**

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 to determine the auditing procedures for the purpose of expressing our opinion on compliance and to test and report on internal control over compliance in accordance with OMB Circular A-133, 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.

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 deficiencies, significant deficiencies, or material weaknesses. We did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses, as defined above. However, we identified certain deficiencies in internal control over compliance that we consider to be significant deficiencies as described in the accompanying schedule of findings and questioned costs as findings 2011-02 through 2011-04. 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.

The City's responses to the findings identified in our audit are 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 the responses.

### **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, 2011, and have issued our report thereon dated December 16, 2011. That report was modified to include a reference to other auditors and the adoption of a new accounting pronouncement. 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  
February 22, 2012, except as to the  
paragraph relating to the schedule of expenditures  
of federal awards, which is as of December 16, 2011

**CITY OF SPRINGFIELD, MISSOURI**

Schedule of Findings and Questioned Costs

Year ended June 30, 2011

**(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 Opinions**
- (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 Housing and Urban Development – Home Investment Partnerships Program (CFDA #14.239)*
  - *U.S. Department of Housing and Urban Development – Community Development Block Grants – Section 108 Loan Guarantees (CFDA #14.248)*
  - *U.S. Department of Labor (passed through the Missouri Division of Workforce Development) – ARRA – Workforce Investment Act (WIA) Cluster (CFDA #17.258, 17.259, 17.260 and 17.278)*
  - *U.S. Department of Transportation – ARRA – Airport Improvement Program (CFDA #20.106)*
  - *U.S. Department of Transportation (passed through the Missouri Highways and Transportation Commission) – Highway Planning and Construction (CFDA #20.205)*
  - *U.S. Environmental Protection Agency (passed through the Missouri Department of Natural Resources) – ARRA – Capitalization Grants for Clean Water State Revolving Funds (CFDA #66.458)*
  - *U.S. Department of Health and Human Services (passed through Missouri Division of Workforce Development and the Missouri Department of Social Services – Family Support Division) – ARRA – Temporary Assistance for Needy Families Cluster (CFDA #93.558 and 93.714)*
- (j) Dollar threshold used to distinguish between Type A and Type B programs: **\$2,321,905**
- (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, 2011

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

***Finding 2011-01: Preparation and Review of the Schedule of Expenditures of Federal Awards***

**Criteria:** In accordance with the Single Audit Act, the City is required to prepare the Schedule of Expenditures of Federal Awards (SEFA) that includes the total amount of federal awards expended on each individual federal program on an accrual basis.

**Condition:** The City had to revise its SEFA several times due to errors caused by incorrect data being used. Approximately \$1.2 million of expenditures was incorrectly included initially due to not taking into account which expenditures had previously been reported in the prior year SEFA. In addition, an accrual of approximately \$8,000 was missed. There is not a consistent method used throughout the various departments to identify the correct dollar amount of annual federal expenditures.

**Cause:** Individuals are not sufficiently trained to appropriately report federal grant expenditures based on the requirements of the individual grants, including year-end accruals.

**Effect:** The City Finance Department was required to revise the SEFA several times as a result of these errors identified.

**Management's Response:** City departments will report federal grant expenditures more carefully in the future ensuring only current year expenditures are reported including applicable accruals. The City Finance Department will require departments to reconcile their federal expenditures and revenues for the year before reporting amounts in the SEFA in order to identify and correct any errors similar to those encountered in the fiscal year ended June 30, 2011.

**(3) Findings and Questioned Costs Relating to Federal Awards**

***Finding 2011-02: Inadequate Segregation of Duties over Reporting***

**Federal Program: Airport Improvement Program – ARRA – Reporting**

**CFDA # 20.106**

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

**Federal Award Number and Year: 3-29-0077-42-2010; 3-29-0077-38-2009 (ARRA)**

**Criteria:** As required by A-102 Common Rule and OMB Circular A-110, the City is required to have appropriate segregation of duties in place to ensure reports are accurately and timely prepared and submitted.

**CITY OF SPRINGFIELD, MISSOURI**

Schedule of Findings and Questioned Costs

Year ended June 30, 2011

- Condition:** The City did not have a separate individual reviewing certain reports after preparation prior to submission.
- Questioned Costs:** None.
- Proper Perspective:** The Monthly SF-271 Report – *Outlay Report and Request for Reimbursement for Construction Programs* was prepared, signed and submitted by the same person without another individual reviewing for completeness and accuracy in one out of five sample selections. Additionally, the quarterly ARRA Section 1512 reports were always prepared and submitted by the same individual without review by another individual.
- Cause:** The City did not have appropriate segregation of duties controls in place to ensure reports are prepared and submitted appropriately.
- Recommendation:** We recommend that the City have a second member of management review all reports prior to submission.
- Management’s response:** In the future, the Airport will have these documents reviewed by the Director of Aviation, by the Assistant Director of Aviation-Operations in the Director’s absence, and in instances where both are unavailable, by the Assistant City Manager.

***Finding 2011-03: Inadequate Controls over Equipment and Real Property Management***

**Federal Program:** Airport Improvement Program – ARRA – *Equipment and Real Property Management*

**CFDA #** 20.106

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

**Federal Award Number and Year:** 3-29-0077-42-2010, 3-29-0077-46-2011, 3-29-0077-44-2010, 3-29-0077-41-2010, 3-29-0077-38-2009 (ARRA)

- Criteria:** As required by A-102 Common Rule and OMB Circular A-110, a physical inventory of equipment acquired under Federal awards should be taken once every two years to ensure that equipment acquired with Federal funds is appropriately maintained and safeguarded.
- Condition:** The City does not have a documented physical inventory observation policy in place at the Airport.
- Questioned Costs:** None
- Proper Perspective:** A complete physical count of inventory purchased with Federal funds was not documented as being completed during fiscal year 2010 or

**CITY OF SPRINGFIELD, MISSOURI**

Schedule of Findings and Questioned Costs

Year ended June 30, 2011

fiscal year 2011. The Airport has 14 assets purchased with Federal funding. Management’s practice was to take a visual exam of assets on a periodic basis, but no documentation was maintained.

**Cause:** The City did not have a policy in place at the Airport which required that a documented physical inventory observation is performed at least once every two years.

**Recommendation:** We recommend the City formally document a physical inventory count and establish a policy at the Airport which requires that the required observations are being performed and documented.

**Management’s response:** In the future, the Airport will formally document its physical inventory observations for those items purchased with Federal funds.

***Finding 2011-04: Inadequate Segregation of Duties over Reporting***

**Federal Program: HOME – Reporting**

**CFDA # 14.239**

**Federal Agency: U.S. Department of Housing and Urban Development**

**Federal Award Number and Year: M-09-MC-29-0202 and M-10-MC-29-0202**

**Criteria:** As required by A-102 Common Rule and OMB Circular A-110, the City should have appropriate segregation of duties to ensure reports are accurately and timely prepared and submitted.

**Condition:** The City did not have a separate individual reviewing reports after preparation prior to submission.

**Questioned Costs:** None

**Proper Perspective:** The City did not have a review procedure in place relating to the annual HUD Report 60002, *Section 3 Summary Report, Economic Opportunities for Low- and Very Low-Income Persons*, and as a result, this report was submitted to the funding agency with inaccurate information included. The City subsequently resubmitted a corrected report.

**Cause:** The City did not have appropriate segregation of duties controls in place for the reporting compliance requirements.

**Recommendation:** We recommend that the City have a second member of management review all reports prior to submission.

**CITY OF SPRINGFIELD, MISSOURI**

Schedule of Findings and Questioned Costs

Year ended June 30, 2011

**Management's response:**

The City must promote Section 3 activities as part of the City's obligation to receive HUD funds. The Section 3 program requires that recipients of certain HUD financial assistance, to the greatest extent possible, provide job training, employment, and contract opportunities for low- or very-low income residents in connection with projects and activities in their neighborhoods.

The City must file an annual report to document all Section 3 activities including funding amounts. The report identifies the amount of HUD funding dedicated to Section 3 activities. This report was submitted using the "total funds drawn from HUD" instead of the "total construction contract amounts." When the error was identified, staff immediately corrected it and sent a revised report to HUD. This error actually improved the City's Section 3 reporting as our Section 3 activities increased from 27% to 29%. HUD subsequently approved our corrected Section 3 report.

In the future, this document will be prepared by the Community Development Loan Officer and will be reviewed by the Financial Analyst and the Planning and Development Manager to ensure the accurate amounts are reported.

**CITY OF SPRINGFIELD, MISSOURI**  
Schedule of Expenditures of Federal Awards  
Year ended June 30, 2011

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 and Children:			
Passed through the Missouri Department of Health and Senior Services:			
2009 – 10 WIC Local Agency Nutrition Services Administration	10.557	ERS04510216 – Am. 3	\$ 348,949
2010 – 11 WIC Local Agency Nutrition Services Administration	10.557	ERS04511216 – Am. 1	842,600
Subtotal for CFDA 10.557			<u>1,191,549</u>
Summer Food Services Program for Children:			
Passed through the Missouri Department of Health and Senior Services:			
2011 Summer Food Service Program Inspections – Child Nutrition	10.559	ERS219-1197i	1,440
Total U.S. Department of Agriculture			<u>1,192,989</u>
U.S. Department of Housing and Urban Development:			
Community Development Block Grants – Entitlement Grants Cluster:			
Community Development Block Grants/Entitlement Grants:			
2009 – 10 Community Development Block Grant (CDBG)	14.218	B-09-MC-29-0007	377,534
2010 – 11 Community Development Block Grant (CDBG)	14.218	B-10-MC-29-0007	1,132,732
Program income	14.218	–	11,628
Subtotal for CFDA 14.218			<u>1,521,894</u>
Community Development Block Grant ARRA Entitlement Grants (CDBG-R):			
ARRA – Community Development Block Grant Recovery (CDBG-R) Funds	14.253	B-09-MY-29-0007	67,567
Subtotal for CDBG – Entitlement Grants Cluster			<u>1,589,461</u>
Community Development Block Grants/State’s Program and Non-Entitlement Grants in Hawaii:			
Passed through the Missouri Department of Economic Development:			
HERA – 2009 CDBG – Neighborhood Stabilization Program	14.228	2008-DN-14	574,048
HERA – 2009 CDBG – Neighborhood Stabilization Program	14.228	2008-DN-304	200,121
Subtotal for CFDA 14.228			<u>774,169</u>
Emergency Shelter Grants Program (ESG):			
Passed through the Missouri Department of Social Services:			
2010 – 11 Emergency Shelter Grant Program	14.231	ERO 1642055	75,000
Home Investment Partnerships Program (HOME Program):			
2009 – 10 HOME Investment Partnerships	14.239	M-09-MC-29-0202	1,030,754
2010 – 11 HOME Investment Partnerships	14.239	M10-MC-29-0202	600,359
Program income	14.239	–	1,177,551
Subtotal for CFDA 14.239			<u>2,808,664</u>
Community Development Block Grants/Brownfields Economic Development Initiative:			
Brownfields Economic Development Initiative (BEDI) Grant	14.246	B-03-BD-29-0043	73,653
Community Development Block Grants – Section 108 Loan Guarantees:			
Community Development Block Grants – Section 108 Loan Guarantees	14.248	B-03-MC-29-0007	166,869
Economic Development Initiative – Special Project, Neighborhood Initiative and Miscellaneous Grants:			
Economic Development Initiative (EDI) Special Project Grant II	14.251	B-03-SP-MO-0394	468,060
Economic Development Initiative (EDI) Special Project Grant III	14.251	B-04-SP-MO-0403	872,637
Economic Development Initiative (EDI) Special Project Grant IV	14.251	B-05-SP-MO-0517	248,000
Economic Development Initiative (EDI) Special Project Grant V	14.251	B-06-SP-MO-0513	49,457
Historic Commercial Club Building Renovation	14.251	B-06-SP-MO-0523	35,006
Subtotal for CFDA 14.251			<u>1,673,160</u>
Homelessness Prevention and Rapid Re-Housing Program:			
ARRA – Homelessness Prevention & Rapid Re-Housing Program (HPRP)	14.257	S09-MY-29-0007	10,494
Public and Indian Housing:			
Passed through the Housing Authority of the City of Springfield, Missouri:			
2010 – 11 Housing Authority of Springfield	14.850	–	7,320
Total U.S. Department of Housing and Urban Development			<u>7,178,790</u>
U.S. Department of Justice:			
Public Safety Partnership and Community Policing Grants:			
2008 – 09 Community Oriented Policing Services (COPS) Technology Program Grant	16.710	2009CKWX0251	475,980
2010 – 11 Community Oriented Policing Services (COPS) Hiring Program Grant	16.710	2010ULWX0016	268,644
Subtotal for CFDA 16.710			<u>744,624</u>
JAG Program Cluster:			
Edward Byrne Memorial Justice Assistance Grant Program:			
2009 – 10 Justice Assistance Grant (JAG) (RMS and Forensic Vehicle)	16.738	2009-DJ-BX-0409	153,554
2010 – 11 Justice Assistance Grant (JAG)	16.738	2010-DJ-BX-0543	146,956
ARRA – FY09 Justice Assistance Grant (JAG) Program	16.738	2009-SB-B9-0723	76,911
Subtotal for CFDA 16.738			<u>377,421</u>

**CITY OF SPRINGFIELD, MISSOURI**  
Schedule of Expenditures of Federal Awards  
Year ended June 30, 2011

Federal grantor/pass-through grantor/ program title	Federal CFDA number	Grant/contract number	Federal expenditures
Recovery Act – Edward Byrne Memorial Justice Assistance Grant (JAG) Program/Grants to States and Territories:			
Passed through the Missouri Department of Public Safety:			
ARRA – 2011 Internet Cyber Crime Initiative	16.803	2009-MJCCG-023	\$ 106,478
Subtotal for JAG Program Cluster			<u>483,899</u>
Total U.S. Department of Justice			<u>1,228,523</u>
U.S. Department of Labor:			
WIA Cluster:			
WIA Adult Program:			
Passed through the Missouri Division of Workforce Development:			
WIA Adult FY10, PY09/10	17.258	10-08-08-10	161,292
WIA Adult PY10, PY10/11	17.258	10-08-08-11	184,496
WIA Adult FY11, PY10/11	17.258	10-08-08-11	633,678
Program Incentive Funds PY10/11	17.258	99-08-08-11	2,820
2003 JTPA, IV-D Hi-Risk Adult Special Project PY02/03	17.258	-	103
ARRA – Adult ARRA PY08, PY09/11	17.258	55-08-08-09	89,653
ARRA – PY10 15% State Parks Youth Corps (SPYC) Summer Program	17.258	99-08-08-11	3,901
Subtotal for CFDA 17.258			<u>1,075,943</u>
WIA Youth Activities:			
Passed through the Missouri Division of Workforce Development:			
2009 WIA Youth Program PY09, PY09/10	17.259	10-08-08-10	36,114
2010 WIA Youth Program PY10, PY10/11	17.259	10-08-08-11	913,106
2011 WIA Youth Program PY11, PY11/12	17.259	10-08-08-12	32,108
Program Incentive Funds PY10/11	17.259	99-08-08-11	3,330
ARRA – Governor’s 15% Youth ARRA PY08, PY09/11	17.259	75-08-08-09	120,613
ARRA – PY10 15% State Parks Youth Corps (SPYC) Summer Program	17.259	99-08-08-11	24,280
ARRA – Youth 85% ARRA PY08, PY09/11	17.259	55-08-08-09	100,756
Subtotal for CFDA 17.259			<u>1,230,307</u>
WIA Dislocated Workers:			
Passed through the Missouri Division of Workforce Development:			
2009 WIA, DWP FY10, PY09/10	17.260	10-08-08-10	111,973
ARRA – DWP ARRA PY08, PY09/11	17.260	55-08-08-09	443,842
ARRA – NEG DWP Worker/Mass Layoff, ARRA PY09/11	17.260	75-08-08-09	152,846
Subtotal for CFDA 17.260			<u>708,661</u>
WIA Dislocated Worker Formula Grants:			
Passed through the Missouri Division of Workforce Development:			
2010 WIA, DWP PY10, PY10/11	17.278	10-08-08-11	346,512
2010 WIA, DWP FY11, PY10/11	17.278	10-08-08-11	659,756
2010 WIA 25%, Rapid Response Funds PY10, PY10/11	17.278	99-08-08-11	17,000
2010 WIA 25%, Rapid Response Funds FY11, PY10/11	17.278	99-08-08-11	14,640
On-the-Job Training Project, 15% Set-Aside Activities PY10, FY11	17.278	99-08-08-11	50,000
Program Incentive Funds PY10/11	17.278	99-08-08-11	3,850
ARRA – PY10 15% State Parks Youth Corps (SPYC) Summer Program	17.278	99-08-08-11	8,276
Subtotal for CFDA 17.278			<u>1,100,034</u>
Subtotal for WIA Cluster			<u>4,114,945</u>
Program of Competitive Grants for Worker Training and Placement in High Growth and Emerging Industry Sectors:			
Passed through the Missouri Division of Workforce Development:			
ARRA – Regional Green Job Research PY09/10	17.275	75-08-08-09	10,261
Total U.S. Department of Labor			<u>4,125,206</u>
U.S. Department of Transportation:			
Airport Improvement Program:			
Rehabilitation of Runway 14/32 – Design Phase	20.106	3-29-0077-42-2010	147,536
Rehabilitation of Runway 14/32 – Schedules I and IV	20.106	3-29-0077-46-2011	36,401
Rehabilitation of Runway 14/32 – Schedules II and III	20.106	3-29-0077-44-2010	7,183
Update Master Plan Study	20.106	3-29-0077-41-2010	423,617
ARRA – Design and Construct Parallel Taxiway “W” and Associated Connector Taxiways and Apron (from Runway 14/32 to Taxiway “U”)	20.106	3-29-0077-38-2009	6,705,155
Subtotal for CFDA 20.106			<u>7,319,892</u>
Highway Planning and Construction:			
Passed through the Missouri Highways and Transportation Commission:			
Boonville Avenue Streetscape Phase 1 North	20.205	STP-5900(839)	50,226
Park Central East and West Streetscape	20.205	STP-5905(807)	128,800
Walnut Streetscape Phase 2	20.205	STP-5900(842)	19,808
Intelligent Transportation System (ITS) Program Construction and Integration of Springfield Regional Transportation Management Center (TMC) and Field Deployment Project –			

**CITY OF SPRINGFIELD, MISSOURI**  
Schedule of Expenditures of Federal Awards  
Year ended June 30, 2011

Federal grantor/pass-through grantor/ program title	Federal CFDA number	Grant/contract number	Federal expenditures
Federal FY 2003 Congressional Earmark Grant Intelligent Transportation System (ITS) Program Design and Integration of the Springfield Regional Transportation Management Center (TMC) and Field Deployment Project – Federal FY 2004 Congressional Earmark Grant	20.205	ITS-0329(801)	\$ 1,002,608
FY 2010 – FY 2011 STP – Urban Program Agreement – Transportation Management Center Salaries	20.205	ITS-0429(801)	968,644
FY 2011 – FY 2012 STP – Urban Program Agreement – Transportation Management Center Salaries	20.205	STP-5905(806)	166,844
Safe Routes to School FY 2009	20.205	STP-5938(801)	38,014
Fassnight Creek Greenway Trail	20.205	SRTS-NI-H288(502)	8,661
South Dry Sac Greenway Phase II	20.205	STP-9900(820)	939
South Dry Sac Greenway Section F	20.205	STP-9900(819)	2,243
Wilson’s Creek Greenway Phase 3	20.205	STP-5900(841)	6,626
		STP-5900(844)	16,896
Subtotal for CFDA 20.205			<u>2,410,309</u>
Highway Safety Cluster:			
State and Community Highway Safety:			
Passed through the Missouri Department of Transportation:			
2009-10 Hazardous Moving Violation Enforcement	20.600	10-PT-02-164	10,384
2010-11 Hazardous Moving Violation Enforcement	20.600	11-PT-02-126	41,003
2010-11 Part-Time Data Entry	20.600	11-TR-06-1	4,500
Passed through the Missouri Safety Center:			
2011 St. Patrick’s Weekend DWI Enforcement Campaign	20.600	–	429
2011 Youth Seat Belt Enforcement Campaign	20.600	–	1,143
Subtotal for CFDA 20.600			<u>57,459</u>
Alcohol Impaired Driving Countermeasures Incentive Grants:			
Passed through the Missouri Department of Transportation:			
2009-10 DWI Enforcement	20.601	10-K8-03-85	11,679
2009-10 Sobriety Checkpoint	20.601	10-K8-03-86	2,848
2009-10 Youth Alcohol Enforcement	20.601	10-K8-03-87	13,997
Passed through the Missouri Safety Center:			
2009-10 You Drink & Drive, You Lose! – DWI Enforcement Wave	20.601	–	1,817
2010 Child Passenger Safety Enforcement Grant	20.601	–	2,465
Subtotal for CFDA 20.601			<u>32,806</u>
Alcohol Open Container Requirements:			
Passed through the Missouri Department of Transportation:			
2010-11 DWI Enforcement	20.607	11-154-AL-107	51,998
2010-11 Sobriety Checkpoint	20.607	11-154-AL-108	9,881
2010-11 Youth Alcohol Enforcement	20.607	11-154-AL-106	40,843
Subtotal for CFDA 20.607			<u>102,722</u>
Subtotal for Highway Safety Cluster			<u>192,987</u>
Total U.S. Department of Transportation			<u>9,923,188</u>
U.S. Environmental Protection Agency:			
Surveys, Studies, Investigations, Demonstrations and Special Purpose Activities Relating to the Clean Air Act:			
Passed through the Missouri Department of Natural Resources:			
2010-11 Fine Particulate Matter 2.5 (PM2.5) Ambient Air Monitoring Network	66.034	A-5004-10	11,704
2011-12 Fine Particulate Matter 2.5 (PM2.5) Ambient Air Monitoring Network	66.034	A-5004-11	3,712
Subtotal for CFDA 66.034			<u>15,416</u>
Congressionally Mandated Projects:			
Congressional Earmark for Wastewater System Improvements – Fassnight Park Channel Improvements	66.202	XP-98785901-0	1,496,514
Capitalization Grants for Clean Water State Revolving Funds:			
Passed through the Missouri Department of Natural Resources:			
Capitalization Grants for Clean Water State Revolving Funds – Southwest Wastewater Treatment Plant Flood Control			
	66.458	C295406-03	30,591
Capitalization Grants for Clean Water State Revolving Funds – Spring Branch Sewer and Ozone	66.458	C295406-03	430,686
ARRA – Spring Branch Sewer and Ozone Grant	66.458	C295406-04G	2,882,695
ARRA – Spring Branch Sewer and Ozone Loan	66.458	C295406-04L	4,886,506
Subtotal for CFDA 66.458			<u>8,230,478</u>
Performance Partnership Grants:			
Passed through the Missouri Department of Natural Resources:			
2009-10 Air Pollution Control (FFY 2010 Performance Partnership Grant Subgrant)	66.605	A-0004-10-01	18,580
2010-11 Air Pollution Control (FFY2011 Performance Partnership Grant Subgrant)	66.605	A-0004-11	67,896
Subtotal for CFDA 66.605			<u>86,476</u>

**CITY OF SPRINGFIELD, MISSOURI**  
Schedule of Expenditures of Federal Awards  
Year ended June 30, 2011

Federal grantor/pass-through grantor/ program title	Federal CFDA number	Grant/contract number	Federal expenditures
Surveys, Studies, Investigations and Special Purpose Grants:			
Passed through the James River Basin Partnership:			
Water Quality Improvement Plan – Park Central East and West Streetscape	66.606	MM – 98737901-1	\$ 10,000
Brownfields Assessment and Cleanup Cooperative Agreements:			
Brownfields VII – Cleanup Site 1	66.818	BF – 98796601	166,291
Brownfields – Program income	66.818	–	175
Brownfields Revolving Loan Fund	66.818	BF – 98788001	378,123
Brownfields Revolving Loan Fund – Program income	66.818	–	9,000
ARRA – Brownfields VIII – Petroleum Assessment	66.818	2B – 97707701	56,688
ARRA – Brownfields IX – Hazardous Substance Assessment	66.818	2B – 97707801	90,246
ARRA – Brownfields X – Jordan Valley West Meadows Environmental Cleanup	66.818	2B – 97707901	186,565
Subtotal for CFDA 66.818			887,088
Total U.S. Environmental Protection Agency			10,725,972
U.S. Department of Energy:			
State Energy Program:			
Passed through the Missouri Department of Natural Resources:			
ARRA – Renewable Energy/Sustainable Food Project – Feasibility Study	81.041	G11-SEP-RES-02	35,991
Conservation Research and Development:			
Compressed Natural Gas Fueling Facility	81.086	DE-EE0004291	78,327
Energy Efficiency and Conservation Block Grant Program (EECBG):			
ARRA – Energy Efficiency & Conservation Block Grant Program	81.128	DE-SC0001796	1,037,044
Total U.S. Department of Energy			1,151,362
U.S. Department of Education:			
Fund for the Improvement of Education (FIE):			
2009-10 Ready to Learn Grant	84.215	U215K090173	198,147
Twenty-First Century Community Learning Centers:			
Passed through Springfield Public Schools:			
2010 21st Century Community Learning Centers/Afterschool Program – COHORT 5	84.287	21stCCLC0910	72,940
2010-11 21st Century Community Learning Centers/Afterschool Program – COHORT 4	84.287	21stCCLC0708-YR4	218,934
2010-11 21st Century Community Learning Centers/Afterschool Program – COHORT 5	84.287	21stCCLC0910-YR2	613,110
Subtotal for CFDA 84.287			904,984
Total U.S. Department of Education			1,103,131
U.S. Department of Health and Human Services:			
Public Health Emergency Preparedness:			
Passed through the Missouri Department of Health and Senior Services:			
2009-10 Missouri Public Health Emergency Response	93.069	AOC10380130-Am. 2	11,851
2010-11 Missouri Public Health Emergency Response	93.069	AOC10380130-Am. 4	461,796
2009-10 Regional Public Health Emergency Planning & Preparedness	93.069	AOC10380107	26,843
2010-11 Regional Public Health Emergency Planning & Preparedness	93.069	AOC10380107-Am. 2	251,332
Subtotal for CFDA 93.069			751,822
Substance Abuse and Mental Health Services – Projects of Regional and National Significance:			
Passed through the Community Partnership of the Ozarks, Inc.:			
Sober Truth on Preventing Underage Drinking (STOP) Grant	93.243	–	3,917
TANF Cluster:			
Temporary Assistance for Needy Families:			
Passed through the Missouri Division of Workforce Development:			
2010 Career Assistance Program PY10/11 – Federal TANF	93.558	99-08-08-10	229,437
Passed through the Missouri Department of Social Services:			
Missouri Work Assistance Program	93.558	C311006004	1,130,237
Subtotal for CFDA 93.558			1,359,674
ARRA – Emergency Contingency Fund for Temporary Assistance for Needy Families (TANF)			
State Program:			
Passed through the Missouri Division of Workforce Development:			
ARRA – TANF Summer Youth Program PY09/10	93.714	75-08-08-09	646,614
Subtotal for TANF Cluster			2,006,288
Child Care and Development Block Grant:			
Passed through the Missouri Department of Health and Senior Services:			
2009-10 Child Care Health Consultation	93.575	DH100009106-Am. 1	11
2010-11 Child Care Health Consultation	93.575	DH110004093-Am. 1	14,700
Passed through Springfield Public Schools:			
2010-11 School Age Community Program Grant (SAC)	93.575	SAC0809YR3	20,000
Subtotal for CFDA 93.575			34,711

**CITY OF SPRINGFIELD, MISSOURI**  
Schedule of Expenditures of Federal Awards  
Year ended June 30, 2011

Federal grantor/pass-through grantor/ program title	Federal CFDA number	Grant/contract number	Federal expenditures
HIV Care Formula Grants:			
Passed through the Missouri Department of Health and Senior Services:			
2010 – 11 HIV Case Management – Southwest Region	93.917	C308243001-Am. 3	\$ 1,048,459
2011 – 12 HIV Case Management – Southwest Region	93.917	C308243001-Am. 4	406,679
Subtotal for CFDA 93.917			<u>1,455,138</u>
Maternal and Child Health Services Block Grant to the States (MCH Block Grants):			
Passed through the Missouri Department of Health and Senior Services:			
2009 – 10 Maternal Child Health Services	93.994	AOC08380284-Am. 3	9,162
2010 – 11 Maternal Child Health Services	93.994	AOC08380284-Am. 5	42,303
Subtotal for CFDA 93.994			<u>51,465</u>
Total U.S. Department of Health and Human Services			<u>4,303,341</u>
Executive Office of the President:			
High Intensity Drug Trafficking Areas Program:			
Passed through the Missouri Department of Public Safety:			
2010 – 11 High Intensity Drug Trafficking Area (HIDTA)	95.001	G10MW0001A	86,819
2011 – 12 High Intensity Drug Trafficking Area (HIDTA)	95.001	G11MW0001A	54,695
Total Executive Office of the President			<u>141,514</u>
U.S. Department of Homeland Security:			
Staffing for Adequate Fire and Emergency Response (SAFER) – Hiring Program:			
Staffing for Adequate Fire and Emergency Response (SAFER) – Hiring Program	97.083	EMW-2009-FH-00059	561,938
Total U.S. Department of Homeland Security			<u>561,938</u>
Total expenditures of federal awards			<u>\$ 41,635,954</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, 2011

**(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 or SEFA) presents the activity of all federal award programs of the City, except as indicated in note 5. This schedule does not include federal grant funds received by the City Utilities of Springfield, Missouri, a component unit of the City, because these federal award programs are reported upon separately. 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 service funds, whereby expenditures are recognized in the accounting period in which the liability is incurred. For reimbursement-type grants, only the reimbursable expenditures are shown as federal expenditures.

**(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.

**(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:

<u>Federal grantor/program title</u>	<u>Subgrantee amounts</u>
Community Development Block Grants/Entitlement Grants	\$ 588,911
Edward Byrne Memorial Justice Assistance Grant Program	200,647
Emergency Shelter Grants Program (ESG)	75,000
HIV Care Formula Grants	1,221,865
Homelessness Prevention and Rapid Re-Housing Program	5,860
Recovery Act – Edward Byrne Memorial Justice Assistance Grant (JAG) Program/Grants to States and Territories	25,984
WIA Youth Activities	659,428
Total funds disbursed to subgrantees	\$ <u>2,777,695</u>

**CITY OF SPRINGFIELD, MISSOURI**

Notes to Schedule of Expenditures of Federal Awards

Year ended June 30, 2011

**(4) Relationship to Basic Financial Statements**

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

	<u>Special revenue</u>	<u>Capital projects</u>	<u>Enterprise</u>	<u>Primary government total</u>
Special Supplemental Nutritional Program for Women, Infants, and Children	\$ 1,191,549	—	—	1,191,549
Summer Food Services Program for Children	1,440	—	—	1,440
Community Development Block Grants/Entitlement Grants	1,521,894	—	—	1,521,894
Community Development Block Grant ARRA Entitlement Grants (CDBG-R)	67,567	—	—	67,567
Community Development Block Grants/State’s Program and Non-Entitlement Grants in Hawaii	774,169	—	—	774,169
Emergency Shelter Grants Program (ESG)	75,000	—	—	75,000
Home Investment Partnerships Program (HOME Program)	2,808,664	—	—	2,808,664
Community Development Block Grants/Brownfields Economic Development Initiative	73,653	—	—	73,653
Community Development Block Grants – Section 108 Loan Guarantees	166,869	—	—	166,869
Economic Development Initiative – Special Project, Neighborhood Initiative and Miscellaneous Grants	—	1,673,160	—	1,673,160
Homelessness Prevention and Rapid Re-Housing Program	10,494	—	—	10,494
Public and Indian Housing	7,320	—	—	7,320
Public Safety Partnership and Community Policing Grants	744,624	—	—	744,624
Edward Byrne Memorial Justice Assistance Grant Program	377,421	—	—	377,421
Recovery Act – Edward Byrne Memorial Justice Assistance Grant (JAG) Program/Grants to States and Territories	106,478	—	—	106,478
WIA Adult Program	1,075,943	—	—	1,075,943
WIA Youth Activities	1,230,307	—	—	1,230,307

**CITY OF SPRINGFIELD, MISSOURI**

Notes to Schedule of Expenditures of Federal Awards

Year ended June 30, 2011

	<u>Special revenue</u>	<u>Capital projects</u>	<u>Enterprise</u>	<u>Primary government total</u>
WIA Dislocated Workers	\$ 708,661	—	—	708,661
WIA Dislocated Worker Formula Grants	1,100,034	—	—	1,100,034
Program of Competitive Grants for Worker Training and Placement in High Growth and Emerging Industry Sectors	10,261	—	—	10,261
Airport Improvement Program	—	—	7,319,892	7,319,892
Highway Planning and Construction	—	2,410,309	—	2,410,309
State and Community Highway Safety Alcohol Impaired Driving	57,459	—	—	57,459
Countermeasures Incentive Grants	32,806	—	—	32,806
Alcohol Open Container Requirements	102,722	—	—	102,722
Surveys, Studies, Investigations, Demonstrations and Special Purpose Activities Relating to the Clean Air Act	15,416	—	—	15,416
Congressionally Mandated Projects	—	1,496,514	—	1,496,514
Capitalization Grants for Clean Water State Revolving Funds	—	—	8,230,478	8,230,478
Performance Partnership Grants	86,476	—	—	86,476
Surveys, Studies, Investigations and Special Purpose Grants	—	10,000	—	10,000
Brownfields Assessment and Cleanup Cooperative Agreements	887,088	—	—	887,088
State Energy Program	—	—	35,991	35,991
Conservation Research and Development	—	78,327	—	78,327
Energy Efficiency and Conservation Block Grant Program (EECBG)	—	1,037,044	—	1,037,044
Fund for the Improvement of Education (FIE)	198,147	—	—	198,147
Twenty-First Century Community Learning Centers	904,984	—	—	904,984
Public Health Emergency Preparedness Substance Abuse and Mental Health	751,822	—	—	751,822
Services – Projects of Regional and National Significance	3,917	—	—	3,917
Temporary Assistance for Needy Families	1,359,674	—	—	1,359,674

**CITY OF SPRINGFIELD, MISSOURI**

Notes to Schedule of Expenditures of Federal Awards

Year ended June 30, 2011

	<u>Special revenue</u>	<u>Capital projects</u>	<u>Enterprise</u>	<u>Primary government total</u>
ARRA – Emergency Contingency Fund for Temporary Assistance for Needy Families (TANF) State Program	\$ 646,614	—	—	646,614
Child Care and Development Block Grant	34,711	—	—	34,711
HIV Care Formula Grants	1,455,138	—	—	1,455,138
Maternal and Child Health Services Block Grant to the States (MCH Block Grants)	51,465	—	—	51,465
High Intensity Drug Trafficking Areas Program	141,514	—	—	141,514
Staffing for Adequate Fire and Emergency Response (SAFER) – Hiring Program	<u>561,938</u>	<u>—</u>	<u>—</u>	<u>561,938</u>
Total	<u>\$ 19,344,239</u>	<u>6,705,354</u>	<u>15,586,361</u>	<u>41,635,954</u>

**(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.

**CITY OF SPRINGFIELD, MISSOURI**

Notes to Schedule of Expenditures of Federal Awards

Year ended June 30, 2011

During the fiscal year ended June 30, 2011, the following federal monies awarded to the City were expended on joint projects with MoDOT.

<u>Federal grantor/pass-through grantor/ program title</u>	<u>Federal CFDA number</u>	<u>Grant/contract number</u>	<u>Federal expenditures</u>
U.S. Dept. of Transportation:			
Highway Planning and Construction:			
Passed through the Missouri Highways and Transportation Commission:			
Campbell Widening from South Avenue to Plainview Road	20.205	J8P0792	\$ 449,898
James River Freeway and National Avenue Interchange	20.205	J8P0791	311,814
ARRA – James River Freeway and National Avenue Interchange	20.205	J8P0791	<u>970,975</u>
			<u>\$ 1,732,687</u>

**(6) Outstanding Loan Principal Balances**

***Community Development Block Grant***

The following is a list of the outstanding principal balances of the Community Development Block Grant and related program loans due at June 30, 2011:

Community Development Block Grant (14.218)	\$ 11,591,916
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Current year loans of \$127,589 and expenses of \$1,394,305 relating to administration as well as public service and streetscape projects are included in the SEFA. The Community Development Block Grant and related program loans have continuing compliance requirements.

***HOME Investment Partnerships Program***

The following is a list of the outstanding principal balances of the HOME Investment Partnerships Program and related program loans due at June 30, 2011:

HOME Investment Partnerships Program (14.239)	\$ 17,629,208
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Current year loans of \$2,373,628 and administrative expenses of \$435,036 are included in the SEFA. The HOME Investment Partnerships Program and related program loans have continuing compliance requirements.

**CITY OF SPRINGFIELD, MISSOURI**

Notes to Schedule of Expenditures of Federal Awards

Year ended June 30, 2011

***Section 108 Loans***

The following is a list of the outstanding principal balances of the Section 108 Loans and related program loans due at June 30, 2011:

Section 108 Loans (14.248)	\$ 7,021,210
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Current year loans of \$166,869 are included in the SEFA. The Section 108 Loans and related program loans have continuing compliance requirements.