

**LOUISVILLE/JEFFERSON COUNTY
METRO GOVERNMENT**
Louisville, Kentucky

**SINGLE AUDIT REPORT
IN ACCORDANCE WITH UNIFORM GUIDANCE**
June 30, 2016

LOUISVILLE/JEFFERSON COUNTY
METRO GOVERNMENT
Louisville, Kentucky

SINGLE AUDIT REPORT
IN ACCORDANCE WITH UNIFORM GUIDANCE
June 30, 2016

CONTENTS

INDEPENDENT AUDITOR'S REPORT ON INTERNAL CONTROL OVER FINANCIAL REPORTING AND ON COMPLIANCE AND OTHER MATTERS BASED ON AN AUDIT OF FINANCIAL STATEMENTS PERFORMED IN ACCORDANCE WITH <i>GOVERNMENT AUDITING STANDARDS</i>	1
INDEPENDENT AUDITOR'S REPORT ON COMPLIANCE FOR EACH MAJOR FEDERAL PROGRAM, REPORT ON INTERNAL CONTROL OVER COMPLIANCE; AND REPORT ON THE SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS REQUIRED BY THE UNIFORM GUIDANCE	3
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS.....	6
NOTES TO SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS	17
SCHEDULE OF FINDINGS AND QUESTIONED COSTS	19
INDEPENDENT AUDITOR'S REPORT ON COMPLIANCE FOR KENTUCKIANA REGIONAL PLANNING AND DEVELOPMENT AGENCY CONTRACT NUMBER P0N2-725-1400001066-4.....	21
ATTACHMENT A – KIPDA MONTHLY SERVICE PROVIDER FINANCIAL REPORT – TITLE III-C FISCAL YEAR 2016.....	23

**INDEPENDENT AUDITOR'S REPORT ON INTERNAL CONTROL OVER FINANCIAL REPORTING
AND ON COMPLIANCE AND OTHER MATTERS BASED ON AN AUDIT OF FINANCIAL
STATEMENTS PERFORMED IN ACCORDANCE WITH GOVERNMENT AUDITING STANDARDS**

Honorable Mayor Greg Fischer and
The Louisville Metro Council
Louisville, Kentucky

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of the governmental activities, the aggregate discretely presented component units, each major fund, and the aggregate remaining fund information of Louisville/Jefferson County Metro Government ("Metro Government") as of and for the year ended June 30, 2016, and the related notes to the financial statements, which collectively comprise Metro Government's basic financial statements, and have issued our report thereon dated December 23, 2016. Our report includes a reference to other auditors who audited the financial statements of the Waterfront Development Corporation, the Kentucky Science Center, Inc., KentuckianaWorks and Family Health Centers, Inc. as described in our report on Metro Government'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 of the financial statements, we considered Metro Government's internal control over financial reporting (internal control) to determine the audit procedures that are appropriate in the circumstances for the purpose of expressing our opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of Metro Government's internal control. Accordingly, we do not express an opinion on the effectiveness of Metro Government's internal control.

A deficiency in internal control exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, misstatements on a timely basis. A *material weakness* is a deficiency, or a combination of deficiencies, in internal control, such that there is a reasonable possibility that a material misstatement of the entity's financial statements will not be prevented, or detected and corrected on a timely basis. A *significant deficiency* is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

Compliance and Other Matters

As part of obtaining reasonable assurance about whether Metro Government'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 financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

Purpose of this Report

The purpose of this report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the entity's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the entity's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.


Crowe Horwath LLP

Louisville, Kentucky
December 23, 2016

**INDEPENDENT AUDITOR'S REPORT ON COMPLIANCE FOR
EACH MAJOR FEDERAL PROGRAM, REPORT ON INTERNAL CONTROL
OVER COMPLIANCE; AND REPORT ON THE SCHEDULE OF EXPENDITURES OF
FEDERAL AWARDS AS REQUIRED BY THE UNIFORM GUIDANCE**

Honorable Mayor Greg Fischer and
The Louisville Metro Council
Louisville, Kentucky

Report on Compliance for Each Major Federal Program

We have audited Louisville/Jefferson County Metro Government's ("Metro Government") compliance with the types of compliance requirements described in the *OMB Compliance Supplement* that could have a direct and material effect on each of Metro Government's major federal programs for the year ended June 30, 2016. Metro Government's major federal programs are identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs.

Metro Government's basic financial statements include the operations of the Transit Authority of River City ("TARC"), KentuckianaWorks and Family Health Centers, Inc., discretely presented component units, which received \$27,236,960, \$7,458,207 and \$9,185,353 in federal awards, respectively, which is not included in Metro Government's schedule of expenditures of federal awards during the year ended June 30, 2016. Our audit, described below, did not include the operations of TARC, KentuckianaWorks, and Family Health Centers, Inc. because the entities have separate audits performed in accordance with Uniform Guidance.

Management's Responsibility

Management is responsible for compliance with the requirements of laws, regulations, contracts, and grants applicable to its federal programs.

Auditor's Responsibility

Our responsibility is to express an opinion on compliance for each of Metro Government's major federal programs based on our audit of the types of compliance requirements referred to above. We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; and the audit requirements of Title 2 U.S. *Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance). Those standards and Uniform Guidance require that we plan and perform the audit to obtain reasonable assurance about whether noncompliance with the types of compliance requirements referred to above that could have a direct and material effect on a major federal program occurred. An audit includes examining, on a test basis, evidence about Metro Government's compliance with those requirements and performing such other procedures as we considered necessary in the circumstances. We believe that our audit provides a reasonable basis for our opinion on compliance for each major federal program. However, our audit does not provide a legal determination of Metro Government's compliance.

Opinion on Each Major Federal Program

In our opinion, Metro Government complied, in all material respects, with the types of compliance requirements referred to above that could have a direct and material effect on each of its major federal programs for the year ended June 30, 2016.

Report on Internal Control Over Compliance

Management of Metro Government is responsible for establishing and maintaining effective internal control over compliance with the types of compliance requirements referred to above. In planning and performing our audit of compliance, we considered Metro Government's internal control over compliance with the types of requirements that could have a direct and material effect on each major federal program to determine the auditing procedures that are appropriate in the circumstances for the purpose of expressing an opinion on compliance for each major federal program and to test and report on internal control over compliance in accordance with Uniform Guidance, but not for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, we do not express an opinion on the effectiveness of Metro Government's internal control over compliance.

A deficiency in internal control over compliance exists when the design or operation of a control over compliance does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, noncompliance with a type of compliance requirement of a federal program on a timely basis. *A material weakness in internal control over compliance* is a deficiency, or combination of deficiencies, in internal control over compliance, such that there is a reasonable possibility that material noncompliance with a type of compliance requirement of a federal program will not be prevented, or detected and corrected, on a timely basis. *A significant deficiency in internal control over compliance* is a deficiency, or a combination of deficiencies, in internal control over compliance with a type of compliance requirement of a federal program that is less severe than a material weakness in internal control over compliance, yet important enough to merit attention by those charged with governance.

Our consideration of internal control over compliance was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control over compliance that might be material weaknesses or significant deficiencies. We did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

The purpose of this report on internal control over compliance is solely to describe the scope of our testing of internal control over compliance and the results of that testing based on the requirements of Uniform Guidance. Accordingly, this report is not suitable for any other purpose.

Report on Schedule of Expenditures of Federal Awards Required by Uniform Guidance

We have audited the financial statements of the governmental activities, the aggregate discretely presented component units, each major fund, and the aggregate remaining fund information of Metro Government as of and for the year ended June 30, 2016, and the related notes to the financial statements, which collectively comprise Metro Government's basic financial statements. We issued our report thereon dated December 23, 2016, which contained unmodified opinions on those financial statements. Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the basic financial statements. The accompanying schedule of expenditures of federal awards is presented for purposes of additional analysis as required by Uniform Guidance and is not a required part of the basic financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements.

The information has been subjected to the auditing procedures applied in the audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the schedule of expenditure of federal awards is fairly stated in all material respects in relation to the basic financial statements as a whole.

Crowe Horwath LLP
Crowe Horwath LLP

Louisville, Kentucky
December 23, 2016

LOUISVILLE/JEFFERSON COUNTY METRO GOVERNMENT
 SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
 Year ended June 30, 2016

<u>Federal Agency</u>	<u>CFDA Number</u>	<u>Pass-Through Number</u>	<u>Federal Expenditures</u>	<u>Provided to Subrecipients</u>
U.S. Department of Agriculture				
Direct Programs:				
Farmers' Market and Local Food Promotion Program	10.168		\$ 34,974	\$ 1,303
Rural Development Cooperative Agreement Program	10.890		<u>15,912</u>	<u>-</u>
			<u>50,886</u>	<u>1,303</u>
Pass-Through:				
<i>Kentucky Cabinet for Health and Family Services</i>				
Special Supplemental Nutrition Program for Women, Infants, and Children	10.557	FY16 KY State	2,391,217	-
<i>Kentucky Department of Education</i>				
Summer Food Service Program for Children	10.559	056 W45 999 SU	<u>66,722</u>	<u>-</u>
			<u>2,457,939</u>	<u>-</u>
Total U.S. Department of Agriculture			<u>2,508,825</u>	<u>1,303</u>
U.S. Department of Commerce				
Direct Programs:				
Economic Adjustment Assistance	11.307		<u>1,842,754</u>	<u>-</u>
Total U.S. Department of Commerce			<u>1,842,754</u>	<u>-</u>

See related notes to the Schedule of Expenditures of Federal Awards.

LOUISVILLE/JEFFERSON COUNTY METRO GOVERNMENT
 SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
 Year ended June 30, 2016

<u>Federal Agency</u>	<u>CFDA Number</u>	<u>Pass-Through Number</u>	<u>Federal Expenditures</u>	<u>Provided to Subrecipients</u>
U.S. Department of Housing and Urban Development (HUD)				
Direct Programs:				
Community Development Block Grant/ Entitlement Grants	14.218		\$ 10,315,502	\$ 2,361,817
Emergency Solutions Grant Program	14.231		910,827	632,634
Shelter Plus Care	14.238		110,970	-
Home Investment Partnership Program	14.239		2,859,341	323,607
Housing Opportunities for Persons with AIDS (HOPWA)	14.241		555,809	539,144
Continuum of Care Program	14.267		2,207,226	58,468
Fair Housing Assistance Program – State And Local	14.401		156,870	-
Lead - Based Paint Hazard Control in Privately-Owned Housing	14.900		998,764	-
			<u>18,115,309</u>	<u>3,915,670</u>
Pass Through:				
<i>Kentucky Department of Local Government Community Development Block Grants/ State's Program and Non-Entitlement Grants in Hawaii</i>	14.228	14N-052	24,841	-
Family and Children First, Inc. DBA Family & Children's Place Continuum of Care Program	14.267	KY0140L4I011300	40,005	-
			<u>64,846</u>	<u>-</u>
Total U.S. Department of Housing and Urban Development (HUD)			<u>18,180,155</u>	<u>3,915,670</u>

See related notes to the Schedule of Expenditures of Federal Awards.

LOUISVILLE/JEFFERSON COUNTY METRO GOVERNMENT
 SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
 Year ended June 30, 2016

<u>Federal Agency</u>	<u>CFDA Number</u>	<u>Pass-Through Number</u>	<u>Federal Expenditures</u>	<u>Provided to Subrecipients</u>
U.S. Department of Justice				
Direct Programs:				
Justice Systems Response to Families	16.021		\$ 88,672	\$ 83,990
Community-Based Violence Prevention Program	16.123		121,737	93,622
Supervised Visitation, Safe Havens for Children	16.527		54,792	35,432
Grants to Encourage Arrest Policies and Enforcement of Protection Orders Program	16.590		137,030	38,646
State Criminal Alien Assistance Program	16.606		9,564	-
Public Safety Partnership and Community Policing Grants	16.710		283,603	-
Edward Byrne Memorial Justice Assistance Grant (JAG) Program	16.738		795,607	-
Criminal and Juvenile Justice and Mental Health Collaboration Program	16.745		58,749	57,545
Second Chance Act Reentry Initiative	16.812		4,373	
Equitable Sharing Program	16.922		477,117	-
			<u>2,031,244</u>	<u>309,235</u>
Pass-Through:				
<i>Office of Juvenile Justice and Delinquency Prevention</i>				
Juvenile Accountability Block Grants	16.523	JABG 2012	30,276	-
<i>Kentucky Justice and Public Safety Cabinet</i>				
<i>U.S. Department of Juvenile Justice</i>				
Juvenile Justice and Delinquency Prevention - Allocation to States	16.540	2011-JF-FX-0037	12,494	-

See related notes to the Schedule of Expenditures of Federal Awards.

LOUISVILLE/JEFFERSON COUNTY METRO GOVERNMENT
 SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
 Year ended June 30, 2016

<u>Federal Agency</u>	<u>CFDA Number</u>	<u>Pass-Through Number</u>	<u>Federal Expenditures</u>	<u>Provided to Subrecipients</u>
U.S. Department of Justice (Continued)				
Pass-Through (continued):				
<i>Seven Counties Services, Inc. Regional Prevention Center</i>				
Enforcing Underage Drinking Laws Program	16.727	MOU	\$ 11,163	\$ -
Edward Byrne Memorial Justice Assistance Grant Program	16.738	2013-DJ-BX-0249	<u>44,377</u>	<u>-</u>
			<u>98,310</u>	<u>-</u>
Total U.S. Department of Justice			<u>2,129,554</u>	<u>309,235</u>
U.S. Department of Labor				
Pass-Through:				
<i>National Disability Institute</i>				
Disability Employment Policy Development	17.720	OD-23863-12-75-4-11	<u>28,528</u>	<u>-</u>
Total U.S. Department of Labor			<u>28,528</u>	<u>-</u>
U.S. Department of Transportation				
Pass-Through:				
Highway Planning and Construction Cluster:				
<i>Kentucky Transportation Cabinet</i>				
Highway Planning and Construction	20.205	PO2-625-1600000956	6,967,948	-
<i>Kentuckiana Regional Planning and Development Agency</i>				
Highway Training and Education	20.215	MOA	199,089	-
<i>Justice and Public Safety Cabinet</i>				
Motor Carrier Safety Assistance	20.218	MOA	102,504	-

See related notes to the Schedule of Expenditures of Federal Awards.

LOUISVILLE/JEFFERSON COUNTY METRO GOVERNMENT
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
Year ended June 30, 2016

<u>Federal Agency</u>	<u>CFDA Number</u>	<u>Pass-Through Number</u>	<u>Federal Expenditures</u>	<u>Provided to Subrecipients</u>
U.S. Department of Transportation				
Pass-Through:				
Highway Planning and Construction				
Cluster (continued):				
<i>Kentucky Department of Transportation</i>				
State and Community Highway Safety Alcohol Impaired Driving	20.600	PO2 625 1500000445 1	\$ 68,236	\$ -
Countermeasures Incentive Grants I National Highway Traffic Safety Administration (NHTSA)	20.601	PO2 625 1500005138 1	39,808	-
Discretionary Safety Grants	20.614	PO2 625 1400006020 1	92,311	-
National Priority Safety Programs	20.616	PO2 625 1600004148 1	18,454	-
			<u>7,488,350</u>	<u>-</u>
Total U.S. Department of Transportation			<u>7,488,350</u>	<u>-</u>
U.S. Equal Employment Opportunity Commission (EEODC)				
Direct:				
Employment of Discrimination – Title VII of the Civil Rights Act of 1964	30.001		<u>61,191</u>	<u>-</u>
Total U.S. Equal Employment Opportunity Commission (EEODC)			<u>61,191</u>	<u>-</u>
U.S. Environmental Protection Agency				
Direct Programs:				
Air Pollution Control Program Support (Section 105)	66.001		405,115	-
Surveys, Studies, Research, Investigations, Demonstrations, and Special Purpose Activities Relating to the Clean Air Act	66.034		73,844	-

See related notes to the Schedule of Expenditures of Federal Awards.

LOUISVILLE/JEFFERSON COUNTY METRO GOVERNMENT
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
Year ended June 30, 2016

<u>Federal Agency</u>	<u>CFDA Number</u>	<u>Pass-Through Number</u>	<u>Federal Expenditures</u>	<u>Provided to Subrecipients</u>
U.S. Environmental Protection Agency (Continued)				
Direct Programs (continued):				
Brownfields Training, Research, and Technical Assistance and Cooperative Agreements	66.814		\$ 38,199	\$ 35,491
Brownfields Assessment and Cleanup Cooperative Agreement	66.818		<u>213,510</u>	<u>-</u>
			<u>730,668</u>	<u>35,491</u>
Pass-Through:				
<i>Kentucky Cabinet for Health and Family Services</i>				
State Indoor Radon grants	66.032	FY16 KY State MOA	<u>30,977</u>	<u>-</u>
Total U.S. Environmental Protection Agency			<u>761,645</u>	<u>35,491</u>
U.S. Department of Energy				
Pass-Through:				
<i>Community Action Kentucky/Kentucky Housing Corporation</i>				
Weatherization Assistance for Low- Income Persons	81.042	DOE WX-23	<u>67,203</u>	<u>-</u>
Total U.S. Department of Energy			<u>67,203</u>	<u>-</u>
U.S. Department of Health and Human Services				
Direct:				
Special Programs for the Aging – Title IV and Title II – Discretionary Projects	93.048		303,729	171,800
Health Start Initiative	93.926		<u>995,747</u>	<u>-</u>
			<u>1,299,476</u>	<u>171,800</u>

See related notes to the Schedule of Expenditures of Federal Awards.

LOUISVILLE/JEFFERSON COUNTY METRO GOVERNMENT
 SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
 Year ended June 30, 2016

<u>Federal Agency</u>	<u>CFDA Number</u>	<u>Pass-Through Number</u>	<u>Federal Expenditures</u>	<u>Provided to Subrecipients</u>
U.S. Department of Health and Human Services				
Pass-Through:				
<i>Kentuckiana Regional Planning and Development Agency</i>				
Special Programs for the Aging Title III, Part C Nutrition Services	93.045	KIPDA-FY2016-1012-1/PON 725-1	\$ 393,106	\$ 45,313
<i>Community Action Kentucky</i>				
Low-Income Home Energy Assistance	93.568	LIHEAP-015	3,925,127	-
<i>Community Action Kentucky/Kentucky Housing Corporation</i>				
Low-Income Home Energy Assistance	93.568	LIHEAP-015	50,560	-
<i>Kentucky Cabinet for Health and Family Services</i>				
Community Services Block Grant	93.569	PON2 736 1500001304 1	1,572,695	-
<i>Kentucky Cabinet for Health and Family Services</i>				
Environmental Public Health and Emergency Response	93.070	FY16 KY State MOA	12,726	-
<i>National Association of County and City Health Officials</i>				
Food and Drug Administration Research Hospital Preparedness Program (HPP) and Public Health Emergency Preparedness (PHEP) Aligned Cooperative Agreements	93.103	2015-011513	5,139	-
<i>Kentucky Cabinet for Health and Family Services</i>				
Project Grants and Cooperative Agreements for Tuberculosis Control Programs	93.116	FY16 KY State MOA	71,826	-
Family Planning Services	93.217	FY16 KY State MOA	392,169	-

See related notes to the Schedule of Expenditures of Federal Awards.

LOUISVILLE/JEFFERSON COUNTY METRO GOVERNMENT
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
Year ended June 30, 2016

<u>Federal Agency</u>	<u>CFDA Number</u>	<u>Pass-Through Number</u>	<u>Federal Expenditures</u>	<u>Provided to Subrecipients</u>
U.S. Department of Health and Human Services				
(Continued)				
Pass-Through (continued):				
<i>Kentucky Cabinet for Health and Family Services</i>				
Immunization Cooperative Agreements Centers for Disease Control and Prevention – Investigations and Technical Assistance	93.268	FY16 KY State MOA	\$ 10,402	\$ -
Child Lead Poisoning Prevention Surveillance financed in part by Prevention and Public Health (PPHF) Program	93.283	FY16 KY State MOA	547,580	-
State and Local Public Health Actions to Prevent Obesity, Diabetes, Heart Disease and Stroke (PPHF)	93.753	FY16 KY State MOA	121,279	-
Medical Assistance Program	93.757	FY16 KY State MOA	25,000	-
National Bioterrorism Hospital Preparedness Program	93.778	FY16 KY State MOA	2,715	-
HIV Prevention Activities – Health Department Based	93.889	FY16 KY State MOA	71,280	-
Human Immunodeficiency Virus (HIV)/Acquired Immunodeficiency Virus Syndrome (AIDS) Surveillance	93.940	FY 16 KY State MOA	70,635	-
Assistance Programs for Chronic Disease Prevention and Control	93.944	FY16 KY State MOA	45,689	-
Block Grant for Prevention and Treatment of Substance Abuse	93.945	FY16 KY State MOA	1,000	-
Preventive Health and Health Services Block Grant	93.959	PON2 729 1400000889 2	500,000	-
Maternal and Child Health Services Block to the States	93.991	FY16 KY State MOA	52,042	-
	93.994	FY16 KY State MOA	162,641	-

See related notes to the Schedule of Expenditures of Federal Awards.

LOUISVILLE/JEFFERSON COUNTY METRO GOVERNMENT
 SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
 Year ended June 30, 2016

<u>Federal Agency</u>	<u>CFDA Number</u>	<u>Pass-Through Number</u>	<u>Federal Expenditures</u>	<u>Provided to Subrecipients</u>
U.S. Department of Health and Human Services				
(Continued)				
Pass-Through (continued):				
Norton Healthcare Foundation				
Building Capacity of the Public Health System to Improve Population Health Through National, Non-Profit Organizations – financed in part by Prevention and Public Health Funds (PPHF)				
	93.524	MOA	\$ 9,783	\$ -
			<u>8,118,845</u>	<u>45,313</u>
Total U.S. Department of Health and Human Services			<u>9,418,321</u>	<u>217,113</u>
Corporation for National and Community Services				
Direct Programs:				
Retired Senior and Volunteer Program				
	94.002		120,490	-
Foster Grandparent Program (FGP)				
	94.011		<u>545,095</u>	<u>-</u>
Total Corporation for National and Community Services			<u>665,585</u>	<u>-</u>
Executive Office of the President				
Pass-Through:				
<i>Office of National Drug Control Policy</i>				
High Intensity Drug Trafficking Areas Program				
	95.001	G15AP0001A	<u>185,773</u>	<u>-</u>
Total Executive Office of the President			<u>185,773</u>	<u>-</u>

See related notes to the Schedule of Expenditures of Federal Awards.

LOUISVILLE/JEFFERSON COUNTY METRO GOVERNMENT
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
Year ended June 30, 2016

<u>Federal Agency</u>	<u>CFDA Number</u>	<u>Pass-Through Number</u>	<u>Federal Expenditures</u>	<u>Provided to Subrecipients</u>
U.S. Social Security Administration				
Pass Through:				
<i>State of Kentucky</i>				
Supplemental Security Income Program (SSI)	96.006	N/A	\$ 30,400	-
Total U.S. Social Security Administration			<u>30,400</u>	<u>-</u>
U.S. Department of Homeland Security				
Direct Programs:				
Assistance to Firefighters Grant	97.044		327,099	-
Port Security Grant Program	97.056		295,755	-
Disaster Grants - Assistance to Firefighters Station Construction Grants	97.036		<u>692,763</u>	<u>-</u>
			<u>1,315,617</u>	<u>-</u>
Pass-Through:				
<i>Kentucky Division of Military Affairs</i>				
<i>Division of Emergency Management</i>				
Flood Mitigation Assistance	97.029	PON2 095 1500000948 1	24,900	-
Hazard Mitigation Grant	97.039	Various	767,907	-
Emergency Management Performance Grants	97.042	PON2 095 1500000654 1	397,329	-
Pre-Disaster Mitigation	97.047	PON2 095 1500000910 1	49,927	-
<i>Kentucky Office of Homeland Security</i>				
Homeland Security Grant Program	97.067	PON2 094 1500002395 1	<u>50,000</u>	<u>-</u>
			<u>1,290,063</u>	<u>-</u>
Total for U.S. Department of Homeland Security			<u>2,605,680</u>	<u>-</u>
Total for Schedule of Expenditures of Federal Awards			<u>\$ 45,973,964</u>	<u>\$ 4,478,812</u>

See related notes to the Schedule of Expenditures of Federal Awards.

LOUISVILLE/JEFFERSON COUNTY METRO GOVERNMENT
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
Year ended June 30, 2016

<u>Grant/Program Title</u>	<u>Federal CFDA</u>	<u>Federal Expenditures</u>
Subtotals of Multiple Awards/CFDA Numbers		
Continuum of Care Program	14.267	\$ 2,247,231
Edward Byrne Memorial Justice Assistance Grant (JAG) Program	16.738	839,984
Highway Safety Cluster	multiple	126,498
Low-Income Home Energy Assistance	93.568	3,975,687

See related notes to the Schedule of Expenditures of Federal Awards.

LOUISVILLE/JEFFERSON COUNTY METRO GOVERNMENT
 NOTES TO SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
 Year ended June 30, 2016

NOTE 1 – PURPOSE OF THE SCHEDULE AND SIGNIFICANT ACCOUNTING POLICIES

Basis of Presentation: Uniform Guidance requires a Schedule of Expenditures of Federal Awards ("SEFA") showing each federal financial assistance program as identified in the Catalog of Federal Domestic Assistance ("CFDA"). The accompanying schedule includes all federal grant activity for the Louisville/Jefferson County Metro Government ("Metro Government"), and is presented on the modified accrual basis of accounting. Amounts are presented net of program income, if applicable.

The basic financial statements of Metro Government are presented on the modified accrual basis of accounting for the governmental fund financial statements and the accrual basis of accounting for the government-wide, proprietary fund, and fiduciary fund financial statements. Therefore, the SEFA may not be directly traceable to the basic financial statements in all cases.

The information in this schedule is presented in accordance with the requirements of Title 2 U.S. Code of Federal Regulations Part 200, Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards (Uniform Guidance). Metro Government has elected not to use the 10% de minimus indirect cost rate as allowed under Uniform Guidance.

Such expenditures are recognized following, as applicable, either the cost principles in OMB Circular A-87, Cost Principles for State and Local Governments, or the cost principles contained in Title 2 U.S. Code of Federal Regulations Part 200, Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards, wherein certain types of expenditures are not allowable or are limited as to reimbursement.

NOTE 2 – PROGRAMS FROM MULTIPLE FUNDING SOURCES

Uniform Guidance Part 200, Subpart A defines a recipient as "a non-federal entity that expends federal awards received directly from a federal awarding agency to carry out a federal program" and a pass-through entity as "a non-federal entity that provides a federal award to a sub-recipient to carry out a federal program."

Federal program funds can be received directly from the federal government or passed through from another entity. Below is a list of all federal programs that are funded from more than a single funding source. They may be either (1) multiple passed through agencies, or (2) both direct and passed through. All other federal programs listed on the SEFA are from a single source, and therefore the program totals are evident in the SEFA.

<u>CFDA No.</u>	<u>Program</u>	<u>Received From</u>	<u>Direct/Pass Through (Grantor No.)</u>	<u>Expenditures</u>
14.267	Continuum of Care Program	U.S. Department of Housing and Urban Development (HUD)	Direct	\$2,207,226
14.267	Continuum of Care Program	Family and Children First, Inc. DBA Family & Children's Place	Pass-Through	<u>40,005</u>
				<u>\$2,247,231</u>

LOUISVILLE/JEFFERSON COUNTY METRO GOVERNMENT
 NOTES TO SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
 Year ended June 30, 2016

NOTE 2 – PROGRAMS FROM MULTIPLE FUNDING SOURCES (Continued)

<u>CFDA No.</u>	<u>Program</u>	<u>Received From</u>	<u>Direct/Pass Through (Grantor No.)</u>	<u>Expenditures</u>
16.738	Edward Byrne Memorial Justice Assistant Grant (JAG) Program	U.S. Department of Justice	Direct	\$ 795,607
16.738	Edward Byrne Memorial Justice Assistant Grant (JAG) Program	Seven Counties Services, Inc. Regional Prevention Center	Pass-Through	<u>44,377</u>
				<u>\$ 839,984</u>

NOTE 3 – ECONOMIC ADJUSTMENT ASSISTANCE PROGRAM

Metro Government has an EDA revolving loan fund (RLF) under the Economic Adjustment Assistance Program, CFDA 11.307. According to the OMB Compliance Supplement, for purposes of completing the SEFA, each EDA RLF (CFDA 11.307) should be shown as a separate line item calculated as follows:

1. Balance of RLF loans outstanding at the end of the recipient's fiscal year, *plus*
2. Cash and investment balances in the RLF at the end of the recipient's fiscal year, *plus*
3. Administrative expenses paid out of the RLF income during the recipient's fiscal year, *plus*
4. The unpaid principal of all loans written off during the recipient's fiscal year; and then *multiply this sum (1+2+3+4) by*
5. The Federal share of the RLF. The Federal share is defined as the Federal participation rate (or the Federal grant rate) as specified in the grant award.

The calculation to arrive at the RLF amount shown on the SEFA as of June 30, 2016 is as follows:

RLF Loans Outstanding	\$ 1,585,620
RLF Cash/Investment Balance	776,885
Administrative Expenses FY 16	-
Unpaid Principal Written Off FY 16	<u>-</u>
Total	<u>\$ 2,362,505</u>
Federal Share	0.78
RLF Federal Expenditures	<u>\$ 1,842,754</u>

LOUISVILLE/JEFFERSON COUNTY METRO GOVERNMENT
 SCHEDULE OF FINDINGS AND QUESTIONED COSTS
 Year ended June 30, 2016

PART I: SUMMARY OF AUDITORS' RESULTS

Financial Statements

Type of auditors' report issued	<u>Unmodified</u>		
Internal control over financial reporting:			
Material weakness(es) identified?	_____	Yes	<u> X </u> No
Significant deficiency(ies) identified?	_____	Yes	<u> X </u> None Reported
Noncompliance material to financial statements noted?	_____	Yes	<u> X </u> No

Federal Awards

Internal control over major programs:			
Material weakness(es) identified?	_____	Yes	<u> X </u> No
Significant deficiency(ies) identified?	_____	Yes	<u> X </u> None Reported
Type of auditors' report issued on compliance for major programs	<u>Unmodified</u>		
Any audit findings disclosed that are required to be reported in accordance with 2 CFR 200.516(a)?	_____	Yes	<u> X </u> No

Identification of major programs:

<u>CFDA Number(s)</u>	<u>Name of Federal Program or Cluster</u>
10.557	Supplemental Nutrition for Women, Infants and Children
14.239	Home Investment Partnership Program
20.205	Highway Planning and Construction

Dollar threshold used to distinguish between Type A and Type B programs	<u>\$ 1,379,219</u>		
Auditee qualified as low-risk auditee?	_____	X	Yes
		_____	No

LOUISVILLE/JEFFERSON COUNTY METRO GOVERNMENT
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
Year ended June 30, 2016

PART II: FINANCIAL STATEMENT FINDINGS

None

PART III: FEDERAL AWARDS FINDINGS AND QUESTIONED COSTS

None

PART IV: SUMMARY SCHEDULE OF PRIOR YEAR AUDIT FINDINGS

FINANCIAL STATEMENT AUDIT

None

MAJOR FEDERAL AWARD PROGRAMS AUDIT

None

**INDEPENDENT AUDITOR'S REPORT ON COMPLIANCE FOR
KENTUCKIANA REGIONAL PLANNING AND DEVELOPMENT AGENCY
CONTRACT NUMBER PON2-725-1400001066-4**

Honorable Mayor Greg Fischer and
The Louisville Metro Council
Louisville, Kentucky

Report on Compliance

We have audited the compliance of the Louisville/Jefferson County Metro Government (“Metro Government”) with the Kentuckiana Regional Planning & Development Agency (KIPDA) Contract Number KIPDA-FY2016-1012-1 (Metro) with the types of compliance requirements described in Section II E of the contract that could have a direct and material effect on the KIPDA Program for the year ended June 30, 2016.

Management's Responsibility

Management is responsible for compliance with the requirements of laws, regulations, contracts, and grants applicable to the KIPDA Program.

Auditor's Responsibility

Our responsibility is to express an opinion on compliance with the KIPDA contract based on our audit of the types of compliance requirements referred to above. We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in Government Auditing Standards issued by the Comptroller General of the United States. Those standards 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 the KIPDA contract occurred. An audit includes examining, on a test basis, evidence about Metro Government’s compliance with those requirements and performing such other procedures as we considered necessary in the circumstances.

We believe that our audit provides a reasonable basis for our opinion on compliance for the KIPDA Program. However, our audit does not provide a legal determination on Metro Government’s compliance with those requirements.

Opinion on the KIPDA Program

In our opinion, Metro Government complied, in all material respects, with the compliance requirements referred to above that could have a direct and material effect on its KIPDA Program for the year ended June 30, 2016.

Report on Supplementary Information

We have audited the financial statements of the governmental activities, the aggregate discretely presented component units, each major fund, and the aggregate remaining fund information of Metro Government as of and for the year ended June 30, 2016, and the related notes to the financial statements, which collectively comprise Metro Government's basic financial statements. We issued our report thereon dated December 23, 2016, which contained unmodified opinions on those financial statements. Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the basic financial statements.

The accompanying KIPDA Monthly Service Provider Financial Report – Title III-C Fiscal Year 2016 (Attachment A) is presented for purposes of additional analysis and is not a required part of the basic financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. The information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the KIPDA Monthly Service Provider Financial Report – Title III-C Fiscal Year 2016 is fairly stated in all material respects in relation to the basic financial statements as a whole.


Crowe Horwath LLP

Louisville, Kentucky
December 23, 2016

LOUISVILLE/JEFFERSON COUNTY METRO GOVERNMENT
ATTACHMENT A
SUPPLEMENTARY INFORMATION
KIPDA MONTHLY SERVICE PROVIDER FINANCIAL REPORT - TITLE III-C FISCAL YEAR 2016

Service Category	Units		Unit Price	Current Month	Year To Date Amount	Unduplicated Clients YTD
	Current Month	Year to Date				
Title III-C1 Food Service/Meal Delivery	\$ 7,990	\$ 88,875	\$ 2.89	\$ 23,091	\$ 256,849	\$1,373
Title III-C2 Food Service/Meal Delivery	12,267	116,697	3.60	44,161	420,109	642

	TITLE C1		TITLE C2	
	Amount This Report	Year to Date	Amount This Report	Year to Date
Gross Total Amount	\$ 23,091	\$ 256,849	\$ 44,161	\$ 420,109
Program Income (NSIP Meal Service)	<u>-</u>	<u>49,663</u>	<u>7,803</u>	<u>56,352</u>
Balance Paid by AoA Program	23,091	207,186	36,358	363,757
Local Cash - Regular Meals -	-	-	19,232	19,232
In-Kind Match - Regular	<u>2,309</u>	<u>20,719</u>	<u>3,636</u>	<u>36,376</u>
Match Totals – All Funds	<u>2,309</u>	<u>20,719</u>	<u>22,868</u>	<u>55,608</u>
KIPDA Regular Service Reimbursement	<u>\$ 20,782</u>	<u>\$ 186,467</u>	<u>\$ 13,490</u>	<u>\$ 308,149</u>
% AoA Funds Spent	100%		100%	
