

CITY OF JOPLIN, MISSOURI

SINGLE AUDIT REPORT

FOR THE YEAR ENDED OCTOBER 31, 2017

**City of Joplin, Missouri
Single Audit Report**

For the Year Ended October 31, 2017

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**Independent Auditor's Report on Schedule
of Expenditures of Federal Awards**

To the Honorable Mayor and Members of the City Council
City of Joplin, Missouri

Other Offices in
Missouri and Kansas

We have audited the financial statements of the governmental activities, the business-type activities, the aggregate discretely presented component units, each major fund, and the aggregate remaining fund information of the City of Joplin, Missouri (the City) as of and for the year ended October 31, 2017, and the related notes to the financial statements, which collectively comprise the City's basic financial statements. We issued our report thereon dated April 13, 2018, 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 the Uniform Guidance, and is not a required part of the basic financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. The information has been subjected to the auditing procedures applied in the audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the schedule of expenditures of federal awards is fairly stated in all material respects in relation to the basic financial statements as a whole.

Cochran Head Vick & Co., P.C.

Kansas City, Missouri

April 13, 2018

ADDITIONAL INFORMATION

CITY OF JOPLIN, MISSOURI
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
FOR FISCAL YEAR ENDED OCTOBER 31, 2017

PROGRAM	CFDA #	GRANT NUMBER	FEDERAL EXPENDITURES	AMOUNTS PAID TO SUBRECIPIENTS
U.S. DEPARTMENT OF AGRICULTURE:				
PASSED THROUGH MISSOURI DEPT OF HEALTH:				
SPECIAL SUPPLEMENTAL FOOD NUTRITION FOR WOMEN, INFANTS, AND CHILDREN:				
WIC PROGRAM	10.557	3MO700704-2017	\$ 531,400	\$ -
WIC PROGRAM	10.557	3MO700704-2018	20,441	-
PEER COUNSELING PROJECT	10.557	3MO700804-2016	24,874	-
PEER COUNSELING PROJECT	10.557	3MO700704-2016	2,000	-
PEER COUNSELING PROJECT	10.557	3MO700704-2017	28,119	-
PEER COUNSELING PROJECT	10.557	3MO700804-2017	2,178	-
SUMMER FOOD SERVICE PROGRAM	10.559	3MO300305-2017	445	-
<i>TOTAL U.S. DEPARTMENT OF AGRICULTURE</i>			<u>609,457</u>	<u>-</u>
U.S. DEPARTMENT OF COMMERCE:				
DIRECT PROGRAMS:				
EDA LIBRARY CONSTRUCTION GRANT	11.307	05-79-05345	8,522,813	-
<i>TOTAL U.S. DEPARTMENT OF COMMERCE</i>			<u>8,522,813</u>	<u>-</u>
U.S. DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT:				
CDBG ENTITLEMENT GRANT CLUSTER:				
DIRECT PROGRAMS:				
2012 PROJECT	14.218	B-12-MC-29-0008	2,386	-
2014 PROJECT	14.218	B-14-MC-29-0008	3,483	2,753
2015 PROJECT	14.218	B-15-MC-29-0008	131,795	2,500
2016 PROJECT	14.218	B-16-MC-29-0008	273,869	25,789
CDBG DISASTER RECOVERY-2012	14.218	B-12-MT-29-0001	5,907,939	317,028
CDBG DISASTER RECOVERY-2013	14.218	B-13-MS-29-0001	30,109,900	6,624,049
<i>TOTAL CDBG ENTITLEMENT GRANT CLUSTER DIRECT PROGRAMS</i>			<u>36,429,372</u>	<u>6,972,119</u>
DIRECT PROGRAMS:				
HOME CONSORTIUM - 2014	14.239	2014 M-14-DC-29-0209	122,783	112,346
HOME CONSORTIUM - 2015	14.239	2015 M-15-DC-29-0209	117,446	82,005
HOME CONSORTIUM - 2016	14.239	2016 M-16-DC-29-0209	1,630	-
<i>TOTAL DIRECT PROGRAMS</i>			<u>241,859</u>	<u>194,351</u>
PASSED THROUGH THE MO DEPT OF ECONOMIC DEVELOPMENT:				
NEIGHBORHOOD STABILIZATION GRANT	14.228	2008-DN-10	18,661	-
<i>TOTAL PASSED THROUGH THE MO DEPT OF ECON DVLP</i>			<u>18,661</u>	<u>-</u>
<i>TOTAL U.S. DEPARTMENT OF HOUSING & URBAN DEVELOPMENT</i>			<u>36,689,892</u>	<u>7,166,470</u>
U.S. DEPARTMENT OF INTERIOR				
PASSED THROUGH MISSOURI DEPARTMENT OF NATURAL RESOURCES				
HISTORIC PRESERVATION	15.904	29-15-131224-002	30,000	-
<i>TOTAL U.S. DEPARTMENT OF INTERIOR</i>			<u>30,000</u>	<u>-</u>
U.S. DEPARTMENT OF JUSTICE:				
DIRECT PROGRAMS:				
ATF OVERTIME	16.012		15,207	-
ICE	16.606	2017	6,249	-
ICE	16.606	2018	3,800	-
BULLETPROOF VEST PROGRAM	16.607	2015-BUBX-15078668	4,574	-
BULLETPROOF VEST PROGRAM	16.607	2016-BUBX-16082584	4,817	-
JUSTICE ADMINISTRATION GRANT	16.738	2014-DJ-BX-1136	494	-
JUSTICE ADMINISTRATION GRANT	16.738	2015-DJ-BX-0780	2,470	-
JUSTICE ADMINISTRATION GRANT	16.738	2016-DJ-BX-0991	21,046	11,635
MENTAL HEALTH COLLABORATIVE	16.745	2014-MO-BX-0015	70,956	-
<i>TOTAL DIRECT PROGRAMS</i>			<u>129,613</u>	<u>11,635</u>
PASSED THROUGH MISSOURI DEPARTMENT OF PUBLIC SAFETY:				
MULTI-JURISDICTION CYBER CRIME	16.803	2017-SCCG-004	150,874	82,237
MULTI-JURISDICTION CYBER CRIME	16.803	2018-SCCG-003	123,644	70,349
<i>TOTAL PASSED THROUGH THE MISSOURI DEPT OF PUBLIC SAFETY</i>			<u>274,518</u>	<u>152,586</u>
MO - INTERNET CRIMES AGAINST CHILDREN GRANT	16.800	2014-MC-FX-K043	17,248	2,579
<i>TOTAL PASSED THROUGH THE CITY OF GLENDALE, MISSOURI</i>			<u>17,248</u>	<u>2,579</u>
<i>TOTAL U.S. DEPARTMENT OF JUSTICE</i>			<u>421,379</u>	<u>166,800</u>
U.S. DEPARTMENT OF TRANSPORTATION:				
DIRECT PROGRAMS:				
AIRPORT IMPROVEMENT PROGRAM:				
AIRPORT TAXIWAY B	20.106	3-29-0037-037-2016	4,811,276	-
ZONING AND PLANNING MPO	20.505	MO810008	206,267	-
<i>TOTAL DIRECT PROGRAMS</i>			<u>5,017,543</u>	<u>-</u>

CITY OF JOPLIN, MISSOURI
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
FOR FISCAL YEAR ENDED OCTOBER 31, 2017

PROGRAM	CFDA #	GRANT NUMBER	FEDERAL EXPENDITURES	AMOUNTS PAID TO SUBRECIPIENTS
PASSED THROUGH THE MISSOURI DEPT OF TRANSPORTATION:				
FHWA-MSSU TRAIL	20.205	STP-3201(705)	\$ 5,686	\$ -
HAZARDOUS MOVING VIOLATION	20.600	17-PT-02-123	6,717	-
DWI OFFICER GRANT	20.601	17-154-AL-035	54,021	-
DWI OFFICER GRANT	20.601	18-M5HVE-03-012	7,513	-
DWI ENFORCEMENT	20.607	17-154-AL-034	4,359	-
<i>TOTAL PASSED THROUGH THE MISSOURI DEPT OF TRANSPORTATION</i>			<u>78,296</u>	<u>-</u>
FEDERAL TRANSIT CLUSTER:				
DIRECT PROGRAMS:				
CAPITAL ASSISTANCE	20.507	MO900297	126,623	-
PLANNING ASSISTANCE	20.507	MO902309	36,885	-
PLANNING ASSISTANCE	20.507	MO90X314-12-01	18,859	-
OPERATING ASSISTANCE	20.507	MO90X314 12-05	400,720	-
BUS & BUS FACILITES PROGRAM	20.526	MO-34-0009	146,552	-
<i>TOTAL FEDERAL TRANSIT CLUSTER</i>			<u>729,639</u>	<u>-</u>
<i>TOTAL U.S. DEPARTMENT OF TRANSPORTATION</i>			<u>5,825,478</u>	<u>-</u>
NATIONAL ENDOWMENT FOR THE HUMANITIES				
PASSED THROUGH MISSOURI STATE LIBRARY:				
SUMMER LIBRARY PROGRAM	45.310	2016-LFL5-SLPC5CN5-8206	14,860	-
SHOW ME STEPS	45.310	LS-00-17-0026-17	1,116	-
RACING TO READ	45.310	2016-LFL5-RTRC5CN5-7968	6,557	-
WEBSITE	45.310	2016-LBE6-TLD16CN6-8320	1,510	-
LIBRARY SERVICE GRANT	45.310	LS-00-17-0026-17	1,176	-
TEEN MAKERSPACE	45.310	LS-00-17-0026-17	2,589	-
SPOTLIGHT ON LITERACY	45.310	LS-00-17-0026-17	3,500	-
TECHNOLOGY MINI-GRANT	45.310	2016-LBE6-TLD16CN6-8320	3,354	-
<i>TOTAL NATIONAL ENDOWMENT FOR THE HUMANITIES</i>			<u>34,662</u>	<u>-</u>
U.S. ENVIRONMENTAL PROTECTION AGENCY:				
DIRECT PROGRAMS:				
EPA GRANT-LEAD REMEDIATION	66.802	V-97733301	27,276	-
<i>TOTAL DIRECT PROGRAMS</i>			<u>27,276</u>	<u>-</u>
PASSED THROUGH MISSOURI DEPARTMENT OF NATURAL RESOURCES:				
CLEAN WATER STATE REVOLVING FUND-DIRECT LOAN PROGRAM 2014	66.458	C295548-03	100,053	-
<i>TOTAL PASSED THROUGH THE MISSOURI DEPARTMENT OF NATURAL RESOURCES</i>			<u>100,053</u>	<u>-</u>
<i>TOTAL U.S. ENVIRONMENTAL PROTECTION AGENCY</i>			<u>127,329</u>	<u>-</u>
U.S. DEPARTMENT OF HEALTH AND HUMAN SERVICES:				
PASSED THROUGH MISSOURI DEPARTMENT OF HEALTH:				
REGIONAL PUBLIC HEALTH EMERGENCY PLANNING	93.069	5NU90TP000531-05	23,914	-
REGIONAL PUBLIC HEALTH EMERGENCY PLANNING	93.069	1NU90TP921896-01	13,564	-
COUNTY HEALTH PREPAREDNESS	93.069	E0205-6008	55,516	-
TB CONTROL PROGRAM	93.116		284	-
CHILD CARE SANITATION INSPECTION	93.575	ERS2220-17051	3,670	-
CORE FUNCTION	93.767	AOC16380032	65,136	-
CORE FUNCTION	93.767		26,355	-
MEDICAID, TITLE XIX	93.778	GMDM6455-R001	11,149	-
MATERNAL & CHILD HEALTH BLOCK GRANT	93.944	1B04MC30623-01	28,832	-
MATERNAL & CHILD HEALTH BLOCK GRANT	93.944	1B04MC31498-01	3,688	-
<i>TOTAL U.S. DEPARTMENT OF HEALTH AND HUMAN SERVICES</i>			<u>232,108</u>	<u>-</u>
U.S. DEPARTMENT OF HOMELAND SECURITY:				
DIRECT PROGRAMS:				
TSA AIRPORT SECURITY	97.042	HSTS0213HSLR728	2,305	-
TSA AIRPORT SECURITY	97.042	HSTS0217HSLR453	24,345	-
FIRE ASSISTANCE	97.044	EMW-2016-FO-03909	20,959	-
FIRE ASSISTANCE	97.044	EMW-2015-FO-03675	76,290	-
<i>TOTAL DIRECT PROGRAMS</i>			<u>123,899</u>	<u>-</u>
PASSED THROUGH MISSOURI DEPARTMENT OF PUBLIC SAFETY:				
EMERGENCY MANAGEMENT	97.042	2016-EP-00004-055	10,457	-
EMERGENCY MANAGEMENT	97.042	EMK-2017-EP-APP-00006-056	55,015	-
<i>TOTAL PASSED THROUGH MO DEPT OF PUBLIC SAFETY</i>			<u>65,472</u>	<u>-</u>
<i>TOTAL U.S. DEPARTMENT OF HOMELAND SECURITY</i>			<u>189,371</u>	<u>-</u>
<i>TOTAL EXPENDITURES OF FEDERAL AWARDS</i>			<u>\$ 52,682,489</u>	<u>\$ 7,333,270</u>

City of Joplin, Missouri
Notes to the Schedule of Expenditures of Federal Awards
For the Year Ended October 31, 2017

Note 1. Organization

The City of Joplin, Missouri, is the recipient of several federal awards. All federal awards received directly from federal agencies as well as those awards that are passed through other government agencies, are included on the Schedule of Expenditures of Federal Awards.

Note 2. Basis of Presentation

The accompanying Schedule of Expenditures of Federal Awards includes the federal grant activity of the City of Joplin, Missouri, and is presented on the modified accrual basis of accounting. The information presented in this schedule is in accordance with the requirements of Title 2 U.S. *Code of Federal Regulation* (CFR) Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards*. Therefore, some amounts presented in this schedule may differ from amounts presented in, or used in the preparation of, the basic financial statements.

Note 3. Local Government Contributions

Local cost sharing, as defined by Title 2 CFR Part 200, Subpart D, Section 200.306 is required by certain federal grants. The amount of cost sharing varies with each program. Only the federal share of expenditures is presented in the Schedule of Expenditures of Federal Awards.

Note 4. Additional Audits

Grantor agencies reserve the right to conduct additional audits of the City's grant programs for economy and efficiency and program results that may result in disallowed costs to the City of Joplin, Missouri. However, management does not believe such audits would result in any disallowed costs that would be material to the City's financial position at October 31, 2017.

Note 5. Indirect Cost Rate

The City does not allocate indirect costs, and therefore has not elected to use the 10% de minimis indirect cost rate allowed under the Uniform Guidance.

City of Joplin, Missouri
Schedule of Findings and Questioned Costs
For the Year Ended October 31, 2017

Section 1 - Summary of Auditor's Results

Financial Statements:

Type Audit Report Issued on the Basic Financial Statements of Auditee
Unmodified

Internal Control Over Financial Reporting
No significant deficiencies reported, no material weaknesses identified.

General Compliance
The audit did not disclose any instances of noncompliance, which would be material to the basic financial statements.

Federal Awards:

Internal Control Over Major Programs
No significant deficiencies reported, no material weaknesses identified.

Type Audit Report Issued on Compliance for Major Programs
Unmodified

Audit Findings
None

Major Programs

<u>CFDA Number</u>	<u>Name of Federal Program</u>
14.218	Community Development Block Grant Program

Dollar Threshold Used to Distinguish Between Type A and Type B Program
\$1,580,475

Auditee Qualified as a Low-risk Auditee
Yes

City of Joplin, Missouri
Schedule of Findings and Questioned Costs (continued)
For the Year Ended October 31, 2017

Section 2 – Financial Statement Findings

Financial Statement Findings Required to be Reported in Accordance with Generally Accepted Government Auditing Standards

None

Summary Schedule of Prior Audit Findings

None

Section 3 – Federal Award Findings and Questioned Costs

Federal Award Findings Required to be Reported in Accordance with the Uniform Guidance

None

Summary Schedule of Prior Audit Findings

2016-001 EDA Library Construction Grant CFDA No. 11.307 – Activities Allowed/Allowable Costs

Condition

During our testing, we noted a portion of an employee's benefit amounts were being allocated to the grant but no time was coded for the pay period selected for testing. We considered this to be a significant deficiency in internal control over compliance.

Recommendation

We recommended that management review and revise policies and procedures over payroll allocations to grants to ensure that all time is allocated appropriately and supported by adequate documentation.

Current Year Status

Recommendation implemented in the current year.

City of Joplin, Missouri
Schedule of Findings and Questioned Costs (continued)
For the Year Ended October 31, 2017

2016-002 Community Development Block Grant Program CFDA No. 14.218 – Activities Allowed/Allowable Costs

Condition

During our testing, we noted that wage and benefit amounts coded to the grant did not agree to the time allocated for the pay period selected for testing. We considered this to be a significant deficiency in internal control over compliance.

Recommendation

We recommended that management review and revise policies and procedures over payroll allocations to grants to ensure that all time is allocated appropriately and supported by adequate documentation.

Current Year Status

Recommendation implemented in the current year.

2016-003 Community Development Block Grant Program CFDA No. 14.218 – Reporting

Condition

During our testing, we noted the entitlement grant report selected for testing was filed after the due date and did not agree to the underlying support. We considered this to be a significant deficiency in internal control over compliance.

Recommendation

We recommended that management review and revise policies and procedures related to the entitlement grant reporting to ensure that the report is submitted accurately and by the appropriate deadline.

Current Year Status

Recommendation implemented in the current year.

2016-004 Community Development Block Grant Program CFDA No. 14.218 – Subrecipient Monitoring

Condition

During our testing, the City indicated that monitoring activities had not been performed in several years for several subrecipients of entitlement grant programs. We considered this to be a significant deficiency in internal control over compliance.

Recommendation

We recommended that management review and revise policies and procedures over subrecipient monitoring to ensure that Federal awards are appropriately monitored.

Current Year Status

Recommendation implemented in the current year.

City of Joplin, Missouri
Schedule of Findings and Questioned Costs (continued)
For the Year Ended October 31, 2017

2016-005 Airport Improvement Program CFDA No. 20.106 – Reporting

Condition

During our testing, we noted certain reports selected for testing were filed after the due date and reported incorrect amounts. We considered this to be a significant deficiency in internal control over compliance.

Recommendation

We recommended that management review and revise policies and procedures related to grant reporting to ensure that reports are submitted accurately and by the appropriate deadline.

Current Year Status

Recommendation implemented in the current year.

COMPLIANCE REPORTS

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Certified Public Accountants

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**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***

Other Offices in
Missouri and Kansas

To the Honorable Mayor and Members of the City Council
City of Joplin, Missouri

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of the governmental activities, the business-type activities, the aggregate discretely presented component units, each major fund, and the aggregate remaining fund information of the City of Joplin, Missouri (the City), as of and for the year ended October 31, 2017, and the related notes to the financial statements, which collectively comprise the City's basic financial statements and have issued our report thereon dated April 13, 2018. Our report includes a reference to other auditors who audited the financial statements of the Joplin Sports Authority, a discretely presented component unit, as described in our report on the City's financial statements. This report does not include the results of the other auditor's testing of internal control over financial reporting or compliance and other matters that are reported on separately by those auditors. The financial statements of the Joplin Sports Authority were not audited in accordance with *Government Auditing Standards*.

Internal Control over Financial Reporting

In planning and performing our audit of the financial statements, we considered the City's internal control over financial reporting (internal control) to determine the audit procedures that are appropriate in the circumstances for the purpose of expressing our opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the City's internal control. Accordingly, we do not express an opinion on the effectiveness of the City's internal control.

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

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

Compliance and Other Matters

As part of obtaining reasonable assurance about whether the City's financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

Purpose of this Report

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

Cochran Head Vick & Co., P.C.

Kansas City, Missouri
April 13, 2018



COCHRAN HEAD VICK & CO., P.C.

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Certified Public Accountants

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**Independent Auditor's Report on Compliance for Each Major Program
and on Internal Control Over Compliance Required by the Uniform Guidance**

Other Offices in
Missouri and Kansas

To the Honorable Mayor and City Council
City of Joplin, Missouri

Report on Compliance for the Major Federal Program

We have audited the City of Joplin, Missouri's (the City) compliance with the types of compliance requirements described in the *OMB Compliance Supplement* that could have a direct and material effect on the City's major federal program for the year ended October 31, 2017. The City's major federal program is identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs.

Management's Responsibility

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

Auditor's Responsibility

Our responsibility is to express an opinion on compliance for the City's major federal program based on our audit of the types of compliance requirements referred to above. We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; and the audit requirements of Title 2 U.S. *Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance). Those standards and the Uniform Guidance require that we plan and perform the audit to obtain reasonable assurance about whether noncompliance with the types of compliance requirements referred to above that could have a direct and material effect on a major federal program occurred. An audit includes examining, on a test basis, evidence about the City's compliance with those requirements and performing such other procedures as we considered necessary in the circumstances.

We believe that our audit provides a reasonable basis for our opinion on compliance for the major federal program. However, our audit does not provide a legal determination of the City's compliance.

Opinion on the Major Federal Program

In our opinion, the City complied, in all material respects, with the types of compliance requirements referred to above that could have a direct and material effect on its major federal program for the year ended October 31, 2017.

Report on Internal Control Over Compliance

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

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

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

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

Cochran Head Vick & Co., P.C.

Kansas City, Missouri
April 13, 2018