

CITY OF NORTHAMPTON, MASSACHUSETTS

**INDEPENDENT AUDITOR'S REPORTS PURSUANT
TO GOVERNMENTAL AUDITING STANDARDS
AND UNIFORM GUIDANCE**

FOR THE YEAR ENDED JUNE 30, 2017

CITY OF NORTHAMPTON, MASSACHUSETTS

**Independent Auditors' Reports Pursuant
To Governmental Auditing Standards
And Uniform Guidance**

For the Year Ended June 30, 2017

TABLE OF CONTENTS

| | <u>Page</u> |
|---|-------------|
| TABLE OF CONTENTS | 2 |
| 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> | 3-4 |
| Compliance for Each Major Federal Program; Report on Internal Control over Compliance; and Report on Schedule of Expenditures of Federal Awards Required by the Uniform Guidance..... | 5-6 |
| SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS..... | 7-11 |
| NOTES TO THE SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS..... | 12 |
| SCHEDULE OF FINDINGS AND QUESTIONED COSTS | 13 |

**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**

To the Honorable Mayor
City of Northampton, Massachusetts

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, each major fund, and the aggregate remaining fund information of the City of Northampton, Massachusetts, as of and for the year ended June 30, 2017, (except for the Northampton Contributory Retirement System, which is as of and for the year ended December 31, 2016), and the related notes to the financial statements, which collectively comprise the City of Northampton, Massachusetts' basic financial statements, and have issued our report thereon dated December 20, 2017.

Internal Control Over Financial Reporting

In planning and performing our audit of the financial statements, we considered the City of Northampton, Massachusetts' 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 of Northampton, Massachusetts' internal control. Accordingly, we do not express an opinion on the effectiveness of the City of Northampton, Massachusetts' internal control.

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

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

Compliance and Other Matters

As part of obtaining reasonable assurance about whether the City of Northampton, Massachusetts' 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 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.

Scanlon and Associates, LLC

Scanlon & Associates, LLC
South Deerfield, Massachusetts

December 20, 2017

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

To the Honorable Mayor
City of Northampton, Massachusetts

Report on Compliance for Each Major Federal Program

We have audited the City of Northampton, Massachusetts' compliance with the types of compliance requirements described in the *OMB Compliance Supplement* that could have a direct and material effect on each of the City of Northampton, Massachusetts' major federal programs for the year ended June 30, 2017. The City of Northampton, Massachusetts' major federal programs are 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 each of the City of Northampton, Massachusetts' major federal programs based on our audit of the types of compliance requirements referred to above. We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; and the audit requirements of Title 2 U.S. *Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance). Those standards and the Uniform Guidance require that we plan and perform the audit to obtain reasonable assurance about whether noncompliance with the types of compliance requirements referred to above that could have a direct and material effect on a major federal program occurred. An audit includes examining, on a test basis, evidence about the City of Northampton, Massachusetts' compliance with those requirements and performing such other procedures as we considered necessary in the circumstances.

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

Opinion on Each Major Federal Program

In our opinion, the City of Northampton, Massachusetts, 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, 2017.

Report on Internal Control Over Compliance

Management of the City of Northampton, Massachusetts, 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 of Northampton, Massachusetts' internal control over compliance with the types of requirements that could have a direct and material effect on each major federal program to determine the auditing procedures that are appropriate in the circumstances for the purpose of expressing an opinion on compliance for each major federal program and to test and report on internal control over compliance in accordance with the Uniform Guidance, but not for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, we do not express an opinion on the effectiveness of the City of Northampton, Massachusetts' internal control over compliance.

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

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

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

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

We have audited the financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the City of Northampton, Massachusetts, as of and for the year ended June 30, 2017, (except for the Northampton Contributory Retirement System, which is as of and for the year ended December 31, 2016), and the related notes to the financial statements, which collectively comprise the City of Northampton, Massachusetts' basic financial statements. We issued our report thereon dated December 20, 2017, 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.

Scanlon and Associates, LLC

Scanlon & Associates, LLC
South Deerfield, Massachusetts
December 20, 2017

**CITY OF NORTHAMPTON, MASSACHUSETTS
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
FOR THE YEAR ENDED JUNE 30, 2017**

| Federal Grantor/Pass-Through Grantor/ Program or Cluster Title | Federal CFDA Number | Pass-Through Entity Identifying Number | Passed Through to Subrecipients | Total Federal Expenditures |
|---|---------------------------|---|---------------------------------------|----------------------------------|
| U. S. Department of Agriculture | | | | |
| Passed Through Commonwealth of Massachusetts | | | | |
| Department of Elementary and Secondary Education: | | | | |
| Child Nutrition Cluster: | | | | |
| Northampton Public Schools: | | | | |
| School Breakfast Program | 10.553 | 08-210 | \$ - | \$ 46,091 |
| National School Lunch Program | 10.555 | 08-210 | - | 319,816 |
| Smith Vocational and Agricultural High School: | | | | |
| School Breakfast Program | 10.553 | 08-210A | - | 22,095 |
| National School Lunch Program | 10.555 | 08-210A | - | 101,388 |
| Total Child Nutrition Cluster | | | - | 489,390 |
| Commodity Supplemental Food Program: | | | | |
| Northampton Public Schools | 10.565 | 08-210 | - | 51,955 |
| Smith Vocational and Agricultural High School | 10.565 | 08-210A | - | 19,057 |
| Total Commodity Supplemental Food Program | | | - | 71,012 |
| Total U. S. Department of Agriculture | | | - | 560,402 |
| U. S. Department of Housing and Urban Development | | | | |
| Direct Programs: | | | | |
| Community Development Block Grants/Entitlement Grants: | | | | |
| Community Development Block Grant | 14.218 | | 569,652 | 880,371 |
| Program Income | 14.218 | | - | 31,994 |
| Total Community Development Block Grant - Entitlement Grants | | | 569,652 | 912,365 |
| Total U. S. Department of Housing and Urban Development | | | 569,652 | 912,365 |
| U. S. Department of the Interior | | | | |
| Passed Through Commonwealth of Massachusetts | | | | |
| Executive Office of Energy and Environmental Affairs: | | | | |
| Norwottuck/Mass Central Rail Trail Project | 15.916 | 25-00502 | - | 1,006 |
| Connecticut River Greenway | 15.916 | 25-00516/P16AP00412 | - | 75,000 |
| Total U. S. Department of the Interior | | | - | 76,006 |
| TOTAL PAGE 1 OF 5 | | | \$ 569,652 | \$ 1,548,773 |

The Notes to the Schedule of Expenditures of Federal Awards are an integral part of this Schedule.

**CITY OF NORTHAMPTON, MASSACHUSETTS
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
FOR THE YEAR ENDED JUNE 30, 2017**

| Federal Grantor/Pass-Through Grantor/ Program Or Cluster Title | Federal CFDA Number | Pass-Through Entity Identifying Number | Passed Through to Subrecipients | Total Federal Expenditures |
|---|---------------------------|---|---------------------------------------|----------------------------------|
| U. S. Department of Justice | | | | |
| Direct Programs: | | | | |
| Bureau of Justice Assistance | | | | |
| Arrest Policies & Enforcement of Protection Orders | 16.590 | | \$ - | \$ 62,242 |
| Bulletproof Vests | 16.607 | | - | 8,014 |
| Anti-Crime Task Force | 16.738 | | - | 9,999 |
| Passed Through Commonwealth of Massachusetts | | | | |
| Northwest District Attorney: | | | | |
| Anti-Crime Task Force | 16.738 | | - | 15,896 |
| Passed Through Commonwealth of Massachusetts | | | | |
| Executive Office of Public Safety and Security: | | | | |
| Edward Byrne Memorial Justice Assistance Grant Program: | | | | |
| Prevention Education - School Resource Officer | 16.738 | 2014-DJBX-1152 | - | 77,499 |
| Total U. S. Department of Justice | | | - | 173,650 |
| U. S. Department of Transportation | | | | |
| Passed Through Commonwealth of Massachusetts | | | | |
| Department of Transportation: | | | | |
| Rail Trail Construction | 20.205 | | - | 2,627 |
| Passed Through Commonwealth of Massachusetts | | | | |
| Executive Office of Public Safety and Security: | | | | |
| State and Community Highway Safety: | | | | |
| Traffic Enforcement | 20.600 | | - | 6,534 |
| Pedestrian/Bike Safety | 20.600 | | - | 1,582 |
| Underage Alcohol Enforcement | 20.600 | | - | 2,292 |
| Total State and Community Highway Safety | | | - | 10,408 |
| Total U. S. Department of Transportation | | | - | 13,035 |
| TOTAL PAGE 2 OF 5 | | | \$ - | \$ 186,685 |

The Notes to the Schedule of Expenditures of Federal Awards are an integral part of this Schedule.

**CITY OF NORTHAMPTON, MASSACHUSETTS
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
FOR THE YEAR ENDED JUNE 30, 2017**

| Federal Grantor/Pass-Through Grantor/ Program or Cluster Title | Federal CFDA Number | Pass-Through Entity Identifying Number | Passed Through to Subrecipients | Total Federal Expenditures |
|---|---------------------------|---|---------------------------------------|----------------------------------|
| U. S. Department of Education | | | | |
| Passed Through Commonwealth of Massachusetts | | | | |
| Department of Elementary and Secondary Education: | | | | |
| Title I Grants to Local Educational Agencies: | | | | |
| Northampton Public Schools: | | | | |
| Title I - 2016 | 84.010 | 305-069146-2016-0210 | \$ - | \$ 31,152 |
| Title I - 2017 | 84.010 | 305-094026-2017-0210 | - | 408,868 |
| Title I School Support - 2016 | 84.010 | 323-020-6-0210-Q | - | 1,433 |
| Title I School Support - 2017 | 84.010 | 323-023-7-0210-R | - | 4,569 |
| Smith Vocational and Agricultural High School: | | | | |
| Title I - 2016 | 84.010 | 305-069237-2016-0406 | - | 13,557 |
| Title I - 2017 | 84.010 | 305-094031-2017-0406 | - | 91,853 |
| Total Title I Grants to Local Educational Agencies | | | - | <u>551,432</u> |
| Special Education Cluster: | | | | |
| Northampton Public Schools: | | | | |
| Special Education 94-142 Allocation - 2016 | 84.027 | 240-098-6-0210-Q | - | 3,873 |
| Special Education 94-142 Allocation - 2017 | 84.027 | 240-104613-2017-0210 | - | 774,643 |
| Special Education Program Improvement - 2016 | 84.027 | 274-103-6-0210-Q | - | 4,114 |
| Special Education Program Improvement - 2017 | 84.027 | 274-086-7-0210-R | - | 10,297 |
| Early Childhood SPED Program Improvement - 2016 | 84.173 | 298-787-6-0210-Q | - | 1,727 |
| Smith Vocational and Agricultural High School: | | | | |
| Special Education 94-142 Allocation - 2016 | 84.027 | 240-231-6-0406-Q | - | 22,031 |
| Special Education 94-142 Allocation - 2016 | 84.027 | 240-400-6-0406-Q | - | 1,012 |
| Special Education 94-142 Allocation - 2017 | 84.027 | 240-040-7-0406-R | - | 31,092 |
| Special Education 94-142 Allocation - 2017 | 84.027 | 240-097649-2017-0406 | - | 135,143 |
| Special Education Transition - 2016 | 84.027 | 243-120-6-0406-Q | - | 10,000 |
| Total Special Education Cluster | | | - | <u>993,932</u> |
| Career and Technical Education - Basic Grants to States: | | | | |
| Smith Vocational and Agricultural High School: | | | | |
| Occupational Education-Vocational Skills - 2016 | 84.048 | 400-072-6-0406-Q | - | 12,094 |
| Occupational Education-Vocational Skills - 2017 | 84.048 | 400-057-7-0406-R | - | 87,836 |
| Total Career and Technical Education - Basic Grants to States | | | - | <u>99,930</u> |
| TOTAL PAGE 3 OF 5 | | | <u>\$ -</u> | <u>\$ 1,645,294</u> |

The Notes to the Schedule of Expenditures of Federal Awards are an integral part of this Schedule.

**CITY OF NORTHAMPTON, MASSACHUSETTS
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
FOR THE YEAR ENDED JUNE 30, 2017**

| Federal Grantor/Pass-Through Grantor/ Program or Cluster Title | Federal CFDA Number | Pass-Through Entity Identifying Number | Passed Through to Subrecipients | Total Federal Expenditures |
|---|---------------------------|---|---------------------------------------|----------------------------------|
| U. S. Department of Education | | | | |
| Passed Through Commonwealth of Massachusetts | | | | |
| Department of Elementary and Secondary Education: | | | | |
| Improving Teacher Quality State Grants: | | | | |
| Northampton Public Schools: | | | | |
| Teacher Quality - 2015 | 84.367 | 140-055862-2015-0210 | \$ - | \$ 936 |
| Teacher Quality - 2016 | 84.367 | 140-077351-2016-0210 | - | 42,216 |
| Teacher Quality - 2017 | 84.367 | 140-094071-2017-0210 | - | 54,137 |
| Smith Vocational and Agricultural High School: | | | | |
| Teacher Quality - 2017 | 84.367 | 140-095207-2017-0406 | - | 12,881 |
| Total Improving Teacher Quality State Grants | | | - | 110,170 |
| Passed Through Commonwealth of Massachusetts | | | | |
| Department of Early Education and Care: | | | | |
| Special Education Cluster: | | | | |
| Northampton Public Schools: | | | | |
| Special Education Early Childhood Allocation - 2017 | 84.173 | EEC-262 | - | 24,493 |
| Total Special Education Cluster | | | - | 24,493 |
| TOTAL PAGE 4 OF 5 | | | - | 134,663 |
| TOTAL PAGE 3 OF 5 | | | - | 1,645,294 |
| Total U. S. Department of Education | | | \$ - | \$ 1,779,957 |

The Notes to the Schedule of Expenditures of Federal Awards are an integral part of this Schedule.

**CITY OF NORTHAMPTON, MASSACHUSETTS
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
FOR THE YEAR ENDED JUNE 30, 2017**

| Federal Grantor/Pass-Through Grantor/ Program or Cluster Title | Federal CFDA Number | Pass-Through Entity Identifying Number | Passed Through to Subrecipients | Total Federal Expenditures |
|---|---------------------------|---|---------------------------------------|----------------------------------|
| U. S. Department of Health and Human Services | | | | |
| Direct Programs: | | | | |
| Drug Free Communities Support Program Grants: | | | | |
| Drug Free Communities - 2016 | 93.276 | | \$ - | \$ 16,868 |
| Drug Free Communities - 2017 | 93.276 | | - | 80,420 |
| STOP Act - 2016 | 93.276 | | - | 920 |
| STOP Act - 2017 | 93.276 | | - | 17,467 |
| Total Drug Free Communities Support Program Grants | | | - | 115,675 |
| Passed Through Commonwealth of Massachusetts | | | | |
| Department of Public Health: | | | | |
| Mass Deployment Units | 93.003 | | - | 4,000 |
| Public Health Emergency Preparedness | 93.069 | | 10,001 | 106,883 |
| Opioid Abuse Prevention Collaborative | 93.959 | INTF2354M04301822075 | - | 159,463 |
| Passed Through Franklin Regional Council of Governments: | | | | |
| Medical Reserve Corps | 93.008 | | - | 25,612 |
| Passed Through Highland Valley Elder Services, Inc.: | | | | |
| Title III-B-Community Program on Aging | 93.044 | | - | 7,501 |
| Total U. S. Department of Health and Human Services | | | 10,001 | 419,134 |
| U. S. Department of Homeland Security | | | | |
| Passed Through Commonwealth of Massachusetts | | | | |
| Emergency Management Agency: | | | | |
| Hazard Mitigation Grants: | | | | |
| Channel Improvements at Roberts Meadow Brook | 97.039 | 1895-07 | - | 12,032 |
| Hazard Mitigation | 97.039 | 4214-09 | - | 237,689 |
| River Road Retaining Wall/Floodwall Improvements | 97.039 | 1813-32 | - | 1,112,523 |
| Total Hazard Mitigation Grants | | | - | 1,362,244 |
| Emergency Management Performance Grants | 97.042 | | - | 12,148 |
| Passed Through Franklin Regional Council of Governments: | | | | |
| Western Massachusetts Technical Rescue Team Training | 97.067 | | - | 2,132 |
| Total U. S. Department of Homeland Security | | | - | 1,376,524 |
| TOTAL PAGE 5 OF 5 | | | 10,001 | 1,795,658 |
| TOTAL PAGE 4 OF 5 | | | - | 134,663 |
| TOTAL PAGE 3 OF 5 | | | - | 1,645,294 |
| TOTAL PAGE 2 OF 5 | | | - | 186,685 |
| TOTAL PAGE 1 OF 5 | | | 569,652 | 1,548,773 |
| TOTAL FEDERAL AWARDS EXPENDED | | | \$ 579,653 | \$ 5,311,073 |

The Notes to the Schedule of Expenditures of Federal Awards are an integral part of this Schedule.

**CITY OF NORTHAMPTON, MASSACHUSETTS
NOTES TO THE SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
JUNE 30, 2017**

NOTE A – BASIS OF PRESENTATION

The accompanying Schedule of Expenditures of Federal Awards (the "Schedule") includes the federal grant activity of the City of Northampton, Massachusetts, under programs of the federal government for the year ended June 30, 2017. 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). Because the Schedule presents only a selected portion of the operations of the City of Northampton, Massachusetts, it is not intended to and does not present the financial position, changes in net position, or cash flows of the City of Northampton, Massachusetts.

NOTE B – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Expenditures reported on the Schedule are reported on the accrual basis of accounting. Such expenditures are recognized following the cost principles contained in the Uniform Guidance, wherein certain types of expenditures are not allowable or are limited as to reimbursement.

NOTE C – INDIRECT COSTS

The City of Northampton, Massachusetts, has not charged any indirect costs to any of its federal awards.

NOTE D – FOOD DISTRIBUTION

Nonmonetary assistance is reported in the Schedule at the fair market value of the commodities received and disbursed.

CITY OF NORTHAMPTON, MASSACHUSETTS
Schedule of Findings and Questioned Costs
For the Year Ended June 30, 2017

SECTION I – SUMMARY OF AUDITOR’S RESULTS

Financial Statements

Type of report the auditor issued on whether the financial statements audited were prepared in accordance with GAAP: *Unmodified*

Internal control over financial reporting:

- Material weakness(es) identified? _____Yes X No
- Significant deficiency(ies) identified that is (are) not considered to be material weakness(es)? _____Yes X No

Noncompliance material to financial statements noted? _____Yes X No

Federal Awards

Internal control over major federal programs:

- Material weakness(es) identified? _____Yes X No
- Significant deficiency(ies) identified that is (are) not considered to be material weakness(es)? _____Yes X None Reported

Type of Auditor’s Report issued on compliance for major federal programs: *Unmodified*

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

Identification of major programs:

| <u>CFDA Number(s)</u> | <u>Name of Federal Program or Cluster</u> |
|-----------------------|---|
| 14.218 | U.S. Department of Housing and Urban Development – Community Development Block Grants |
| 84.010 | U. S. Department of Education – Title I |
| 84.027, 84.173 | U. S. Department of Education – Special Education Cluster |
| 97.039 | U. S. Department of Homeland Security – Hazard Mitigation Grants |

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

Auditee qualified as low-risk auditee? _____Yes X No

SECTION II – FINANCIAL STATEMENT FINDINGS

None

SECTION III – FEDERAL AWARD FINDINGS AND QUESTIONED COSTS

None

SECTION IV – PRIOR YEAR FINDINGS

None reported.