

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

**SINGLE AUDIT REPORT
UNDER OMB CIRCULAR A-133**
June 30, 2015

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METRO GOVERNMENT
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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**

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, 2015, 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, 2015. Our report includes a reference to other auditors who audited the financial statements of the Waterfront Development Corporation, the Kentucky Science Center, Inc., and KentuckianaWorks, 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, 2015

**INDEPENDENT AUDITOR'S REPORT ON COMPLIANCE FOR
EACH MAJOR FEDERAL PROGRAM, REPORT ON INTERNAL CONTROL
OVER COMPLIANCE AS REQUIRED BY OMB CIRCULAR A-133 AND
REPORT ON THE SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS**

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 Circular A-133 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, 2015. 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"), the Louisville and Jefferson County Metropolitan Sewer District ("MSD") and KentuckianaWorks, discretely presented component units, which received \$28,803,353, \$3,203,587 and \$8,250,433 in federal awards, respectively, which is not included in the schedule of expenditures of federal awards during the year ended June 30, 2015. Our audit, described below, did not include the operations TARC, MSD and KentuckianaWorks because the entities have separate audits performed in accordance with OMB Circular A-133.

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 OMB Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations*. Those standards and OMB Circular A-133 require that we plan and perform the audit to obtain reasonable assurance about whether noncompliance with the types of compliance requirements referred to above that could have a direct and material effect on a major federal program occurred. An audit includes examining, on a test basis, evidence about 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, 2015.

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 OMB Circular A-133, but not for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, we do not express an opinion on the effectiveness of 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 OMB Circular A-133. Accordingly, this report is not suitable for any other purpose.

Report on Schedule of Expenditures of Federal Awards Required by OMB Circular A-133

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, 2015, 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, 2015, 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 OMB Circular A-133 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

Louisville, Kentucky
December 23, 2015

LOUISVILLE/JEFFERSON COUNTY METRO GOVERNMENT
 SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
 Year ended June 30, 2015

<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:				
Conservation Reserve Program	10.069		\$ 7,963	\$ -
Farmers' Market and Local Food Promotion Program	10.168		<u>13,471</u>	<u>3,157</u>
			<u>21,434</u>	<u>3,157</u>
Pass-Through:				
<i>Kentucky Cabinet for Health and Family Services</i>				
Special Supplemental Nutrition Program for Women, Infants, and Children	10.557	MOA	2,743,404	-
<i>Kentucky Department of Education</i>				
Summer Food Service Program for Children	10.559	056 W45 999 SU	124,979	-
<i>Kentucky Division of Forestry</i>				
Cooperative Forestry Assistance	10.664	PON2 128 1500001048 1	<u>1,899</u>	<u>-</u>
			<u>2,870,282</u>	<u>-</u>
Total U.S. Department of Agriculture			<u>2,891,716</u>	<u>3,157</u>
U.S. Department of Commerce				
Direct Programs:				
Economic Adjustment Assistance	11.307		<u>1,970,503</u>	<u>-</u>
Total U.S. Department of Commerce			<u>1,970,503</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, 2015

<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		\$ 13,017,141	\$ 4,743,866
Emergency Solutions Grant Program	14.231		831,296	564,995
Shelter Plus Care	14.238		101,534	-
HOME Investment Partnership Program	14.239		3,243,541	118,856
Housing Opportunities for Persons with AIDS (HOPWA)	14.241		674,495	645,162
Continuum of Care Program	14.267		2,337,937	163,858
Fair Housing Assistance Program	14.401		186,725	-
Lead Based Paint Hazard Control in Privately Owned Housing	14.900		848,140	-
			<u>21,240,809</u>	<u>6,236,737</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	<u>132,771</u>	<u>-</u>
Total U.S. Department of Housing and Urban Development (HUD)			<u>21,373,580</u>	<u>6,236,737</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, 2015

<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:				
Supervised Visitation, Safe Haven for Children	16.527		\$ 143,125	\$ 137,872
Grants to Encourage Arrest Policies and Enforcement of Protection Orders Program	16.590		222,395	76,645
State Criminal Alien Assistance Program	16.606		106,961	-
Project Safe Neighborhoods	16.609		100,011	13,953
Public Safety Partnership and Community Policing Grants	16.710		231,863	-
Edward Byrne Memorial Justice Assistance Grant (JAG) Program	16.738		749,985	-
Criminal and Juvenile Justice and Mental Health Collaboration Program	16.745		13,315	13,315
National Forum on Youth Violence Prevention	16.819		2,598	-
Equitable Sharing Program	16.922		<u>1,001,087</u>	<u>-</u>
			<u>2,571,340</u>	<u>241,785</u>
Pass-Through:				
<i>Kentucky Department of Juvenile Justice</i>				
Juvenile Accountability Block Grants (JABG)	16.523	Various	36,262	-
Juvenile Justice and Delinquency Prevention - Allocation to States	16.540	Various	14,007	-
Violence Against Women Formula Grants	16.588	VAWA-2013-Louisvil-00353	50,842	-
<i>Seven Counties Services, Inc. Regional Prevention Center</i>				
Enforcing Underage Drinking Laws Program	16.727	MOU	19,307	-
<i>Kentucky Department of Corrections</i>				
Demonstration Projects to Establish "Zero Tolerance" Cultures for Sexual Assault in Correctional Facilities	16.735	PON2 527 1400002964 1	<u>36,822</u>	<u>-</u>
			<u>157,240</u>	<u>-</u>
Total U.S. Department of Justice			<u>2,728,580</u>	<u>241,785</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, 2015

<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 Labor				
Pass-Through:				
<i>National Disability Institute</i>				
Disability Employment Policy				
Development				
	17.720	OD-23863-12-75-4-11	\$ 19,327	\$ -
Total U.S. Department of Labor			<u>19,327</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	Various	\$ 4,385,123	\$ -
<i>Commonwealth of Kentucky, Department of Local Government</i>				
Recreational Trails Program/Waverly				
Yost Improvements				
	20.219	RTP Project No. 355-08	<u>708</u>	<u>-</u>
Total Highway Planning and Construction Cluster			4,385,831	-
<i>Kentuckiana Regional Planning and Development Agency</i>				
Highway Training and Education				
	20.215	MOA	196,800	-
<i>Commonwealth of Kentucky Justice and Public Safety Cabinet, Kentucky State Police</i>				
National Motor Carrier Safety				
	20.218	MOA	96,973	-

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, 2015

<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 Safety Cluster:				
<i>Kentucky Department of Transportation</i>				
State and Community Highway Safety	20.600	Various	\$ 112,744	\$ -
National Priority Safety Programs	20.616	Various	<u>58,902</u>	<u>-</u>
Total Highway Safety Cluster			171,646	-
National Highway Traffic Safety Administration (NHTSA) Discretionary Safety Grants	20.614	P02 625 1400006020 1	<u>45,499</u>	<u>-</u>
Total U.S. Department of Transportation			<u>4,896,749</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>48,700</u>	<u>-</u>
Total U.S. Equal Employment Opportunity Commission (EEODC)			<u>48,700</u>	<u>-</u>
U.S. Environmental Protection Agency				
Direct Programs:				
Air Pollution Control Program Support (Section 105)	66.001		451,742	-
Surveys, Studies, Research, Investigations, Demonstrations, and Special Purpose Activities Relating to the Clean Air Act	66.034		97,459	-
Brownfields Training, Research, and Technical Assistance and Cooperative Agreements	66.814		137,911	-
Brownfields Assessment and Cleanup Cooperative Agreement	66.818		<u>573,695</u>	<u>1,567</u>
Total U.S. Environmental Protection Agency			<u>1,260,807</u>	<u>1,567</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, 2015

<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 Energy				
Pass-Through:				
<i>Community Action Kentucky</i>				
Weatherization Assistance for Low- Income Persons	81.042	DOE WX-23	\$ 86,568	\$ -
Total U.S. Department of Energy			<u>86,568</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		256,980	165,779
Food and Drug Administration Research PPHF – Community Transformation Grants and National Dissemination and Support for Community Transformation Grants – financed solely by Prevention and Public Health Funds	93.103		2,856	-
	93.531		121,796	62,304
Healthy Start Initiative	93.926		<u>789,049</u>	<u>-</u>
			<u>1,170,681</u>	<u>228,083</u>
Pass-Through:				
<i>National Association of County and City Health Officials</i>				
Medical Reserve Corps Small Grant Program	93.008	5 MRCSG101005-04-00	2,462	-
<i>Kentuckiana Regional Planning and Development Agency</i>				
Special Programs for the Aging Title III, Part C Nutrition Services	93.045	KIPDA-FY2015-1015-1(METRO)	351,022	41,923
<i>Kentucky Cabinet for Health and Family Services</i>				
Hospital Preparedness Program (HPP) and Public Health Emergency Preparedness (PHEP) Aligned Cooperative Agreements	93.074	MOA	13,106	-

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, 2015

<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>National Association of County and City Health Officials</i>				
Food and Drug Administration Research	93.103	MOA	\$ 2,091	\$ -
<i>Kentucky Cabinet for Health and Family Services</i>				
Project Grants and Cooperative Agreements for Tuberculosis Control Programs	93.116	MOA	33,436	-
Family Planning Services	93.217	MOA	436,713	-
<i>Seven Counties Services</i>				
Substance Abuse and Mental Health Services – Projects of Regional and National Significance	93.243	MOU	7,140	-
<i>Kentucky Cabinet for Health and Family Services</i>				
Immunization Cooperative Agreements Centers for Disease Control and Prevention – Investigations and Technical Assistance	93.268	MOA	31,204	-
State Planning and Establishment Grants for the Affordable Care Act (ACA)'s Exchanges	93.283	MOA	558,761	-
Community Action Kentucky	93.525	MOA Amendment #5	132,027	-
Low-Income Home Energy Assistance Program	93.568	Various	4,602,939	-
<i>Kentucky Cabinet for Health and Family Services</i>				
Community Services Block Grant Child Lead Poisoning Prevention Surveillance financed in part by Prevention and Public Health (PPHF) Program	93.569	PON2 1400001459 2	1,597,025	-
	93.753	MOA	154,039	-

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, 2015

<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 (Continued):				
<i>Kentucky Cabinet for Health and Family Services (Continued)</i>				
Domestic Ebola Supplement to the Epidemiology and Laboratory Capacity for Infectious Diseases (Ebola Monitoring)	93.815	MOA	\$ 20,716	\$ -
Medical Assistance Program	93.778	MOA	127,626	-
National Bioterrorism Hospital Preparedness Program	93.889	Various	57,926	-
HIP Prevention Activities – Health Department Based	93.940	MOA	129,410	-
Human Immunodeficiency Virus (HIV)/Acquired Immunodeficiency Virus Syndrome (AIDS) Surveillance	93.944	MOA	66,538	-
Assistance Programs for Chronic Disease Prevention and Control	93.945		8,678	-
Block Grants for Prevention and Treatment of Substance Abuse	93.959	PON2 729 1400000889 2	561,691	-
Preventive Health and Health Services Block Grant	93.991	MOA	18,417	-
Maternal and Child Health Services Block Grant to the States	93.994	MOA	<u>95,127</u>	<u>-</u>
			<u>9,008,094</u>	<u>41,923</u>
Total U.S. Department of Health and Human Services			<u>10,178,775</u>	<u>270,006</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, 2015

<u>Federal Agency</u>	<u>CFDA Number</u>	<u>Pass-Through Number</u>	<u>Federal Expenditures</u>	<u>Provided to Subrecipients</u>
Corporation for National and Community Services				
Direct Programs:				
Retired Senior and Volunteer Program	94.002		\$ 114,773	\$ -
Foster Grandparent Program (FGP)	94.011		<u>370,964</u>	<u>-</u>
Total Corporation for National and Community Services			<u>485,737</u>	<u>-</u>
Executive Office of the President				
Pass-Through:				
<i>Appalachia HIDTA</i>				
High Intensity Drug Trafficking Areas Program	95.001	Various	<u>184,498</u>	<u>-</u>
Total Executive Office of the President			<u>184,498</u>	<u>-</u>
U.S. Social Security Administration				
Pass Through:				
<i>State of Kentucky</i>				
Supplemental Security Income Program (SSI)	96.006	N/A	<u>86,304</u>	<u>-</u>
Total U.S. Social Security Administration			<u>86,304</u>	<u>-</u>
U.S. Department of Homeland Security				
Direct Programs:				
Port Security Grant Program	97.056		470,461	-
ARRA – Assistance to Firefighters Station Construction Grants	97.115 ARRA		<u>3,902</u>	<u>-</u>
			<u>474,363</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, 2015

<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 Homeland Security				
Pass-Through:				
<i>Kentucky Division of Emergency Management</i>				
Hazard Mitigation Grant Program	97.039	Various	\$ 100,321	\$ -
Emergency Management Performance Grants	97.042	Various	270,274	-
<i>Kentucky Office of Homeland Security</i>				
Homeland Security Grant Program	97.067	Various	<u>151,025</u>	<u>-</u>
			<u>521,620</u>	<u>-</u>
Total for U.S. Department of Homeland Security			<u>995,983</u>	<u>-</u>
Total for Schedule of Expenditures of Federal Awards			<u>\$ 47,207,827</u>	<u>\$ 6,753,252</u>

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, 2015

NOTE 1 – PURPOSE OF THE SCHEDULE AND SIGNIFICANT ACCOUNTING POLICIES

Basis of Presentation: OMB Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations*, 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.

NOTE 2 – PROGRAMS FROM MULTIPLE FUNDING SOURCES

OMB Circular A-133 Section 105 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>
93.103	Food and Drug Administration Research	U.S. Department of Health and Human Services	Direct	\$ 2,856
93.103	Food and Drug Administration Research	National Association of County and City Health Officials	Pass-Through	<u>2,091</u>
				<u>\$ 4,947</u>

LOUISVILLE/JEFFERSON COUNTY METRO GOVERNMENT
SUMMARY SCHEDULE OF PRIOR AUDIT FINDINGS
Year ended June 30, 2015

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>	None Reported

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 Section 510(a) of OMB Circular A-133?	_____	Yes	<u> X </u>	No

Identification of major programs:

<u>CFDA Number(s)</u>	<u>Name of Federal Program or Cluster</u>
11.307	Economic Adjustment Assistance
14.218	Community Development Block Grant/Entitlement Grants
20.205	Highway Planning and Construction Cluster (consisting of):
20.219	Highway Planning and Construction
	Recreational Trails Program
93.568	Low-Income Home Energy Assistance Program

Dollar threshold used to distinguish between Type A and Type B programs	<u>\$ 1,416,235</u>			
Auditee qualified as low-risk auditee?	_____	Yes	<u> X </u>	No

LOUISVILLE/JEFFERSON COUNTY METRO GOVERNMENT
SUMMARY SCHEDULE OF PRIOR AUDIT FINDINGS
Year ended June 30, 2015

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

FINDING 2014-001 - Metro Government's Department of Community Services and Revitalization, Internal Controls Over Low-Income Home Energy Assistance ("LIHEAP") Eligibility Documentation (Deficiency/No questioned costs)

Federal Program: CFDA No. 93.568 Low-Income Home Energy Assistance

Condition: During the fiscal year 2014 eligibility testing, we noted that in two of the sixty participant files tested, the information contained in the supporting documentation did not agree to what was input into the CASTiNET system, resulting in miscalculation and an incorrect payment of the benefit due to the participant. We also noted that in two of the sixty files tested, the information contained in the supporting documentation was not complete.

Status: The finding was not reported in the current year audit.

**INDEPENDENT AUDITOR'S REPORT ON COMPLIANCE FOR
KENTUCKIANA REGIONAL PLANNING AND DEVELOPMENT AGENCY
CONTRACT NUMBER PON2-725-1200001049-1**

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-FY15-1015-1 (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, 2015.

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, 2015.

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, 2015, 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, 2015, 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 2015 (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 2015 is fairly stated in all material respects in relation to the basic financial statements as a whole.


Crowe Horwath LLP

Louisville, Kentucky
December 23, 2015

LOUISVILLE/JEFFERSON COUNTY METRO GOVERNMENT
ATTACHMENT A
SUPPLEMENTARY INFORMATION
KIPDA MONTHLY SERVICE PROVIDER FINANCIAL REPORT - TITLE III-C FISCAL YEAR 2015

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	8,026	91,155	\$2.80	\$22,473	\$255,234	1,502
Title III-C2 Food Service/Meal Delivery	8,561	106,485	\$3.37	\$28,851	\$358,854	613

	TITLE C1		TITLE C2	
	Amount This Report	Year to Date	Amount This Report	Year to Date
Gross Total Amount	\$22,473	\$ 255,234	\$28,851	\$358,854
Program Income (NSIP Meal Service)	2,000	58,704	5,508	60,398
Balance Paid by AoA Program	20,473	196,530	23,343	298,456
Local Cash - Regular Meals -	-	-	-	-
In-Kind Match - Regular	2,047	19,653	2,334	29,846
Match Totals – All Funds	2,047	19,653	2,334	29,846
KIPDA Regular Service Reimbursement	\$18,426	\$176,877	\$21,009	\$268,610
% AoA Funds Spent	98%		95%	
