

## **SINGLE AUDIT SECTION**

**CITY OF LINCOLN, NEBRASKA**  
**SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS**  
**FOR THE YEAR ENDED AUGUST 31, 2016**

Federal Grantor/Pass-Through Grantor/Program Title	Federal CFDA Number	Grant Number / Pass-Through Entity Identifying Number	Federal Expenditures	Passed Through to Subrecipients
<b>U.S. DEPARTMENT OF AGRICULTURE</b>				
Pass-Through State Department Of Education:				
Child Nutrition Cluster:				
Summer Food Service Program for Children	10.559	2012N109943	\$ 105,893	
Summer Food Service Program for Children	10.559	55-3002	<u>325,797</u>	431,690
Pass-Through State Department Of Health And Human Services:				
Special Supplemental Nutrition Program for Women, Infants & Children	10.557	* 29469-Y3	698,131	
Special Supplemental Nutrition Program for Women, Infants & Children	10.557	* 24591-Y3	<u>136,688</u>	834,819
Nutrition Program for the Elderly (Commodities)	10.570	NGA 29282-Y3		<u>137,020</u>
Total U.S. Department Of Agriculture			\$ 1,403,529	\$ 107,607
<b>U.S. DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT</b>				
Direct Programs:				
Congregate Housing Services Program (Mahoney Manor)	14.170	NE26-G940-001	\$ 75,038	
Congregate Housing Services Program (Burke Plaza)	14.170	NE26-G940-002	<u>49,271</u>	124,309
CDBG - Entitlement Grants Cluster:				
Community Development Block Grant	14.218	* B-15 MC-31-0001		13,420,208
Emergency Solutions Grant Program	14.231	E14-MC-31-0002	34,249	
Emergency Solutions Grant Program	14.231	E15-MC-31-0002	<u>62,563</u>	96,812
Shelter Plus Care	14.238	NE0059L7D021403		32,384
HOME Investment Partnerships Program	14.239	M-15 MC-31-0202		13,495,358
Continuum of Care Program	14.267	NE0073L7D021300	34,359	
Continuum of Care Program	14.267	NE0073L7D021401	<u>42,892</u>	77,251
Fair Housing Assistance Program - State and Local	14.401	FF207K157017		146,015
Pass-Through State Department Of Economic Development:				
Community Development Block Grant (Neighborhood Stabilization Program)	14.228	092N40		<u>153,011</u>
Total U.S. Department Of Housing And Urban Development			\$ 27,545,348	\$ 485,648
<b>U.S. DEPARTMENT OF INTERIOR</b>				
Pass-Through State Historical Society:				
Historic Preservation Fund Grants-in-Aid	15.904	15/16	\$ 6,000	
Historic Preservation Fund Grants-in-Aid	15.904	15/16	<u>20,000</u>	\$ 26,000
<b>U.S. DEPARTMENT OF JUSTICE</b>				
Direct Programs:				
Grants to Encourage Arrest Policies and Enforcement of Protection Orders Program (Arrest Grant SART)	16.590	2013-WE-AX-0036	\$	76,313
Public Safety Partnership and Community Policing Grant (COPS Hiring)	16.710	2014ULWX0042		62,457
Equitable Sharing Program	16.922	NB0550100		91,307
JAG Program Cluster:				
Edward Byrne Memorial Justice Assistance Grant Program (JAG Formula)	16.738	2013DJBX0976		173,411
Pass-Through State Commission On Law Enforcement And Criminal Justice:				
Edward Byrne Memorial Justice Assistance Grant Program	16.738	15DA0303	55,795	
Edward Byrne Memorial Justice Assistance Grant Program	16.738	14DA0335	<u>22,815</u>	78,610
Pass-Through Lancaster County:				
Violence Against Women Formula Grants (DV Specialist)	16.588	14-VW-704	23,324	
Violence Against Women Formula Grants (DV Specialist)	16.588	15-VW-715	<u>17,215</u>	40,539
Grants to Encourage Arrest Policies and Enforcement of Protection Orders Program	16.590	204-WE-AX-0007		8,979
Pass-Through Nebraska State Patrol:				
Missing Children's Assistance (ICAC)	16.543	2014-MC-FX-K030-01		4,322
Pass-Through City of Omaha:				
Project Safe Neighborhoods	16.609	2014GPBX0010	8,633	
Project Safe Neighborhoods	16.609	2015GPBX0005	<u>5,237</u>	13,870
Pass-Through State Commission On Law Enforcement And Criminal Justice:				
Crime Victim Assistance	16.575	15-VA-0255		<u>73,922</u>
Total U.S. Department Of Justice			\$ 623,730	\$ 327,863

(Continued)  
See Accompanying Notes to Schedule of Expenditures of Federal Awards

(Expenditures of Federal Awards , Continued)

Federal Grantor/Pass-Through Grantor/Program Title	Federal CFDA Number	Grant Number / Pass-Through Entity Identifying Number	Federal Expenditures	Passed Through to Subrecipients
<b>U.S. DEPARTMENT OF LABOR</b>				
Pass-Through State Department Of Labor:				
WIA/WIOA Cluster:				
WIOA Adult Program	17.258	* 2015	\$ 30,439	
WIOA Adult Program	17.258	* 2015	27,113	
WIOA Adult Program	17.258	* 2016	177,297	
WIOA Dislocated Workers Formula Grants	17.278	* 2015	16,350	
WIOA Dislocated Workers Formula Grants	17.278	* 2015	33,292	
WIOA Dislocated Workers Formula Grants	17.278	* 2015	100,013	
WIOA In School Youth Activities	17.259	* 2015	35,384	
WIOA In School Youth Activities	17.259	* 2015	42,790	
WIOA Out of School Youth Activities	17.259	* 2015	38,277	
WIOA Out of School Youth Activities	17.259	* 2015	296,610	\$ 797,565
				\$ -
<b>U.S. DEPARTMENT OF TRANSPORTATION</b>				
Federal Transit Cluster:				
Federal Transit: Formula Grants (Sec. 9 Capital)	20.507	NE-90-X091	\$ 1,115	
Federal Transit: Formula Grants (Sec. 9 Capital)	20.507	NE-90-X093	93,723	
Federal Transit: Formula Grants (Sec. 9 Capital)	20.507	NE-90-0100	29,238	
Federal Transit: Formula Grants (Sec. 9 Capital)	20.507	NE-90-0100	11,055	
Federal Transit: Formula Grants (Sec. 9 Capital)	20.507	NE-90-0103	1,705,000	
Pass-Through Nebraska Department Of Roads:				
Federal Transit: Formula Grants (Transit Planning)	20.507	RTP-C990 (035)	109,937	
Federal Transit: Formula Grants (Transit Planning)	20.507	RTP-C990 (036)	105,985	2,056,053
				-
Pass-Through Nebraska Department Of Roads:				
Highway Planning and Construction Cluster:				
Highway Planning and Construction (Planning)	20.205	SPR-PL1(53)	469,697	
Highway Planning and Construction (Planning)	20.205	SPR-PL1(54)	81,205	
Highway Planning and Construction (10th & Military/Salt Creek)	20.205	LCLC-5215(3)	5,727	
Highway Planning and Construction (70th/VanDorn/Eastborough)	20.205	LCLC-5247(13)	189,614	
Highway Planning and Construction (56th, Shadow Pines, and Old Cheney)	20.205	LCLC-5241(5)	307,592	
Highway Planning and Construction (48th & Hwy 2 Signal Replacement)	20.205	LCLC-5239(9)	10,184	
Highway Planning and Construction (Calvert, 48th & 56th)	20.205	LCLC-5239(10)	5,823	
Highway Planning and Construction (S 17th, Washington - D)	20.205	LCLC-5227(8)	28,248	
Highway Planning and Construction (SW 40th Viaduct)	20.205	STPN-BR-TMT 5267(1)	263,875	
Highway Planning and Construction (Click It or Ticket)	20.205	HSIP-0038	4,719	
Highway Planning and Construction (You Drink, You Drive, You Lose)	20.205	HSIP-0040	3,072	
Pass-Through Game and Parks Commission:				
Recreational Trails Program (Pioneers Park Trail Renovation Phase III)	20.219	RTP2015(003)	280,931	
Recreational Trails Program (Billy Wolf Trail Randolph 27th)	20.219	RTP2014(002)	200,582	1,851,269
				-
Formula Grants for Other Than Urbanized Areas (Lancaster County Rural Transit)	20.509	RPT-C551(217)	5,991	
Formula Grants for Other Than Urbanized Areas (Lancaster County Rural Transit)	20.509	RPT-C551(216)	36,184	42,175
				-
Highway Safety Cluster:				
State and Community Highway Safety (Speed Enforcement)	20.600	402-16-33	1,669	
State and Community Highway Safety	20.600	402-15-27	1,184	
State and Community Highway Safety	20.600	402-15-27	1,333	
State and Community Highway Safety	20.600	402-15-33	8,168	
State and Community Highway Safety	20.600	402-16-33-01	6,314	
State and Community Highway Safety	20.600	402-15-25	2,521	
State and Community Highway Safety	20.600	402-15-25	1,637	-
National Priority Safety Programs (Click It or Ticket)				
National Priority Safety Programs	20.616	405B-16-14	9,000	
National Priority Safety Programs	20.616	405D-16-05	3,332	
National Priority Safety Programs	20.616	405D-16-05	655	
National Priority Safety Programs	20.616	405D-15-04	2,982	
National Priority Safety Programs	20.616	405D-15-05	4,681	
National Priority Safety Programs	20.616	405D-16-05	9,419	
National Priority Safety Programs	20.616	405D-16-04	4,495	
National Priority Safety Programs (Child Restraint Systems)	20.616	405B-14-12-03	3,000	60,390
				-
Total U.S. Department Of Transportation			\$ 4,009,887	\$ -
<b>EQUAL EMPLOYMENT OPPORTUNITY COMMISSION</b>				
Direct Programs:				
Employment Discrimination - State and Local Fair Employment Practices Agency Contracts	30.002	EEC45015C0047	\$ 32,364	\$ -
				-
<b>INSTITUTE OF MUSEUM AND LIBRARY SERVICES</b>				
Pass-Through State Library Commission:				
Grants to States (Net Lender Contract)	45.310	LS-00-160028+16	\$ 1,374	
Grants to States (Library Services & Technology Act)	45.310	16.08	2,716	\$ 4,090
				\$ -
<b>U.S. ENVIRONMENTAL PROTECTION AGENCY</b>				
Direct Program:				
Brownfields Assessment and Cleanup Cooperative Agreements	66.818	BF 97740801	\$ 33,731	-

(Continued)

See Accompanying Notes to Schedule of Expenditures of Federal Awards

(Expenditures of Federal Awards , Continued)

Federal Grantor/Pass-Through Grantor/Program Title	Federal CFDA Number	Grant Number / Pass-Through Entity Identifying Number	Federal Expenditures	Passed Through to Subrecipients
Pass-Through State Department Of Environmental Quality: Nonpoint Source Implementation Grants (Zoo Area)	66.460	C900740320	261,000	-
Performance Partnership Grants	66.605	RES 89439	97,759	-
Performance Partnership Grants	66.605	PPG-99732508	<u>17,873</u>	115,632
Drinking Water State Revolving Fund Cluster: Capitalization Grants for Drinking Water State Revolving Funds	66.468	FS997805	48,042	-
Surveys, Studies, Research, Investigations, Demonstrations, And Special Purpose Activities Relating to the Clean Air Act	66.034	EO 089204	8,110	-
Surveys, Studies, Research, Investigations, Demonstrations, And Special Purpose Activities Relating to the Clean Air Act	66.034	DO 13732	<u>17,235</u>	<u>25,345</u>
Total U.S. Environmental Protection Agency			\$ <u>483,750</u>	\$ <u>-</u>
<b>U.S. DEPARTMENT OF HEALTH AND HUMAN SERVICES</b>				
Direct Program:				
Food and Drug Administration General Grant Funding Program	93.103	5U18FD004661-02	\$ 61,955	-
Food and Drug Administration General Grant Funding Program	93.103	5U18FD004661-05	5,131	-
Food and Drug Administration General Grant Funding Program	93.103	1U18FD005629-01	33,935	-
Food and Drug Administration General Grant Funding Program	93.103	1U18FD005629-02	<u>4,524</u>	105,545
Pass-Through National Association of County and City Health Officials: Medical Reserve Corps Small Grant Program	93.008	MRC 15 360	448	-
Pass-Through State Department Of Health And Human Services: Special Programs for the Aging Title VII, Chapter 2: Long Term Care Ombudsman Services for Older Individuals	93.042	NGA 27873-Y3	5,000	-
Special Programs for the Aging Title VII, Chapter 2: Long Term Care Ombudsman Services for Older Individuals	93.042	NGA 29508-Y3	<u>217</u>	5,217
Special Programs for the Aging Title III, Part D: Disease Prevention and Health Promotion Services	93.043	NGA 27873-Y3-III-D	2,378	-
Special Programs for the Aging Title III, Part D: Disease Prevention and Health Promotion Services	93.043	NGA 29508-Y3-III-D	13,359	-
Special Programs for the Aging Title III, Part D: Disease Prevention and Health Promotion Services	93.043	NGA 25121-Y3-III-D	<u>331</u>	16,068
Aging Cluster:				
Special Programs for the Aging Title III, Part B: Grants for Supportive Services and Senior Centers	93.044	* NGA 29508-Y3-III-B	163,711	18,159
Special Programs for the Aging Title III, Part B: Grants for Supportive Services and Senior Centers	93.044	* NGA 27873-Y3-III-B	164,309	12,971
Special Programs for the Aging Title III, Part C: Nutrition Services	93.045	* NGA 25121-Y3-III-C1	35,673	6,958
Special Programs for the Aging Title III, Part C: Nutrition Services	93.045	* NGA 27873-Y3-III-C1	90,969	13,917
Special Programs for the Aging Title III, Part C: Nutrition Services	93.045	* NGA 29508-Y3-III-C1	341,182	62,625
Special Programs for the Aging Title III, Part C: Nutrition Services	93.045	* NGA 25121-Y3-III-C2	61,799	8,710
Special Programs for the Aging Title III, Part C: Nutrition Services	93.045	* NGA 29508-Y3-III-C2	<u>143,196</u>	1,000,839
National Family Caregiver Support, Title III, Part E	93.052	NGA 29508-Y3-III-E	103,418	7,546
National Family Caregiver Support, Title III, Part E	93.052	NGA 25121-Y3-III-E	43,311	3,773
National Family Caregiver Support, Title III, Part E	93.052	NGA 27873-Y3-III-E	<u>27,623</u>	3,773
Public Health Emergency Preparedness	93.069	27577Y3	322,456	-
Public Health Emergency Preparedness	93.069	BT 885 80912	<u>20,299</u>	342,755
Project Grants and Cooperative Agreements for Tuberculosis Control Programs	93.116	25457-Y3	2,293	-
Project Grants and Cooperative Agreements for Tuberculosis Control Programs	93.116	U52PS004677	<u>1,621</u>	3,914
Grants to States to Support Oral Health Workforce Activities	93.236	T12HP14997	655	-
Immunization Cooperative Agreements (NE Immunization Action Plan)	93.268	24982-Y3	34,913	-
Immunization Cooperative Agreements (NE Immunization Action Plan)	93.268	H231P00756	49,439	-
Immunization Cooperative Agreements (Hepatitis B)	93.268	H231P00756	4,410	-
Immunization Cooperative Agreements (Hepatitis B)	93.268	H231P00756	<u>5,610</u>	94,372
Centers for Disease Control and Prevention: Investigations and Tech Assistance	93.283	3U50C1000924-255	803	-
Centers for Disease Control and Prevention: Investigations and Tech Assistance	93.283	3U50CK00418-01S1	7,245	-
Centers for Disease Control and Prevention: Investigations and Tech Assistance	93.283	61824-04	229	-
Centers for Disease Control and Prevention: Investigations and Tech Assistance	93.283	DP001473-03	349	-
Centers for Disease Control and Prevention: Investigations and Tech Assistance	93.283	RES A 88575	53,845	-
Centers for Disease Control and Prevention: Investigations and Tech Assistance	93.283	2015	6,444	-
Centers for Disease Control and Prevention: Investigations and Tech Assistance	93.283	5NU58DP006008-02-00	10,197	-
Centers for Disease Control and Prevention: Investigations and Tech Assistance	93.283	EO 089601	<u>11,098</u>	90,210
National State Based Tobacco Control Programs	93.305	DP-15-1509	37,832	-
Epidemiology and Laboratory Capacity for Infectious Diseases (West Nile Virus)	93.323	3U50CK00418-0251	1,104	-
Affordable Care Act Maternal, Infant, and Early Childhood Home Visiting Program	93.505	X02MC27407	344,554	-
Affordable Care Act Maternal, Infant, and Early Childhood Home Visiting Program	93.505	X02MC23116	<u>59,271</u>	403,825

(Continued)

See Accompanying Notes to Schedule of Expenditures of Federal Awards

(Expenditures of Federal Awards , Continued)

Federal Grantor/Pass-Through Grantor/Program Title	Federal CFDA Number	Grant Number / Pass-Through Entity Identifying Number	Federal Expenditures	Passed Through to Subrecipients
Refugee and Entrant Assistance Program (Health Screening)	93.566	EO 088089/088405	135,253	
Refugee and Entrant Assistance Program (Health Screening)	93.566	EO 083947	<u>153,188</u>	288,441
Refugee and Entrant Assistance Program - Discretionary Grants	93.576	90RX0241-02-00		27,481
Social Services Block Grant (SSBG)	93.667	2016/2017		49,049
Preventive Health and Health Services Block Grant Funded Solely with Prevention and Public Health Funds (Young Children Oral Health)	93.758	24298-Y3	458	
Preventive Health and Health Services Block Grant Funded Solely with Prevention and Public Health Funds (SK-Injury Prevention)	93.758	B011OT009036	5,511	
Preventive Health and Health Services Block Grant Funded Solely with Prevention and Public Health Funds (Move More Lincoln Safety)	93.758	25339-Y3	23,750	
Preventive Health and Health Services Block Grant Funded Solely with Prevention and Public Health Funds (Oral Health)	93.758	28761-Y3	18,594	
Preventive Health and Health Services Block Grant Funded Solely with Prevention and Public Health Funds (Move More Lincoln Safety)	93.758	30019-Y3	17,473	
Preventive Health and Health Services Block Grant Funded Solely with Prevention and Public Health Funds (PHAB Accreditation)	93.758	28916-Y3	20,000	
Preventive Health and Health Services Block Grant Funded Solely with Prevention and Public Health Funds (CDC-Safe Kids Injury)	93.758	B011OT009036	<u>9</u>	85,795
Hospital Preparedness Program Ebola Preparedness and Response Activities	93.817	29492-Y4	7,979	
Hospital Preparedness Program Ebola Preparedness and Response Activities	93.817	29491-Y3	<u>5,258</u>	13,237
National Bioterrorism Hospital Preparedness Program (LMMRS)	93.889	U90TP000533	111,362	
National Bioterrorism Hospital Preparedness Program (LMMRS)	93.889	BT 982 63013	7,223	
National Bioterrorism Hospital Preparedness Program (LMMRS)	93.889	BT 1106 63015	122,049	
National Bioterrorism Hospital Preparedness Program (SENHCC)	93.889	28138-Y3	<u>50,122</u>	290,756
HIV Care Formula Grants (HIV-Linkage to Care)	93.917	X07HA00042	25,000	
HIV Care Formula Grants (HIV-Linkage to Care)	93.917	X07HA00042	<u>13,071</u>	38,071
HIV Prevention Activities Health Dept Based (HIV Prevention)	93.940	U62PS003653	4,490	
HIV Prevention Activities Health Dept Based (HIV Testing)	93.940	22486-Y3	<u>3,954</u>	8,444
Preventive Health Services Sexually Transmitted Diseases Control Grants (STD)	93.977	1H25PS004335-02	2,124	
Preventive Health Services Sexually Transmitted Diseases Control Grants (STD)	93.977	CDC-RFA-PS09-902	<u>2,908</u>	5,032
Maternal and Child Health Services Block Grant to the States (Childhood Obesity)	93.994	23840-Y3	26,975	
Maternal and Child Health Services Block Grant to the States (Childhood Obesity)	93.994	29370-Y3	<u>88,983</u>	115,958
				21,000
Total U.S. Department Of Health And Human Services			\$ 3,199,400	\$ 182,659
<b>CORPORATION FOR NATIONAL AND COMMUNITY SERVICE</b>				
Direct Programs:				
Foster Grandparent/Senior Companion Cluster:				
Foster Grandparent Program	94.011	14SFNNE 003 (16/17)	\$ 40,954	
Foster Grandparent Program	94.011	14SFNNE 003 (15/16)	<u>89,637</u>	130,591
Pass-Through Nebraska Volunteer Service Commission:				
AmeriCorps (Youth on the Move)	94.006	13AFHNE0010006	332	
AmeriCorps (Youth on the Move)	94.006	13AFHNE0010009	<u>118,513</u>	118,845
Total Corporation For National And Community Service			\$ 249,436	\$ -
<b>EXECUTIVE OFFICE OF THE PRESIDENT</b>				
Pass-Through Nebraska State Patrol:				
High Intensity Drug Trafficking Areas Program	95.001	14HD02	\$ 21,151	
High Intensity Drug Trafficking Areas Program	95.001	15HD02	48,947	
High Intensity Drug Trafficking Areas Program	95.001	16HD02	<u>18,603</u>	88,701
<b>DEPARTMENT OF HOMELAND SECURITY</b>				
Direct Programs:				
National Urban Search and Rescue (US&R) Response System	97.025	EMW-2054-CA-00034	\$ 877,687	
National Urban Search and Rescue (US&R) Response System	97.025	EMW-2014-CA-K00012-S01	<u>257,977</u>	1,135,664
Assistance to Firefighters Grant	97.044	* EMW-2013-FO-04850	871,035	
Assistance to Firefighters Grant	97.044	* EMW-2014-FP-00064	108,204	
Assistance to Firefighters Grant	97.044	* EMW-2014-FO-03200	<u>153,237</u>	1,132,476
Pass-Through Nebraska Emergency Management:				
Disaster Grants - Public Assistance	97.036	109-UA7U8-00	61,298	
Disaster Grants - Public Assistance	97.036	109-U9D8E-00	75,020	
Disaster Grants - Public Assistance	97.036	109-U7GKM-00	5,543	
Disaster Grants - Public Assistance	97.036	109-ULBUQ-00	<u>166,129</u>	307,990
Hazard Mitigation Grant	97.039	4013-0050		91,081
Total Department of Homeland Security			\$ 2,667,211	\$ -
Total Federal Expenditures			\$ 41,131,011	\$ 1,103,777

See Accompanying Notes to Schedule of Expenditures of Federal Awards



**CITY OF LINCOLN, NEBRASKA  
NOTES TO SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS  
FOR THE YEAR ENDED AUGUST 31, 2016**

**REPORTING ENTITY**

The accompanying schedule of expenditures of federal awards (the “Schedule”) includes the federal award activity of the City of Lincoln, Nebraska (the City) under programs of the federal government for the year ended August 31, 2016. The City for purposes of the Schedule, includes all funds of the City as defined in Note 1 of the Notes to the Financial Statements, including Lincoln Electric System, Lincoln Water System, and Lincoln Wastewater System. Lincoln Electric System (LES) operates on a calendar year basis for reporting purposes as opposed to the August 31 fiscal year basis of the City. As a result, the amounts included in the City’s August 31, 2016, basic financial statements for LES are audited amounts as of and for the year ended December 31, 2015. 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). Therefore, some amounts presented in this Schedule may differ from amounts presented in, or used in the preparation of the basic financial statements.

**BASIS OF ACCOUNTING**

Expenditures reported on the Schedule are reported on the modified cash basis of accounting. Such expenditures are recognized following, as applicable, either the cost principles in OMB Circular A-87 or the cost principles contained in the Uniform Guidance, wherein certain types of expenditures are not allowable or are limited as to reimbursement. The City has elected not to use the 10 percent de minimis indirect cost rate allowed under the Uniform Guidance. Federal awards provided to subrecipients are treated as expenditures when paid to the subrecipient.

**PASS-THROUGH AWARDS**

The City receives certain federal awards in the form of pass-through awards. Such amounts received as pass-through awards are specifically identified on the Schedule.

**MAJOR PROGRAMS**

In accordance with the Uniform Guidance, major programs are determined using a risk-based approach. Programs in the accompanying Schedule denoted with an asterisk (\*) are determined by the independent auditor to be major programs.

**FEDERAL LOANS OUTSTANDING**

The federal loan programs listed subsequently are administered directly by the City and balances and transactions relating to these programs are included in the City basic financial statements. Loans outstanding at the beginning of the year and loans made during the year are included in the federal expenditures presented in the Schedule. The balance of loans outstanding at August 31, 2016, consist of:

CFDA#	Program Name	Outstanding Balance as of August 31, 2016
14.218	Community Development Block Grant	\$7,827,000
14.228	Community Development Block Grant - Neighborhood Stabilization Program	222,000
14.239	HOME Investment Partnership Program	9,375,000

New loans included in the Schedule totaled \$1,333,000, \$69,000, and \$1,302,000, respectively.

**Independent Auditor's Report on Internal Control Over Financial Reporting  
and on Compliance and Other Matters Based on an Audit of the Financial Statements  
Performed in Accordance with *Government Auditing Standards***

The Honorable Mayor  
and Members of the City Council  
City of Lincoln, Nebraska

We have audited, 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, the financial statements of the governmental activities, the business-type activities, each major fund and the aggregate remaining fund information of the City of Lincoln, Nebraska (the City), as of and for the year ended August 31, 2016, and the related notes to the financial statements, which collectively comprise the City's basic financial statements, and have issued our report thereon dated February 23, 2017. Our report includes a reference to other auditors who audited the financial statements of Lincoln Wastewater System and Lincoln Water System, as described in our report on the City's financial statements. This report does not include the results of the other auditors' testing of internal control over financial reporting or compliance and other matters that are reported on separately by those auditors.

***Internal Control Over Financial Reporting***

Management of the City is responsible for establishing and maintaining effective internal control over financial reporting (internal control). In planning and performing our audit of the financial statements, we considered the City's 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 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 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.

**BKD, LLP**

Lincoln, Nebraska  
February 23, 2017

## Report on Compliance for Each Major Federal Program and Report on Internal Control Over Compliance

### Independent Auditor's Report

The Honorable Mayor  
and Members of the City Council  
City of Lincoln, Nebraska

#### Report on Compliance for Each Major Federal Program

We have audited the City of Lincoln, Nebraska's (the City's) 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's major federal programs for the year ended August 31, 2016. The City's 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, contracts 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'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 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 each major federal program. However, our audit does not provide a legal determination of the City's compliance.

#### **Opinion on Each Major Federal Program**

In our opinion, the City of Lincoln, Nebraska, 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 August 31, 2016.

## Report on Internal Control Over Compliance

Management of City of Lincoln, Nebraska 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 each major federal program to determine the auditing procedures that are appropriate in the circumstances for the purpose of expressing our 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'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.

*BKD, LLP*

Lincoln, Nebraska  
February 23, 2017

**City of Lincoln, Nebraska**  
**Schedule of Findings and Questioned Costs**  
**Year Ended August 31, 2016**

***Summary of Auditor's Results***

*Financial Statements*

1. The type of report the auditor issued on whether the financial statements audited were prepared in accordance with accounting principles generally accepted in the United States of America (GAAP) was:

Unmodified       Qualified       Adverse       Disclaimer

2. The independent auditor's report on internal control over financial reporting disclosed:

Significant deficiency(ies)?       Yes       None Reported

Material weakness(es)?       Yes       No

3. Noncompliance considered material to the financial statements was disclosed by the audit?       Yes       No

*Federal Awards*

4. The independent auditor's report on internal control over compliance for major federal awards programs disclosed:

Significant deficiency(ies)?       Yes       None Reported

Material weakness(es)?       Yes       No

5. The opinion expressed in the independent auditor's report on compliance for major federal awards were:

Unmodified       Qualified       Adverse       Disclaimer

6. The audit disclosed findings required to be reported by 2 CFR 200.516(a)?       Yes       No

**City of Lincoln, Nebraska**  
**Schedule of Findings and Questioned Costs - Continued**  
**Year Ended August 31, 2016**

**Summary of Auditor's Results - Continued**

7. The City's major programs were:

Cluster/Program	CFDA Number
Special Supplemental Nutrition Program for Women, Infants & Children	10.557
CDBG – Entitlement Grants Cluster	14.218
WIA Cluster	17.258 / 17.259 / 17.278
Aging Cluster	93.044 / 93.045
Assistance to Firefighters Grant	97.044

8. The threshold used to distinguish between Type A and Type B programs was \$750,000.

9. The City qualified as a low-risk auditee?  Yes  No

**Findings Required to be Reported by Government Auditing Standards**

Reference Number	Finding
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No matters are reportable.

**Findings Required to be Reported by the Uniform Guidance**

Reference Number	Finding
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No matters are reportable.

**City of Lincoln, Nebraska**  
**Summary Schedule of Prior Audit Findings**  
**Year Ended August 31, 2016**

<b>Reference Number</b>	<b>Summary of Finding</b>	<b>Status</b>
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No matters are reportable.