

**CITY OF GRANDVIEW, MISSOURI**

**SINGLE AUDIT REPORT**

**FOR THE YEAR ENDED SEPTEMBER 30, 2017**

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

**For the Year Ended September 30, 2017**

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

To the Honorable Mayor and Members  
of the Board of Aldermen  
City of Grandview, Missouri:

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 Grandview, Missouri (the City) as of and for the year ended September 30, 2017, and the related notes to the financial statements, which collectively comprise the City's basic financial statements. We issued our report thereon dated February 28, 2018, which contained unmodified opinions on those financial statements. Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the basic financial statements. The accompanying schedule of expenditures of federal awards is presented for purposes of additional analysis as required by the Uniform Guidance and is not a required part of the basic financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. The information has been subjected to the auditing procedures applied in the audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the schedule of expenditures of federal awards is fairly stated in all material respects in relation to the basic financial statements as a whole.

*Cochran Head Vick & Co. P.C.*

Kansas City, Missouri  
February 28, 2018

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ADDITIONAL INFORMATION

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**City of Grandview, Missouri**  
**Schedule of Expenditures of Federal Awards**  
**For the Year Ended September 30, 2017**

Program	CFDA#	Grant Number	Federal Expenditures
<b>U.S. Department of Justice:</b>			
<b>Direct Programs:</b>			
Bullet Proof Vest Partnership	16.607	1121-0235	\$ 4,670
<i>Total U.S. Department of Justice</i>			<u>4,670</u>
<b>U.S. Department of Transportation:</b>			
<b>Passed Through Missouri Highways and Transportation Commission-</b>			
Highway Planning and Construction Cluster			
Truman Trail	20.205	FLAP-9901 (429)	460,788
150 Highway Outer Road Cost Share	20.205	STP-1501 (016)	263,864
40 Hwy Bridge Part 2	20.205	TAP-3322 (413)	79,997
Total Highway Planning and Construction Cluster			<u>804,649</u>
<b>Passed Through Missouri Division of Highway Safety -</b>			
Highway Safety Cluster			
Hazardous Moving Violations	20.600	17-PT-02-064	8,046
Click it or Ticket	20.600	17-OP-05-002	508
Enforcing Underage Drinking Laws	20.607	17-154-AL-135	9,596
Seatbelt	20.616	17-M2HVE-05-018	8,153
Holiday Grant	20.616	17-M5HVE-03-022	894
Total Highway Safety Cluster			<u>27,197</u>
<i>Total U.S. Department of Transportation</i>			<u>831,846</u>
<i>Total Expenditures of Federal Awards</i>			<u>\$ 836,516</u>

See accompanying notes to the schedule.

**City of Grandview, Missouri**  
**Notes to the Schedule of Expenditures of Federal Awards**  
**For the Year Ended September 30, 2017**

**Note 1. Organization**

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

**Note 2. Basis of Presentation**

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

**Note 3. Local Government Contributions**

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

**Note 4. Additional Audits**

Grantor agencies reserve the right to conduct additional audits of the City's grant programs for economy and efficiency and program results that may result in disallowed costs to the City. However, management does not believe such audits would result in any disallowed costs that would be material to the City's financial position at September 30, 2017.

**Note 5. Indirect Cost Rate**

The City has elected not to use the 10% de minimis indirect cost rate allowed under the Uniform Guidance.

**City of Grandview, Missouri**  
**Schedule of Findings and Questioned Costs**  
**For the Year Ended September 30, 2017**

**Section 1 - Summary of Auditor's Results**

**Financial Statements:**

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

Internal Control over Financial Reporting  
No material weaknesses identified. No significant deficiencies reported.

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

**Federal Awards:**

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

Type Audit Report Issued on Compliance for Major Programs  
Unmodified

Audit Findings  
None

Major Programs

<u>CFDA Number</u>	<u>Name of Federal Program</u>
20.205	Highway Planning and Construction Cluster

Dollar Threshold Used to Distinguish Between Type A and Type B Program  
\$750,000

Auditee Qualified as a Low-risk Auditee  
Yes

**City of Grandview, Missouri**  
**Schedule of Findings and Questioned Costs (continued)**  
**For the Year Ended September 30, 2017**

**Section 2 – Financial Statement Findings**

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

None

Summary Schedule of Prior Audit Findings

None

**Section 3 – Federal Award Findings and Questioned Costs**

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

None

Summary Schedule of Prior Audit Findings

None

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COMPLIANCE REPORTS

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& Co

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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***

To the Honorable Mayor and Members  
of the Board of Aldermen  
City of Grandview, Missouri:

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the City of Grandview, Missouri (the City), as of and for the year ended September 30, 2017, and the related notes to the financial statements, which collectively comprise the City's basic financial statements and have issued our report thereon dated February 28, 2018.

**Internal Control over Financial Reporting**

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

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

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

## **Compliance and Other Matters**

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

## **Purpose of this Report**

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

*Cochran Head Vick & Co., P.C.*

Kanas City, Missouri  
February 28, 2018



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

To the Honorable Mayor and Members  
of the Board of Aldermen  
City of Grandview, Missouri:

**Report on Compliance for the Major Federal Program**

We have audited the City of Grandview, Missouri's (the City) compliance with the types of compliance requirements described in the *OMB Compliance Supplement* that could have a direct and material effect on the City's major federal program for the year ended September 30, 2017. The City's major federal program is identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs.

**Management's Responsibility**

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

**Auditor's Responsibility**

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

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

**Opinion on the City's Major Federal Program**

In our opinion, the City complied, in all material respects, with the types of compliance requirements referred to above that could have a direct and material effect on its major federal program for the year ended September 30, 2017.

## Report on Internal Control over Compliance

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

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

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

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

*Cochran Head Vick & Co., P.C.*

Kansas City, Missouri  
February 28, 2018