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***CITY OF CLAYTON, MISSOURI***  
*OMB CIRCULAR A-133*  
*SINGLE AUDIT REPORT*  
*SEPTEMBER 30, 2015*

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**Independent Auditors' 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***

The Honorable Mayor and Board of Aldermen  
City of Clayton, 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 and each major fund, and the aggregate remaining fund information of the City of Clayton (the City), Missouri, as of and for the year ended September 30, 2015, and the related notes to the financial statements, which collectively comprise the City of Clayton's basic financial statements, and have issued our report thereon dated March 31, 2016.

**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 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'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**

This 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.

*RubinBrown LLP*

March 31, 2016

**Independent Auditors' Report On  
Compliance For Each Major Federal  
Program; Report On Internal Control Over  
Compliance; And Report On The Schedule  
Of Expenditures Of Federal Awards  
Required By OMB Circular A-133**

The Honorable Mayor and Board of Aldermen  
City of Clayton, Missouri

**Report On Compliance For Each Major Federal Program**

We have audited the City of Clayton's (the City) 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 the City's major federal programs for the year ended September 30, 2015. The City's major federal programs are identified in the summary of auditors' results section of the accompanying schedule of findings and questioned costs.

***Management's Responsibility***

Management is responsible for compliance with the requirements of laws, regulations, contracts, and grants applicable to its federal programs.

***Auditors' 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 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 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 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 program for the year ended September 30, 2015.

### **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 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 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 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 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, each major fund, and the aggregate remaining fund information of the City as of and for the year ended September 30, 2015, and the related notes to the financial statements, which collectively comprise the City's basic financial statements. We issued our report thereon dated March 31, 2016, which contained an unmodified opinion on those financial statements. Our audit was conducted for the purpose of forming opinions on those 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 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 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 financial statements or to the 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 financial statements as a whole.

*RubinBrown LLP*

May 3, 2016, except for paragraph 10,  
which is as of March 31, 2016

# CITY OF CLAYTON, MISSOURI

## SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS For The Year Ended September 30, 2015

<b>Program</b>	<b>Federal CFDA Number</b>	<b>Pass-Through Identifying Number</b>	<b>Federal Expenditures</b>
<b>U.S. Department of Transportation</b>			
Passed through Missouri Department of Transportation:			
Highway Planning and Construction	20.205	STP-5438 (609)	\$ 145,057
Highway Planning and Construction	20.205	STP-5438 (610)	322,613
			<u>467,670</u>
Passed through Missouri Department of Public Transportation:			
DWI Enforcement	20.616	15-M5HVE-03-035	2,445
Seatbelt Enforcement	20.616	15-M2HVE-05-020	750
Child Passenger Safety	20.616	15-M2HVE-022	1,138
			<u>4,333</u>
<b>Total U.S. Department of Transportation</b>			<u>472,003</u>
<b>U.S. Department of Justice</b>			
Direct:			
Federal Equitable Sharing	16.922	—	21,930
Bulletproof Vests	16.607	—	1,090
Passed through Regional Computer Crime Education and Enforcement Group:			
Federal Equitable Sharing	16.922	STP-5438 (609)	100,338
<b>Total U.S. Department of Justice</b>			<u>123,358</u>
<b>U.S. Department of Housing and Urban Development</b>			
Passed through St. Louis County:			
Community Development Block Grant	14.218	NB202, NB203	22,009
<b>U.S. Department of Homeland Security</b>			
Passed through Federal Emergency Management Agency:			
Firefighter Assistance	97.044	EMW-2013-FO-06817	34,478
<b>Total Expenditures Of Federal Awards</b>			<u>\$ 651,848</u>



# CITY OF CLAYTON, MISSOURI

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## NOTES TO SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS

September 30, 2015

### **1. General**

The accompanying Schedule of Expenditures of Federal Awards (the Schedule) presents the activity of all Federal financial assistance programs of the City of Clayton, Missouri. The City's reporting entity is defined in Note 1 to the basic financial statements. Federal financial assistance received directly from federal agencies, as well as passed through other governmental agencies, is included on the schedule.

### **2. Basis Of Accounting**

The schedule is presented using the modified accrual basis of accounting, which is described in Note 1 to the City's financial statements.



**CITY OF CLAYTON, MISSOURI**

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**SCHEDULE OF FINDINGS AND QUESTIONED COSTS**

**Page 2 Of 2**

**September 30, 2015**

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**Section II - Financial Statement Findings**

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None

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**Section III - Federal Award Findings And Questioned Costs**

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None