

SINGLE AUDIT SECTION

CITY OF LINCOLN, NEBRASKA
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
FOR THE YEAR ENDED AUGUST 31, 2010

Federal Grantor/Pass-Through Grantor/Program Title	Federal CFDA Number	Grant Number	Federal Expenditures
U.S. DEPARTMENT OF AGRICULTURE			
Direct Program:			
Community Food Projects (Open Harvest)	10.225	2006-33800-17641	\$ 9,992
Pass-Through State Department Of Education:			
Child Nutrition Cluster:			
Summer Food Service Program for Children	10.559	06/09-08/09	27,394
Summer Food Service Program for Children	10.559	RES A 85784	<u>254,262</u> 281,656
Pass-Through State Department Of Health And Human Services:			
Special Supplemental Nutrition Program for Women, Infants & Children			
Special Supplemental Nutrition Program for Women, Infants & Children	10.557	EO 082647	665,355
Special Supplemental Nutrition Program for Women, Infants & Children	10.557	EO 081797	103,607
Special Supplemental Nutrition Program for Women, Infants & Children	10.557	WIC BFPC	<u>66</u> 769,028
Nutrition Program for the Elderly (Commodities)	10.570		<u>145,395</u>
Total U.S. Department Of Agriculture			\$ <u>1,206,071</u>
U.S. DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT			
Direct Programs:			
Congregate Housing Services Program (Mahoney Manor)	14.170	NE26-G940-001	\$ 61,434
Congregate Housing Services Program (Burke Plaza)	14.170	NE26-G940-002	<u>44,700</u> 106,134
Community Development Block Grant - Entitlement Grants Cluster:			
Community Development Block Grant	14.218	* B-09 MC-31-0001	11,289,407
Community Development Block Grant ARRA	14.253	* B-09-MY-31-0001	<u>182,437</u> 11,471,844
Shelter Plus Care	14.238	NE26C602001	17,247
HOME Investment Partnerships Program	14.239	* M-09 MC-31-0202	13,153,986
Homelessness Prevention and Rapid Re-Housing Program ARRA	14.257	S-09-MY-31-0002	195,137
Fair Housing Assistance Program - State and Local	14.401	FF207K097017	95,029
Pass-Through State Department Of Economic Development:			
CDBG - State-Administered Small Cities Program Cluster:			
Community Development Block Grant (Neighborhood Stabilization Program)	14.228	* 092LS41	493,762
Community Development Block Grant (Neighborhood Stabilization Program)	14.228	* 092N40	652,723
Community Development Block Grant (Neighborhood Stabilization Program)	14.228	* 092ND40A	<u>624,279</u> 1,770,764
Pass-Through State Department Of Health And Human Services:			
Lead-Based Paint Hazard Control in Privately-Owned Housing	14.900	PB-98709707-0	<u>49</u>
Total U.S. Department Of Housing And Urban Development			\$ <u>26,810,190</u>
U.S. DEPARTMENT OF INTERIOR			
Pass-Through State Historical Society:			
Historic Preservation Fund Grants-in-Aid	15.904	09/10	\$ 15,975
Historic Preservation Fund Grants-in-Aid	15.904	10/11	<u>6,488</u> \$ <u>22,463</u>
U.S. DEPARTMENT OF JUSTICE			
Direct Programs:			
Public Safety Partnership and Community Policing Grant (COPS Technology Program)	16.710	2009CKWX0344	\$ 132,000
Public Safety Partnership and Community Policing Grant ARRA (Cops Hiring Recovery Program)	16.710	2009RJWX0059	<u>34,221</u> 166,221
Edward Byrne Memorial Justice Assistance Grant Program ARRA (JAG Formula)	16.804	2009SBB92551	382,804
Edward Byrne Memorial Justice Assistance Grant Program (JAG Formula)	16.738	2009DJBX0775	160
Edward Byrne Memorial Justice Assistance Grant Program (JAG Formula)	16.738	2008DJBX0550	9,660
Pass-Through State Comm. On Law Enforcement And Criminal Justice:			
Edward Byrne Memorial Justice Assistance Grant Program (Lin/Lan Investigative Narcotics Coop)	16.738	08-DA-305	5,876
Edward Byrne Memorial Justice Assistance Grant Program (Lin/Lan Investigative Narcotics Coop)	16.738	08-DR-3005	6,214
Edward Byrne Memorial Justice Assistance Grant Program (Lin/Lan Investigative Narcotics Coop)	16.738	09DA309/07DA313	<u>204,367</u> 226,277
Crime Victim Assistance	16.575	08-VA-234/08-VS-900	11,896
Crime Victim Assistance	16.575	09-VA-221/09-VS-902	<u>116,002</u> 127,898
Community Prosecution and Project Safe Neighborhoods	16.609	07-SN-8901	999
Community Prosecution and Project Safe Neighborhoods	16.609	08-SN-8900	25,000
Community Prosecution and Project Safe Neighborhoods	16.609	09-SN-8903	<u>10,110</u> 36,109
Edward Byrne Memorial Justice Assistance Grant Program ARRA (CC Recovery Narcotics)	16.803	09-DX-9001	55,140
Direct Program:			
The Community-Defined Solutions to Violence Against Women Grant Program (Arrest Grant SART)	16.590	2007-WE-AX-0057	63,450
Pass-Through Lancaster County:			
The Community-Defined Solutions to Violence Against Women Grant Program (VAWA Interpreters)	16.590	04-WE-AZ-0049-C-090190	<u>8,362</u> 71,812

(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		Federal Expenditures	
	Number	Grant Number		
Violence Against Women Formula Grants	16.588	08-VW-713	33,887	
Violence Against Women Formula Grants	16.588	09-WX-7009	22,304	56,191
Pass-Through Nebraska State Patrol: Missing Children's Assistance (Internet Crimes Against Children)	16.543	08-IC-06		10,000
Total U.S. Department Of Justice				\$ 1,132,452
U.S. DEPARTMENT OF LABOR				
Pass-Through State Department Of Health And Human Services: Senior Community Service Employment Program	17.235	NGA 2010-035	\$ 44,670	
Senior Community Service Employment Program	17.235	NGA-2011-043	9,478	
Senior Community Service Employment Program ARRA	17.235	NGA2009ARRA148	11,052	65,200
Pass-Through State Department Of Labor:				
WIA Cluster:				
WIA Adult Program	17.258	* 2008	551	
WIA Adult Program (Incentive/Capacity)	17.258	* 2008	26,086	
WIA Youth Activities	17.259	* 2008	125	
WIA Dislocated Workers	17.260	* 2008	248	
WIA Dislocated Workers	17.260	*EM-17484-08-60-A-31	226,768	
WIA Adult Program (Incentive/Capacity)	17.258	* 2009	20,584	
WIA Adult Program	17.258	* 2009	169,767	
WIA Youth Activities	17.259	* 2009	311,508	
WIA Dislocated Workers	17.260	* 2009	386,512	
WIA Adult Program	17.258	* 2010	15,747	
WIA Adult Program ARRA	17.258	* 2010	115,477	
WIA Adult Program ARRA (Set Aside)	17.258	* 2010	7,545	
WIA Adult Program ARRA (Incentive/Capacity)	17.258	* 2010	4,387	
WIA Youth Activities	17.259	* 2010	49,747	
WIA Youth Activities ARRA	17.259	* 2010	172,733	
WIA Dislocated Workers ARRA	17.260	* 2010	359,052	
WIA Dislocated Workers	17.260	* 2010	33,862	1,900,699
Total U.S. Department Of Labor				\$ 1,965,899
U.S. DEPARTMENT OF TRANSPORTATION				
Direct Programs:				
Transit Services Programs Cluster:				
Job Access Reverse Commute	20.516	NE37-006	12,742	
New Freedom Program	20.521	NE-57-X004	34,668	
New Freedom Program	20.521	NE-57-0001	33,830	81,240
Federal Transit Cluster:				
Federal Transit: Formula Grants (AVL System)	20.507	* NE-26-0001	\$ 49,708	
Federal Transit: Formula Grants (Sec. 9 Capital)	20.507	* NE-03-0039	180,103	
Federal Transit: Formula Grants (Sec. 9 Capital)	20.507	* NE-90-0067	16,593	
Federal Transit: Formula Grants (Sec. 9 Capital)	20.507	* NE-04-0001	457,033	
Federal Transit: Formula Grants (Sec. 9 Capital)	20.507	* NE-90-0068	75,077	
Federal Transit: Formula Grants (Sec. 9 Capital)	20.507	* NE-90-X072	20,696	
Federal Transit: Formula Grants (Sec. 9 Capital)	20.507	* NE-90-X069	86,390	
Federal Transit: Formula Grants (Sec. 9 Capital)	20.507	* NE-90-X070	42,009	
Federal Transit: Formula Grants (Sec. 9 Capital)	20.507	* NE-37-X007	397,912	
Federal Transit: Formula Grants (Sec. 9 Capital)	20.507	* NE-90-X073	1,635,275	
Federal Transit: Formula Grants ARRA	20.507	* NE96-0001	1,719,197	
Federal Transit: Formula Grants (Transit Planning)	20.507	* NE-90-0073	27,216	
Pass-Through Nebraska Department Of Roads:				
Federal Transit: Formula Grants (Transit Planning)	20.507	* RPT-C990(030)	25,518	
Federal Transit: Formula Grants (Transit Planning)	20.507	* RPT-C990(029)	76,227	4,808,954
Highway Planning and Construction Cluster:				
Highway Planning and Construction (Click It or Ticket)	20.205	* 8/26/10	7,036	
Highway Planning and Construction (Click It or Ticket)	20.205	* 3/1/10	2,752	
Highway Planning and Construction (Planning)	20.205	* HPR-PL1(47)	347,477	
Highway Planning and Construction (Planning)	20.205	* HPR-PL1(48)	52,624	
Highway Planning and Construction (MOPAC Trail)	20.205	* STPB-55(155)	25,000	
Highway Planning and Construction (Jamaica North Trail)	20.205	* STPB-55(160)	5,611	
Highway Planning and Construction (Surface Transportation Program - West O Street)	20.205	* ENH-5266(2)	2,305	
Highway Planning and Construction ARRA (Adams 57th to 62nd)	20.205	* LCLC-5250(3)	435,452	
Highway Planning and Construction ARRA (A St & Van Dorn)	20.205	* LCLC-5220(3)	648,067	
Highway Planning and Construction ARRA (P St, Y St, NW 1st St)	20.205	* LCLC-5236(2)	874,368	
Highway Planning and Construction ARRA (Citywide)	20.205	* LCLC-5247(11)	360,903	
Highway Planning and Construction ARRA (O Street)	20.205	* LCLC-34-6(140)	1,362,943	
Highway Planning and Construction ARRA (Superior Street)	20.205	* LCLC-5254(9)	288,536	
Highway Planning and Construction (9th-10th Street and Van Dorn)	20.205	* STPP-5236(1)	8,766	
Highway Planning and Construction (Superior Street at I-80)	20.205	* HSIP-5254(8)	5,682	
Highway Planning and Construction (JAVA)	20.205	*	1,079,547	5,507,069

(Continued)

See Accompanying Notes to Schedule of Expenditures of Federal Awards

Federal Grantor/Pass-Through Grantor/Program Title	Federal CFDA Number	Grant Number	Federal Expenditures	
Pass-Through Nebraska Department Of Roads:				
Formula Grants for Other Than Urbanized Areas (Lancaster County Rural Transit)	20.509	RPT-C551(211)	5,262	
Formula Grants for Other Than Urbanized Areas (Lancaster County Rural Transit)	20.509	RPT-C551(210)	29,913	35,175
State and Community Highway Safety (School Zones Enforcement)	20.600	8/24/10		5,144
Alcohol Impaired Driving Countermeasures Incentive Grants (ALR Hearings)	20.601		75,484	
Alcohol Impaired Driving Countermeasures Incentive Grants (Alcohol Selective)	20.601	3/1/10	6,762	82,246
Total U.S. Department Of Transportation				\$ 10,519,828
EQUAL EMPLOYMENT OPPORTUNITY COMMISSION				
Direct Program:				
Employment Discrimination - State and Local Fair Employment Practices Agency Contracts	30.002	EEOCNO900068		\$ 33,772
INSTITUTE OF MUSEUM AND LIBRARY SERVICES				
Pass-Through State Library Commission:				
State Library Program (Library Services and Technology Act)	45.310	09.10	\$ 11,131	
State Library Program (Net Lender Contract)	45.310		5,535	\$ 16,666
U.S. ENVIRONMENTAL PROTECTION AGENCY				
Direct Programs:				
National Clean Diesel Emissions Reduction Program ARRA	66.039	ARRA 2A-97706801-1	\$	141,796
Regional Environmental Priority Projects	66.111	R7-98793201-0		5,148
Pass-Through State Department Of Environmental Quality:				
Air Pollution Control Program Support	66.001	M-007056(10)	106,893	
Air Pollution Control Program Support	66.001	M-007056(09)	9,232	116,125
Capitalization Grants for Clean Water State Revolving Funds ARRA	66.458	* C317247		2,500,000
Nonpoint Source Implementation Grants (East Saline Wetlands Project)	66.460	NDEQ 56-00686	642,391	
Nonpoint Source Implementation Grants (Lincoln Clean Water Project)	66.460	C900740317	12,969	
Nonpoint Source Implementation Grants (Stormwater Best Management Practices)	66.460	C900740316	10,570	
Nonpoint Source Implementation Grants (Antelope Creek Mainstem Water Quality)	66.460	C900740317	36,995	702,925
Surveys, Studies, Investigations and Special Purpose Grants (103 PM Monitoring)	66.606	2010	6,725	
Surveys, Studies, Investigations and Special Purpose Grants (103 PM Monitoring)	66.606	2009	31,293	38,018
TSCA Title IV State Lead Grants Certification of Lead-Based Paint Professionals	66.707	PB-98709707-0		49
Total U.S. Environmental Protection Agency				\$ 3,504,061
U.S. DEPARTMENT OF ENERGY				
Direct Program:				
Energy Efficiency and Conservation Block Grant Program ARRA	81.128	DE-EE0000664		\$ 153,357
U.S. DEPARTMENT OF EDUCATION				
Pass-Through State Department Of Health And Human Services:				
Early Intervention Services (IDEA) Cluster:				
Special Education - Grants for Infants and Families, Recovery Act ARRA	84.393	IDEA Part C ARRA	\$ 8,000	
Special Education - Grants for Infants and Families, Recovery Act ARRA	84.393	96-5508-248-ARRA-C-4-10	3,449	\$ 11,449
U.S. DEPARTMENT OF HEALTH AND HUMAN SERVICES				
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 2010-128	\$ 4,471	
Special Programs for the Aging Title VII, Chapter 2: Long Term Care Ombudsman Services for Older Individuals	93.042	NGA 2010-036	21,840	
Special Programs for the Aging Title VII, Chapter 2: Long Term Care Ombudsman Services for Older Individuals	93.042	NGA 2011-044	4,179	30,490
Special Programs for the Aging Title III, Part D: Disease Prevention and Health Promotion Services	93.043	NGA 2010-126	24,384	
Special Programs for the Aging Title III, Part D: Disease Prevention and Health Promotion Services	93.043	NGA 2011-040	2,066	26,450
Aging Cluster:				
Special Programs for the Aging Title III, Part B: Grants for Supportive Services and Senior Centers	93.044	NGA 2010-145	390,268	
Special Programs for the Aging Title III, Part B: Grants for Supportive Services and Senior Centers	93.044	NGA 2011-037	28,682	
Special Programs for the Aging Title III, Part C: Nutrition Services	93.045	NGA 2011-038	23,633	
Special Programs for the Aging Title III, Part C: Nutrition Services	93.045	NGA 2010-146	435,418	
Special Programs for the Aging Title III, Part C: Nutrition Services	93.045	NGA 2010-147	122,089	
Special Programs for the Aging Title III, Part C: Nutrition Services	93.045	NGA 2011-039	11,393	1,011,483
Special Programs for the Aging Title III, Part E: National Family Caregiver Support	93.052	NGA 2010-148	188,823	
Special Programs for the Aging Title III, Part E: National Family Caregiver Support	93.052	NGA 2011-041	16,129	204,952
Public Health Emergency Preparedness	93.069	1H75TP000381-01	518,321	
Public Health Emergency Preparedness	93.069	BT-778-123110	195,757	
Public Health Emergency Preparedness	93.069	BT-697-123109	132,528	
Public Health Emergency Preparedness	93.069	DO 02416	995	
Public Health Emergency Preparedness (Pandemic)	93.069	BT-645-123108	17,954	
Public Health Emergency Preparedness (Pan Flu Tabletop Training)	93.069	DO 02296	287	865,842

(Continued)

See Accompanying Notes to Schedule of Expenditures of Federal Awards

Federal Grantor/Pass-Through Grantor/Program Title	Federal CFDA Number	Grant Number	Federal Expenditures	
Project Grants and Cooperative Agreements for Tuberculosis Control Programs	93.116	DO 03586	4,881	
Project Grants and Cooperative Agreements for Tuberculosis Control Programs	93.116	DO 01734	<u>2,511</u>	7,392
Centers for Research and Demonstration for Health Promotion and Disease Prevention	93.135	1BU58DP002043-01		22,663
Injury Prevention and Control Research and State and Community Based Programs	93.136	DO 01781		3,898
Immunization Cluster:				
Immunization Grants (Hepatitis B)	93.268	IP08-80308CONT10	14,040	
Immunization Grants (Hepatitis B)	93.268	EO 082013	6,570	
Immunization Grants (NE Immunization Action Plan)	93.268	IP08-80308CONT10	27,968	
Immunization Grants (NE Immunization Action Plan)	93.268	EO 082013	<u>26,912</u>	75,490
Centers for Disease Control and Prevention: Investigations and Tech Assistance (Cessation Strategies)	93.283	DO 02048	2,498	
Centers for Disease Control and Prevention: Investigations and Tech Assistance (Tobacco Prevention & Control)	93.283	1U58DP001978-01	5,895	
Centers for Disease Control and Prevention: Investigations and Tech Assistance (Tobacco Prevention & Control)	93.283	EO 082812	43,822	
Centers for Disease Control and Prevention: Investigations and Tech Assistance (Influenza Surveillance)	93.283	5U5OC1723775-04	3,000	
Centers for Disease Control and Prevention: Investigations and Tech Assistance (West Nile Virus Program)	93.283	5U5OC1723775-05	11,395	
Centers for Disease Control and Prevention: Investigations and Tech Assistance (West Nile Virus Program)	93.283	090CCU23775	7,674	
Centers for Disease Control and Prevention: Investigations and Tech Assistance (Colon Cancer/Wise Woman)	93.283	5U58PP001421	<u>3,791</u>	78,075
Refugee and Entrant Assistance Program (Health Screening)	93.566	RES 85442 09/10	102,534	
Refugee and Entrant Assistance Program (Health Screening)	93.566	RES 85392	<u>16,011</u>	118,545
Social Services Block Grant (SSBG)	93.667			10,838
HIV Prevention Activities Health Dept Based (Sista Sista / HIV Prevention)	93.940	2010	46,180	
HIV Prevention Activities Health Dept Based (Sista Sista / HIV Prevention)	93.940	04012	24,753	
HIV Prevention Activities Health Dept Based (HIV Testing)	93.940	EO 082960	27,610	
HIV Prevention Activities Health Dept Based (HIV Testing)	93.940	5U62PS723501-05 08/09	<u>19,285</u>	117,828
Preventive Health Services Sexually Transmitted Diseases Control Grants (STD)	93.977	CDC-RFA-PS09-902 08/09	4,853	
Preventive Health Services Sexually Transmitted Diseases Control Grants (STD)	93.977	CDC-RFA-PS09-902 09/10	<u>9,644</u>	14,497
Preventive Health and Health Services Block Grant (Worksite Wellness Initiative)	93.991	2009-PHHSBG-Worksite-01-LHD	6,025	
Preventive Health and Health Services Block Grant (Worksite Wellness Initiative)	93.991	2010-PHHSBG-Worksite-01-LHD	48,376	
Preventive Health and Health Services Block Grant (GIS-Walkability)	93.991	2B01DP009036-10	<u>5,000</u>	59,401
Maternal and Child Health Services Block Grant to the States (Childhood Obesity)	93.994	MCH-09-06	4,838	
Maternal and Child Health Services Block Grant to the States (Childhood Obesity)	93.994	MCH-10-06	<u>18,663</u>	23,501
Bioterrorism Training and Curriculum Development Program (HRSA)	93.996	BT-566-123107	48,195	
Bioterrorism Training and Curriculum Development Program (HRSA)	93.996	BT-623-123108	129,849	
Bioterrorism Training and Curriculum Development Program (HRSA)	93.996	BT-689-93009	67,965	
Bioterrorism Training and Curriculum Development Program (HRSA)	93.996	BT-741-93010	<u>256,001</u>	502,010
Pass-Through Lincoln Action Program:				
Head Start Cluster:				
Head Start	93.600	DO 02092	1,896	
Head Start	93.600	RES A 85792	<u>2,324</u>	4,220
Total U.S. Department Of Health And Human Services				\$ 3,177,575
CORPORATION FOR NATIONAL AND COMMUNITY SERVICE				
Direct Programs:				
Retired and Senior Volunteer Program	94.002	07SRNNE 006 (09/11)	\$	75,891
Foster Grandparent/Senior Companion Cluster:				
Foster Grandparent Program	94.011	08SFNNE 004 (10/11)	44,131	
Foster Grandparent Program	94.011	05SFNNE 004 (09/10)	97,011	
Senior Companion Program	94.016	07SCNNE 001 (09/10)	109,484	
Senior Companion Program	94.016	07SCNNE 001 (10/11)	<u>22,317</u>	272,943
Pass-Through Nebraska Volunteer Commission:				
AmeriCorps (Reach for the Stars)	94.006	06ACHNE0010002	8,891	
AmeriCorps ARRA (Go Green Initiative)	94.006	09RCHNE002001	209,581	
AmeriCorps (Reach for the Stars)	94.006	06ACHNE001002	178,839	
AmeriCorps (Keds at the Core)	94.006	06AFCHNE0010020	60,279	
AmeriCorps (Keds at the Core)	94.006	06AFHNE0010010	<u>553</u>	458,143
Total Corporation For National And Community Service				\$ 806,977
EXECUTIVE OFFICE OF THE PRESIDENT				
Pass-Through Nebraska State Patrol:				
High Intensity Drug Trafficking Area	95.001	10H02	\$ 21,058	
High Intensity Drug Trafficking Area	95.001	09H02	<u>52,562</u>	\$ 73,620

(Continued)

See Accompanying Notes to Schedule of Expenditures of Federal Awards

Federal Grantor/Pass-Through Grantor/Program Title	Federal CFDA Number	Grant Number	Federal Expenditures
DEPARTMENT OF HOMELAND SECURITY			
Direct Programs:			
National Urban Search and Rescue (US&R) Response System	97.025	EMW-2008-CA-0525	\$ 25,775
National Urban Search and Rescue (US&R) Response System	97.025	2009-SR-24-K020	800,829
National Urban Search and Rescue (US&R) Response System	97.025	2010-SR-24-K054	<u>24,257</u>
			850,861
Assistance to Firefighters Grant	97.044	EMW-2009-FP-01522	39,457
Cooperating Technical Partners	97.045	EMK-2009-CA-9005	36,116
Pass-Through Nebraska State Patrol:			
Homeland Security Cluster:			
Homeland Security Grant Program (N.E.M.A.)	97.067	8MMRS531	107
Homeland Security Grant Program (N.E.M.A.)	97.067	2005-GE-T5-0020	27,583
Homeland Security Grant Program (N.E.M.A.)	97.067	2006-GE-T6-0016	123,235
Homeland Security Grant Program (N.E.M.A.)	97.067	2007-GE-T7-0035	<u>162,780</u>
			313,705
Buffer Zone Protection Program	97.078	08-BZ-04	<u>4,450</u>
Total Department Of Homeland Security			\$ <u>1,244,589</u>
Total Federal Expenditures			\$ <u><u>50,678,969</u></u>

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, 2010**

(1) BASIS OF ACCOUNTING

The Schedule of Expenditures of Federal Awards (the Schedule) is presented on the modified cash basis of accounting. The information in this schedule is presented in accordance with the requirements of OMB Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations*. Therefore, some amounts presented in this schedule may differ from amounts presented in, or used in the preparation of, the basic financial statements.

Federal awards provided to subrecipients are treated as expenditures when paid to the subrecipient.

(2) REPORTING ENTITY

The City of Lincoln, Nebraska, 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, 2010, basic financial statements for LES are audited amounts as of and for the year ended December 31, 2009.

(3) PASS-THROUGH AWARDS

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

(4) MAJOR PROGRAMS

In accordance with OMB Circular A-133, 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.

(5) SUBRECIPIENTS

Of the federal expenditures presented in this schedule, the City provided federal awards to subrecipients as follows:

<u>CFDA#</u>	<u>Program</u>	<u>Amount</u>
Pass-Through to County Aging Programs:		
10.570	Nutrition Program for the Elderly	\$ 68,171
93.043	Title III, Part D: Disease Prevention & Health Promotion Services	1,395
93.044	Title III, Part B: Grants for Supportive Services and Senior Centers	31,155
93.045	Title III, Part C: Nutrition Services	149,078
93.052	Title III, Part E: National Family Caregiver Support	18,941
Pass-Through to Joint Antelope Valley Authority:		
20.205	Highway Planning and Construction (JAVA)	\$ 1,079,547

(6) FEDERAL LOANS OUTSTANDING

The City administers the following loan programs for which the federal government imposes continuing compliance requirements on the following outstanding balances:

<u>CFDA#</u>	<u>Program</u>	<u>Outstanding Balance as of August 31, 2010</u>
14.218	Community Development Block Grant	\$ 9,454,000
14.228	Community Development Block Grant – Neighborhood Stabilization Program	1,012,000
14.239	HOME Investment Partnership Program	11,863,000

New loans included in the Schedule totaled \$964,000, \$1,012,000 and \$710,000, respectively.

Independent Accountants' 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 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, 2010, which collectively comprise its basic financial statements and have issued our report thereon dated February 23, 2011, which contained a reference to the report of other accountants. We conducted our audit 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. Other accountants audited the financial statements of Lincoln Electric System, as described in our report on the City's financial statements. This report does not include the results of the other accountants' testing of internal control over financial reporting or compliance and other matters that are reported on separately by those accountants.

Internal Control Over Financial Reporting

In planning and performing our audit, we considered the City's internal control over financial reporting as a basis for designing our auditing procedures 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 over financial reporting. Accordingly, we do not express an opinion on the effectiveness of the City's internal control over financial reporting.

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.

Our consideration of internal control over financial reporting was for the limited purpose described in the first paragraph of this section and would not necessarily identify all deficiencies in internal control that might be deficiencies, significant deficiencies or material weaknesses. We did not identify any deficiencies in internal control over financial reporting that we consider to be material weaknesses as defined above.

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*.

We noted certain matters that we reported to the City's management in a separate letter dated February 23, 2011.

This report is intended solely for the information and use of the governing body, management and others within the City, and federal awarding agencies and pass-through entities and is not intended to be and should not be used by anyone other than these specified parties.

BKD, LLP

February 23, 2011

**Independent Accountants' Report on Compliance With Requirements
That Could Have a Direct and Material Effect on Each Major Program
and on Internal Control Over Compliance in Accordance
With OMB Circular A-133**

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

Compliance

We have audited the City of Lincoln, Nebraska'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 August 31, 2010. 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. Compliance with the requirements of laws, regulations, contracts, and grants applicable to each of its major federal programs is the responsibility of the City's management. Our responsibility is to express an opinion on the City's compliance based on our audit.

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. Our audit does not provide a legal determination of the City's compliance with those requirements.

In our opinion, the City of Lincoln, Nebraska complied, in all material respects, with the 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, 2010.

Internal Control Over Compliance

Management of the City of Lincoln, Nebraska is responsible for establishing and maintaining effective internal control over compliance with the requirements of laws, regulations, contracts, and grants applicable to federal programs. In planning and performing our audit, we considered the City's internal control over compliance with the requirements that could have a direct and material effect on a major federal program to determine the auditing procedures for the purpose of expressing our opinion on compliance 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.

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 deficiencies, significant deficiencies, or material weaknesses. We did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses, as defined above. However, we identified a deficiency in internal control over compliance that we consider to be a significant deficiency as described in the accompanying schedule of findings and questioned costs as item 10-01. 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.

The City's response to the finding identified in our audit is described in the accompanying schedule of findings and questioned costs. We did not audit the City's response and, accordingly, we express no opinion on the response.

This report is intended solely for the information and use of management, the governing body, others within the City, federal awarding agencies and pass-through entities and is not intended to be and should not be used by anyone other than these specified parties.

BKD, LLP

February 23, 2011

City of Lincoln, Nebraska
Schedule of Findings and Questioned Costs
Year Ended August 31, 2010

Summary of Auditor's Results

1. The opinion(s) expressed in the independent accountants' report was (were):
 Unqualified Qualified Adverse Disclaimed

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

Significant deficiency(ies)?	<input type="checkbox"/> Yes	<input checked="" type="checkbox"/> No
Material weakness(es)?	<input type="checkbox"/> Yes	<input checked="" type="checkbox"/> No

3. Noncompliance considered material to the financial statements was disclosed by the audit?

	<input type="checkbox"/> Yes	<input checked="" type="checkbox"/> No
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4. The independent accountants' report on internal control over compliance with requirements that could have a direct and material effect on major federal awards programs disclosed:

Significant deficiency(ies)?	<input checked="" type="checkbox"/> Yes	<input type="checkbox"/> No
Material weakness(es)?	<input type="checkbox"/> Yes	<input checked="" type="checkbox"/> No

5. The opinion(s) expressed in the independent accountants' report on compliance with requirements that could have a direct and material effect on major federal awards was (were):
 Unqualified Qualified Adverse Disclaimed

6. The audit disclosed findings required to be reported by OMB Circular A-133?

	<input type="checkbox"/> Yes	<input checked="" type="checkbox"/> No
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7. The City's major programs were:

Cluster/Program	CFDA Number
Community Development Block Grant – Entitlement Grants Cluster	14.218/14.253
HOME Investment Partnerships Program	14.239
Community Development Block Grants/State's Program and Non-Entitlement Grants in Hawaii (State-Administered Small Cities Program)	14.228
WIA Cluster	17.258/17.259/17.260
Highway Planning and Construction Cluster	20.205
Federal Transit Cluster	20.507
Capitalization Grants for Clean Water State Revolving Funds	66.458

City of Lincoln, Nebraska
Schedule of Findings and Questioned Costs - Continued
Year Ended August 31, 2010

8. The threshold used to distinguish between Type A and Type B programs as those terms are defined in OMB Circular A-133 was \$1,520,369.
9. The City qualified as a low-risk auditee as that term is defined in OMB Circular A-133? Yes No

City of Lincoln, Nebraska
Schedule of Findings and Questioned Costs - Continued
Year Ended August 31, 2010

Findings Required to be Reported by *Government Auditing Standards*

Reference Number	Finding	Questioned Costs
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No matters are reportable.

City of Lincoln, Nebraska
Schedule of Findings and Questioned Costs - Continued
Year Ended August 31, 2010

Findings Required to be Reported by OMB Circular A-133

Reference Number	Finding	Questioned Costs
	Significant Deficiency	
10-01	<p>Federal Transit Cluster (20.507) - Procurement</p> <p>Agency – Federal Transit Administration</p> <p>Criteria – To maintain effective internal control over compliance, procurement files should include the necessary documentation to verify compliance with procurement requirements and other agency provisions.</p> <p>Condition – We noted instances during testing of procurement files not including clauses required by the federal awarding agency. In addition, vendor certifications relating to Buy America provisions and suspension, debarment, and excluded parties were not found within these files.</p> <p>Context – The City’s process for obtaining and documenting required certifications and clauses related to contracts awarded is not clearly defined.</p> <p>Effect – A review of procurement files identified several instances where agency required clauses were not included and where recommended documentation was not maintained.</p> <p>Cause – Procurement policies currently in place did not identify the necessary clauses to be included and documentation to be maintained within each file.</p> <p>Recommendation – City management should review and evaluate current procurement policies to ensure compliance with OMB Circular A-133 and agency specific provisions. Additionally, individual programs should consider the necessity of program-specific procurement manuals which would identify the applicable required clauses and documentation.</p> <p>Views of Responsible Officials and Planned Corrective Actions (Management’s Response) – City management concurs with the finding and recommendation. A review of procurement policies for this program has already taken place and a revised program-specific procurement manual has been submitted to the federal awarding agency by Larry Worth, Transit Manager, for approval in February, 2011.</p>	None

City of Lincoln, Nebraska
Summary Schedule of Prior Audit Findings
Year Ended August 31, 2010

Reference Number	Summary of Finding	Status
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No matters are reportable.