
CITY OF CLAYTON, MISSOURI

SINGLE AUDIT REPORT

SEPTEMBER 30, 2020

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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 Members
of the Board of Alderman
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, each major fund, and the aggregate remaining fund information of the City of Clayton, Missouri (the City), as of and for the year ended September 30, 2020, and the related notes to the financial statements, which collectively comprise the City's basic financial statements, and have issued our report thereon dated March 26, 2021.

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) as a basis for designing 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 would 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 financial statements. 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 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 26, 2021

**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 The Uniform Guidance**

The Honorable Mayor and Members
of the Board of Alderman
City of Clayton, Missouri

Report On Compliance For Each Major Federal Program

We have audited the City of Clayton, 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 each of the City's major federal programs for the year ended September 30, 2020. The City's major federal program is 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 federal statutes, regulations, contracts and the terms and conditions of its federal awards applicable to its federal programs.

Auditors' 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 considered necessary in the circumstances.

We believe that our audit provides a reasonable basis for our opinion on compliance for the 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 its major federal program for the year ended September 30, 2020.

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, we considered the City's internal control over compliance with the types of requirements that could have a direct and material effect on a 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 on 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.

Report On Schedule Of Expenditures Of Federal Awards Required By The Uniform Guidance

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, 2020 and the related notes to the financial statements, which collectively comprise City's basic financial statements. We issued our report thereon dated March 26, 2021, 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 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 expenditures of federal awards is fairly stated in all material respects in relation to the financial statements as a whole.

RubinBrown LLP

March 26, 2021

CITY OF CLAYTON, MISSOURI

**SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
For The Year Ended September 30, 2020**

Federal Grantor/Program Title/Cluster Title	Federal CFDA Number	Pass-Through Entity Identifying Number Contract Number	Federal Expenditures	Amounts Passed Through To Subrecipients
U.S. Department of Transportation:				
Passed through Missouri Department of Transportation:				
Highway Planning and Construction Cluster	20.205	STP-5500 (682)	\$ 427,902	\$ —
Highway Planning and Construction Cluster	20.205	CMAQ-5438 (614)	39,091	—
Total Highway Planning and Construction Cluster			466,993	—
Alcohol Open Container Requirements	20.607	20-154-AL-017	768	—
Alcohol Open Container Requirements	20.607	20-154-AL-010	619	—
			1,387	—
Seatbelt Enforcement	20.616	20-M2HVE-05-030	224	—
Highway Safety Cluster	20.600	20-PT-002-007	4,190	—
Total U.S. Department of Transportation			472,794	—
Department Of Treasury:				
Passed through St. Louis County:				
COVID 19 - Coronavirus Relief Fund	21.019	None	1,096,141	—
U.S. Department of Housing and Urban Development:				
Passed through St. Louis County:				
CDBG - Entitlement Grants Cluster	14.218	NRA21	27,934	—
U.S. Department of Justice:				
Direct:				
Bulletproof Vest Partnership Program	16.607	N/A	3,713	—
Equitable Sharing Program	16.922	N/A	19,985	—
Total U.S. Department of Justice			23,698	—
U.S. Department of Health and Human Services:				
Direct:				
CCDF Cluster	93.498	N/A	8,342	—
Department of Homeland Security:				
Passed through the State Emergency Management Agency:				
COVID 19 - Disaster Grants - Public Assistance	97.036	N/A	50,824	—
Total Expenditures Of Federal Awards			\$ 1,679,733	\$ —

CITY OF CLAYTON, MISSOURI

NOTES TO SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS For The Year Ended September 30, 2020

1. General

The accompanying schedule of expenditures of federal awards presents the activity of all federal financial assistance programs of City of Clayton, Missouri (the City). The information in the schedule of expenditures of federal awards 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 the schedule of expenditures of federal awards may differ from amounts presented in, or used in the preparation of, the financial statements.

2. Basis Of Accounting

The accompanying schedule of expenditures of federal awards is presented on the modified accrual basis of accounting, which is described in Note 1 to the City's financial statements.

3. Indirect Costs

The City has not elected to use the 10% de minimis indirect cost rate as allowed under the Uniform Guidance, Section 414.

CITY OF CLAYTON, MISSOURI

**SCHEDULE OF FINDINGS AND QUESTIONED COSTS
For The Year Ended September 30, 2020**

Section I - Summary Of Auditors' Results

Financial Statements

Type of auditors' report issued on whether the financial statements audited were prepared in accordance with generally accepted accounting principles:

Unmodified

Internal control over financial reporting:

- | | | | | | |
|---|-----|-----|-----|---|---------------|
| • Material weakness(es) identified? | ___ | yes | ___ | x | no |
| • Significant deficiency(ies) identified that are not considered to be material weakness(es)? | ___ | yes | ___ | x | none reported |
| Noncompliance material to financial statements noted? | ___ | yes | ___ | x | no |

Federal Awards

Internal control over major programs:

- | | | | | | |
|---|-----|-----|-----|---|---------------|
| • Material weakness(es) identified? | ___ | yes | ___ | x | no |
| • Significant deficiency(ies) identified that are not considered to be material weakness(es)? | ___ | yes | ___ | x | none reported |

Type of auditors' report issued on compliance for major programs:

Unmodified

Any audit findings disclosed that are required to be reported in accordance with section 2 CFR 200.516(a)?

___ yes ___ x no

Identification of major program:

CFDA Number(s)

Name of Federal Programs or Cluster:

20.019

COVID 19 - Coronavirus Relief Fund

Dollar threshold used to distinguish between type A and type B programs:

\$750,000

Auditee qualified as low-risk auditee?

___ yes ___ x no

CITY OF CLAYTON, MISSOURI

SCHEDULE OF FINDINGS AND QUESTIONED COSTS (*Continued*)
For The Year Ended September 30, 2020

Section II - Financial Statement Findings

None

Section III - Federal Award Findings And Questioned Costs

None