

Single Audit Report in Accordance with Uniform Guidance

2020

Lexington-Fayette Urban County Government

June 30, 2020



Single Audit Report in Accordance with Uniform Guidance

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June 30, 2020

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Reports Required by the Single Audit Act

**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***



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 Linda Gorton, Members of the
Urban County Council and Citizens
Lexington-Fayette Urban County Government
Lexington, Kentucky

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, the aggregate discretely presented component units, each major fund, and the aggregate remaining fund information of the Lexington-Fayette Urban County Government, (the "Government") as of and for the year ended June 30, 2020, and the related notes to the financial statements, which collectively comprise the Government's basic financial statements, and have issued our report thereon dated November 23, 2020. Our report includes a reference to other auditors who audited the financial statements of the Transit Authority of the Lexington-Fayette Urban County Government, the Lexington Convention and Visitors Bureau, the Lexington Public Library, the Lexington-Fayette Urban County Airport Board, the Lexington-Fayette Urban County Department of Health, and the Lexington Center Corporation, as described in our report on the Government'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

In planning and performing our audit of the financial statements, we considered the Government'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 Government's internal control. Accordingly, we do not express an opinion on the effectiveness of the Government'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 Government'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 Government'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 instance 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 Government'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 Government's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

Strothman and Company

Louisville, Kentucky
November 23, 2020

**Independent Auditors' Report on Compliance
for Each Major Program; Report on Internal Control
Over Compliance; and Report on the Schedule
of Expenditures of Federal Awards
Required by the Uniform Guidance**



**Independent Auditors' Report on Compliance
for Each Major 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 Linda Gorton, Members of the
Urban County Council and Citizens
Lexington-Fayette Urban County Government
Lexington, Kentucky

Report on Compliance for Each Major Federal Program

We have audited the Lexington-Fayette Urban County Government's (the "Government") 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 Government's major federal programs for the year ended June 30, 2020. The Government's major federal programs are identified in the summary of auditors' results section of the accompanying Schedule of Findings and Questioned Costs.

The Government's basic financial statements include the operations of the Lexington-Fayette Urban County Department of Health ("Health Department") and the Transit Authority of the Lexington-Fayette Urban County Government ("Lextran"), discretely presented component units, which expended \$13.6 million in federal awards which are not included in the Government's Schedule of Expenditures of Federal Awards during the year ended June 30, 2020. Our audit, described below, did not include the operations of the Health Department and Lextran because both entities have separate audits performed in accordance with the audit requirements of Title 2 U.S. *Code of Federal Regulations* Part 200, *Uniform Administrative Requirement, Cost Principles, and Audit Requirements for Federal Awards* ("Uniform Guidance").

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.

Auditors' Responsibility

Our responsibility is to express an opinion on compliance for each of the Government'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 the 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 Government'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 Government's compliance.

Opinion on Each Major Federal Program

In our opinion, the Government, 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 June 30, 2020.

Report on Internal Control over Compliance

Management of the Government 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 Government'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 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 Government'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.

Report on Schedule of Expenditures of Federal Awards Required by the Uniform Guidance

We have audited the financial statements of the governmental activities, the business-type activities, the aggregate discretely presented component units, each major fund and the aggregate remaining fund information of the Government as of and for the year ended June 30, 2020, and the related notes to the financial statements, which collectively comprise the Government's basic financial statements. We issued our report thereon dated November 23, 2020, 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 whole.

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.

Strothman and Company

Louisville, Kentucky
January 5, 2021, except for the last two paragraphs,
for which the date is November 23, 2020

Schedule of Expenditures of Federal Awards

Schedule of Expenditures of Federal Awards

Lexington-Fayette Urban County Government

Year Ended June 30, 2020

Federal Grantor/Pass-Through Grantor Program or Cluster Title	Federal CFDA Number	Direct/ Pass-through Grantor's Number	Passed Through to Subrecipients Expenditures*	Federal Expenditures
US Department of Agriculture:				
Direct Programs:				
Child and Adult Care Food Program	10.558	11475		\$ 12,440
Child and Adult Care Food Program	10.558	11475		34,556
Agricultural Conservation Easement Program	10.931	68-5C16-16-828		<u>659,776</u>
Total US Department of Agriculture				706,772
US Department of Housing and Urban Development:				
Direct Programs:				
Community Development Block Grants/Entitlement Grants	14.218	B14MC210004		157,925
Community Development Block Grants/Entitlement Grants	14.218	B15MC210004	\$ 2,068	170,787
Community Development Block Grants/Entitlement Grants	14.218	B16MC210004	3,271	86,775
Community Development Block Grants/Entitlement Grants	14.218	B17MC210004	17,650	135,560
Community Development Block Grants/Entitlement Grants	14.218	B18MC210004	127,334	885,934
Community Development Block Grants/Entitlement Grants	14.218	B19MC210004	<u>442,745</u>	<u>403,045</u>
14.218 Subtotal			593,068	1,840,026
Emergency Solutions Grant Program	14.231	E17MC210004	5,556	6,498
Emergency Solutions Grant Program	14.231	E18MC210004	48,568	21,501
Emergency Solutions Grant Program	14.231	E19MC210004	<u>57,832</u>	<u>27,999</u>
14.231 Subtotal			111,956	27,999
Home Investment Partnerships Program	14.239	M15MC210201		6,406
Home Investment Partnerships Program	14.239	M16MC210201		35,748
Home Investment Partnerships Program	14.239	M17MC210201	529,363	22
Home Investment Partnerships Program	14.239	M18MC210201	385,528	59,717
Home Investment Partnerships Program	14.239	M19MC210201	<u>7,370</u>	<u>43,638</u>
14.239 Subtotal			922,261	145,531
Housing Opportunities for Persons with AIDS	14.241	KY-H17-0017-00	403,965	10,759
Continuum of Care Program	14.267	KY0193L4I021700		26,143
Continuum of Care Program	14.267	KY0215L4I021800		<u>15,457</u>
14.267 Subtotal			<u>403,965</u>	<u>41,600</u>
Total US Department of Housing and Urban Development				2,031,250
Total US Department of Housing and Urban Development				2,065,915
US Department of Interior:				
Passed through Commonwealth of Kentucky:				
Historic Preservation Fund Grants - In-Aid	15.904	SC-410-1900001424		<u>16,200</u>
Total US Department of Housing and Urban Development				16,200
US Department of Justice:				
Direct Programs:				
Law Enforcement Assistance Narcotics and Dangerous Drugs Laboratory Analysis	16.001	No Number		440,270
Coronavirus Emergency Supplemental Funding Program	16.034	2020-VD-BX-1279		37,979

Continued

Schedule of Expenditures of Federal Awards--Continued

Lexington-Fayette Urban County Government

Year Ended June 30, 2020

Federal Grantor/Pass-Through Grantor Program or Cluster Title	Federal CFDA Number	Direct/ Pass-through Grantor's Number	Passed Through to Subrecipients Expenditures*	Federal Expenditures
State Criminal Alien Assistance Program	16.606	2013-AP-BX-0161		34
State Criminal Alien Assistance Program	16.606	2014-AP-BX-0607		19,546
State Criminal Alien Assistance Program	16.606	2015-AP-BX-0465		21,173
State Criminal Alien Assistance Program	16.606	2016-AP-BX-0337		44,231
State Criminal Alien Assistance Program	16.606	2019-AP-BX-0086		6,779
State Criminal Alien Assistance Program	16.606	2019-AP-BX-0789		<u>8,000</u>
16.606 Subtotal				99,763
Edward Byrne Memorial Justice Assistance Grant Program	16.738	2016-DJ-BX-0185		13,470
Edward Byrne Memorial Justice Assistance Grant Program	16.738	2019-DJ-BX-0499		<u>66,317</u>
16.738 Subtotal				79,787
Comprehensive Opioid Abuse Site-Based Program	16.838	2018-AR-BX-K059		173,553
Passed through Commonwealth of Kentucky:				
Crime Victim Assistance	16.575	VOCA-2018-LFUCG-STRE-00030		8,872
Crime Victim Assistance	16.575	VOCA-2019-LFUCG-STRE-00091		33,011
Crime Victim Assistance	16.575	VOCA-2018-LFUCG-STRE-00087		33,405
Crime Victim Assistance	16.575	VOCA-2019-LFUCG-STRE-00072		<u>88,582</u>
16.575 Subtotal				163,870
Violence Against Women Formula Grants	16.588	VAWA-2018-LFUCG-ST-00614		21,465
Violence Against Women Formula Grants	16.588	VAWA-2019-LFUCG-ST-00645		<u>20,846</u>
16.588 Subtotal				42,311
Edward Byrne Memorial Justice Assistance Grant Program	16.738	2018-JAG-LFUCG-STRE-01191		16,878
Edward Byrne Memorial Justice Assistance Grant Program	16.738	2018-JAG-LFUCG-STRE-01191	62,344	12,656
Edward Byrne Memorial Justice Assistance Grant Program	16.738	2019-JAG-LFUCG-STRE-01216		<u>5,821</u>
16.738 Subtotal			<u>62,344</u>	<u>35,355</u>
Total US Department of Justice			62,344	1,072,888
US Department of Transportation:				
Passed through Commonwealth of Kentucky:				
Highway Planning and Construction	20.205	1900002234		115,631
Highway Planning and Construction	20.205	PO2-628-1700004143		50,262
Highway Planning and Construction	20.205	PO2-628-1700004155		720
Highway Planning and Construction	20.205	1900002234		70,983
Highway Planning and Construction	20.205	P02-628-1700002505		17,190
Highway Planning and Construction	20.205	PO2-628-1700004156		4,556
Highway Planning and Construction	20.205	PO2-625-1500002693		5,000
Highway Planning and Construction	20.205	SC-625-1900001597		390,193
Highway Planning and Construction	20.205	P02-628-1600004546		113,576
Highway Planning and Construction	20.205	PO2-628-1700002506		17,140
Highway Planning and Construction	20.205	PO2-628-1600005725		2,218,764
Highway Planning and Construction	20.205	PO2-625-1700002191		463,601
Highway Planning and Construction	20.205	PO2-628-1400005764		1,154
Highway Planning and Construction	20.205	PO2-628-1800002729		9,098
Highway Planning and Construction	20.205	PO2-628-1800001345		12,774
Highway Planning and Construction	20.205	1900002234		138,523
Highway Planning and Construction	20.205	C-00343167		475,683
Highway Planning and Construction	20.205	SC-625-1900002248		70,400

Continued

Schedule of Expenditures of Federal Awards--Continued

Lexington-Fayette Urban County Government

Year Ended June 30, 2020

Federal Grantor/Pass-Through Grantor Program or Cluster Title	Federal CFDA Number	Direct/ Pass-through Grantor's Number	Passed Through to Subrecipients Expenditures*	Federal Expenditures
Highway Planning and Construction	20.205	PO2-628-1500003392		439,506
Highway Planning and Construction	20.205	PO2-628-1700004160		36,602
Highway Planning and Construction	20.205	PO2-625-1300001036		689,155
Highway Planning and Construction	20.205	PO2-628-1700004171		22,142
Highway Planning and Construction	20.205	PO2-628-1200004353		15,848
Highway Planning and Construction	20.205	PO2-628-1600003719		9,510
Highway Planning and Construction	20.205	PO2-628-1600005544		286,473
Highway Planning and Construction	20.205	PO2-628-1500004792		36,564
Highway Planning and Construction	20.205	PO2-628-1500003706		117,321
Highway Planning and Construction	20.205	PO2-628-1600005956		351,228
Highway Planning and Construction	20.205	PO2-628-1700004178		<u>7,773</u>
Total Highway Planning and Construction Cluster				6,187,370
Passed through Commonwealth of Kentucky:				
National Motor Carrier Safety	20.218	No Number		49,311
National Motor Carrier Safety	20.218	No Number		14,714
National Motor Carrier Safety	20.218	No Number		<u>4,989</u>
20.218 Subtotal				69,014
Metropolitan Transportation Planning and State and Non-Metropolitan Planning and Research	20.505	PO30217442		45,034
Highway Safety Cluster				
State and Community Highway Safety	20.600	SC-625-19000008211		1,052
State and Community Highway Safety	20.600	SC-625-19000015351		22,695
State and Community Highway Safety	20.600	SC-625-20000002891		<u>39,796</u>
20.600 Subtotal				63,543
National Priority Safety Programs	20.616	SC-625-19000009091		2,315
National Priority Safety Programs	20.616	SC-625-20000003411		14,390
National Priority Safety Programs	20.616	SC-625-19000008141		7,862
National Priority Safety Programs	20.616	SC-625-20000003641		<u>9,355</u>
20.616 Subtotal				<u>33,922</u>
Total Highway Safety Cluster				97,465
National Infrastructure Investments	20.933	SC-628-1800005041		<u>2,627,397</u>
Total US Department of Transportation				9,026,280
US Environmental Protection Agency				
Passed through Commonwealth of Kentucky:				
Clean Water State Revolving Fund Cluster				
Capitalization Grants for Clean Water State Revolving Funds	66.458	A15-026 SWR		<u>5,726,228</u>
Total US Environmental Protection Agency				5,726,228

Continued

Schedule of Expenditures of Federal Awards--Continued

Lexington-Fayette Urban County Government

Year Ended June 30, 2020

Federal Grantor/Pass-Through Grantor Program or Cluster Title	Federal CFDA Number	Direct/ Pass-through Grantor's Number	Passed Through to Subrecipients Expenditures*	Federal Expenditures
US Department of Health and Human Services:				
Direct Programs:				
Substance Abuse & Mental Health Services Projects of Regional and National Significance	93.243	1H79SP080309-01		127,771
Substance Abuse & Mental Health Services Projects of Regional and National Significance	93.243	5H79SP080309-02		<u>272,712</u>
93.243 Subtotal				400,483
Passed through Commonwealth of Kentucky:				
Special Programs for the Aging, Title III, Part B, Grants for Supportive Services and Senior Centers	93.044	AS-2019-2020		80,587
Child Care and Development Block Grant	93.575	No Number		150,028
Grants to States for Access and Visitation Programs	93.597	2016-2017-PUBLIC-R		(11,673)
Grants to States for Access and Visitation Programs	93.597	2017-2018-PUBLIC-R		<u>283,490</u>
93.597 Subtotal				271,817
Head Start	93.600	No Number		<u>35,555</u>
Total US Department of Health and Human Services				938,470
US Department of Homeland Security Office of Domestic Preparedness:				
Direct Program:				
Assistance to Firefighters Grant	97.044	EMW-2017-FO-03956		70,300
Passed through Commonwealth of Kentucky:				
Disaster Reimbursement-COVID-20	97.U01	No Number		255,746
Chemical Stockpile Emergency Preparedness Program	97.040	SC-095-17000054303		203,493
Chemical Stockpile Emergency Preparedness Program	97.040	SC-095-1900001734		<u>399,399</u>
97.040 Subtotal				602,892
Emergency Management Performance Grants	97.042	SC-095-19000009781		24,511
Emergency Management Performance Grants	97.042	EMA-2019-EP-00008-S01		<u>65,574</u>
97.042 Subtotal				90,085
Homeland Security Grant Program	97.067	SC-094-1900001087		46,758
Homeland Security Grant Program	97.067	SC-094-2000000841		123,100
Homeland Security Grant Program	97.067	SC-094-2000000843		9,315
Homeland Security Grant Program	97.067	SC-094-2000000842		34,965
Homeland Security Grant Program	97.067	SC-094-1900001085		<u>300,000</u>
97.067 Subtotal				<u>514,138</u>
Total US Dept. of Homeland Security Office of Domestic Preparedness				1,533,161

Continued

Schedule of Expenditures of Federal Awards--Continued

Lexington-Fayette Urban County Government

Year Ended June 30, 2020

Federal Grantor/Pass-Through Grantor Program or Cluster Title	Federal CFDA Number	Direct/ Pass-through Grantor's Number	Passed Through to Subrecipients Expenditures*	Federal Expenditures
US Election Assistance Commission				
Passed through Commonwealth of Kentucky: Help America Vote Act Requirements Payments	90.401	No Number		965,600
Passed through Fayette County Clerk's Office: Help America Vote Act Election Security	90.404	15-7363644		<u>30,720</u>
Total US Election Assistance Commission				996,320
US Department of Treasury				
Passed through Commonwealth of Kentucky: Coronavirus Relief Fund	21.019	FAP111-44-00		<u>20,848,764</u>
Total US Department of Treasury				<u>20,848,764</u>
Totals			<u>\$2,093,594</u>	<u>\$ 42,930,998</u>
Grand Total of Direct Federal Expenditures and Amounts Passed Through to Subrecipients				<u>\$ 45,024,592</u>

* These amounts are also considered Federal Expenditures.

Notes to Schedule of Expenditures of Federal Awards

Lexington-Fayette Urban County Government

Year Ended June 30, 2020

Note A--Basis of Presentation

The accompanying Schedule of Expenditures of Federal Awards (the "Schedule") includes federal award activity for Lexington-Fayette Urban County Government (the "Government") under programs of the federal government for the year ended June 30, 2020. 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"). Because the Schedule presents only a selected portion of the operations of the Government, it is not intended to and does not present the financial position, changes in net assets, or cash flows of the Government.

Federal program funds can be received directly from the federal government or passed through from another entity. Uniform Guidance Part 200, Subpart A defines a recipient as "a non-federal entity that expends federal awards received directly from a federal awarding agency to carry out a federal program" and a pass-through entity as a "non-federal entity that provides a federal award to a sub-recipient" to carry out a federal program."

Amounts in the column titled "Federal Expenditures" represent amounts expended related to programs managed by the Government. Amounts in the column titled "Passed Through to Subrecipient Expenditures" represent amounts expended by subrecipients. Such amounts are not included in the Federal Expenditures column.

Note B--Summary of Significant Accounting Policies

Expenditures reported on the Schedule are reported on the modified accrual basis of accounting. Such expenditures are recognized following cost principles contained in the Uniform Guidance and/or OMB Circular A-87, *Cost Principles for State, Local and Indian Tribal Governments*, wherein certain types of expenditures are not allowable or are limited as to reimbursement.

The basic financial statements of the Government are presented on the modified accrual basis of accounting for the governmental fund financial statements and the accrual basis of accounting for the government-wide, proprietary fund, and fiduciary fund financial statements. Thus, amounts reported on the Schedule may not directly agree to the amounts reported in the basic financial statements.

The accompanying Schedule reflects certain adjustments resulting from transfers of funds between grants, adjustments, or credits made in the normal course of business. As a result, certain grants reflect negative expenditures.

Federal CFDA numbers or other identifying numbers listed on the Schedule were obtained from the respective grant/contract agreement.

Note C--Indirect Cost Rate

The Government has not elected to use the 10% de minimis indirect cost rate as allowed under Section 200.414(f) of the Uniform Guidance.

Schedule of Findings and Questioned Costs

Schedule of Findings and Questioned Costs

Lexington-Fayette Urban County Government

Year Ended June 30, 2020

Section I - Summary of Auditors' Results

1. The Independent Auditors' Report expresses an unmodified opinion on whether the financial statements of Lexington-Fayette Urban County Government (the "Government") were prepared in accordance with generally accepted accounting principles.
2. No material weaknesses or significant deficiencies relating to the audit of the financial statements are reported.
3. No instances of noncompliance material to the financial statements of the Government, which would be required to be reported in accordance with *Government Auditing Standards*, were disclosed during the audit.
4. No material weakness or significant deficiencies relating to internal control over major federal programs are reported.
5. The auditors' report on compliance for the major federal programs for the Government expresses an unmodified opinion on all major federal programs.
6. Audit findings that are required to be reported in accordance with the 2 CFR Section 200.516(a) of the Uniform Guidance are reported in this Schedule.
7. The programs tested as major programs are as follows:

<u>Name of Federal Program or Cluster</u>	<u>CFDA Number</u>
Help America Vote Act Requirements Payments	90.401
Coronavirus Relief Fund	21.019

8. The threshold used for distinguishing between Type A and B programs was \$1,350,738.
9. The Government was determined to be a low-risk auditee.

Schedule of Findings and Questioned Costs--Continued

Lexington-Fayette Urban County Government

Year Ended June 30, 2020

Section II – Financial Statement Audit

There are no findings.

Section III – Findings and Questioned Costs - Major Federal Programs Audit

There are no findings.

Summary Schedule of Prior Audit Findings

Summary Schedule of Prior Audit Findings

Lexington-Fayette Urban County Government

For the Year Ended June 30, 2020

Prior Year Major Federal Program Finding and Questioned Costs

There were no findings.