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June 20, 2016

TO: Honorable Todd Chase, Gainesville City Commissioner, Chair
Honorable Ken Cornell, Alachua County Commissioner

FROM: Scott R. Koons, AICP, Executive Director 

SUBJECT: Fiscal Year 2014-15 Audit Review Committee Meeting

STAFF RECOMMENDATION

Recommend acceptance of the audit report for Fiscal Year 2014-15 and approve the invoice for payment to the auditor.

BACKGROUND

Please find attached a copy of the Auditor's Report for Fiscal Year 2014-15 ending September 30, 2015. In December 2015, the Metropolitan Transportation Planning Organization for the Gainesville Urbanized Area appointed Commissioner Todd Chase and Commissioner Ken Cornell to an Audit Review Committee. The Metropolitan Transportation Planning Organization for the Gainesville Urbanized Area also decided to have Commissioner Chase serve as Committee Chair.

Audit Review Committee Meeting

The Audit Review Committee will meet on June 23, 2016 at 12:00 p.m. The meeting will be held in Gainesville City Hall, Room 17. The purpose of the meeting is to review the attached Fiscal Year 2014-15 audit.

Attachment

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by coordinating growth management, protecting regional resources,
promoting economic development and providing technical services to local governments.



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**AGENDA
METROPOLITAN TRANSPORTATION PLANNING ORGANIZATION
FOR THE GAINESVILLE URBANIZED AREA-**

AUDIT REVIEW COMMITTEE

Gainesville City Hall
Room 17
Gainesville, FL

12:00 p.m.
June 23, 2016

MTPO Staff Recommendation

- | | | |
|-------------|--|--|
| I. | Approval of the May 14, 2015 Minutes | APPROVE MINUTES |
| II. | Review of the Fiscal Year 2014-15 Audit | RECOMMEND ACCEPTANCE
OF AUDIT |
| III. | Authorize Payment of Auditor | RECOMMEND FINAL PAYMENT |

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METROPOLITAN TRANSPORTATION PLANNING ORGANIZATION
FOR THE GAINESVILLE URBANIZED AREA
AUDIT REVIEW COMMITTEE
MINUTES

Gainesville City Hall
Room 17
Gainesville, FL

May 14, 2015
4:00 p.m.

MEMBERS PRESENT

Commissioner Helen Warren, Chair
Commissioner Ken Cornell

OTHER PRESENT

Richard Powell, Powell & Jones
Certified Public Accountants

STAFF PRESENT

Scott R. Koons
Marlie Sanderson

The meeting was called to order by Chair Warren at 4:00 p.m.

I. REVIEW OF FISCAL YEAR 2013-14 AUDIT

Richard Powell of Powell & Jones, Certified Public Accountants, reviewed the Fiscal Year 2013-14 Audit. Following discussion, the following action was taken.

ACTION: By consensus, the Committee recommended to the Metropolitan Transportation Planning Organization for the Gainesville Urbanized Area acceptance and approval of the Fiscal Year 2013-14 Annual Audit prepared by Powell & Jones, Certified Public Accountants.

II. AUTHORIZE PAYMENT OF AUDITOR

ACTION: By consensus, the Committee recommended to the Metropolitan Transportation Planning Organization for the Gainesville Urbanized Area authorization of final payment for audit services to the auditor, Powell & Jones, Certified Public Accountants.

The meeting adjourned at 4:25 p.m.

Todd Chase

Date

**METROPOLITAN TRANSPORTATION
PLANNING ORGANIZATION FOR THE
GAINESVILLE URBANIZED AREA**

ANNUAL FINANCIAL REPORT

For the Fiscal Year Ended September 30, 2015



Powell & Jones
Certified Public Accountants

**METROPOLITAN TRANSPORTATION PLANNING
ORGANIZATION FOR THE GAINESVILLE URBANIZED AREA**

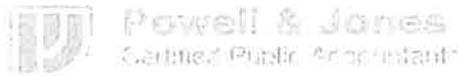
ANNUAL FINANCIAL REPORT

For the Fiscal Year Ended September 30, 2015

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FINANCIAL SECTION



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INDEPENDENT AUDITOR'S REPORT

To Metropolitan Transportation
Planning Organization for the
Gainesville Urbanized Area
Gainesville, Florida

We have audited the accompanying financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of the Metropolitan Transportation Planning Organization for the Gainesville Urbanized Area (the Organization), as of and for the year ended September 30, 2015, and the related notes to the financial statements, which collectively comprise the Organization's basic financial statements as listed in the table of contents.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America; this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. 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. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Opinion

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, each major fund and the aggregate remaining fund information of the Metropolitan Transportation Planning Organization for the Gainesville Urbanized Area as of September 30, 2015, and the changes in financial position and the respective budgetary comparisons for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Other Matters

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis on pages 7 - 9 be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

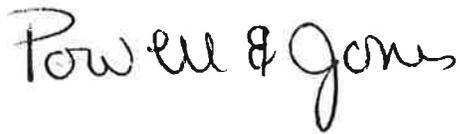
Other Information

Our audit was conducted for the purpose of forming an opinion on the financial statements that collectively comprise Metropolitan Transportation Planning Organization for the Gainesville Urbanized Area's basic financial statements. The schedule of expenditures of federal awards and state financial assistance is presented for purposes of additional analysis as required by the U.S. Office of Management and Budget Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations*, and is not a required part of the basic financial statements.

The schedule of expenditures of federal awards and state financial assistance 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. Such information has been subjected to the auditing procedures applied in the audit of the basic 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 and state financial assistance is fairly stated in all material respects in relation to the basic financial statements as a whole.

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated June 17, 2016, on our consideration of the Metropolitan Transportation Planning Organization for the Gainesville Urbanized Area's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering Metropolitan Transportation Planning Organization for the Gainesville Urbanized Area's internal control over financial reporting and compliance.

A handwritten signature in cursive script that reads "Powell & Jones".

POWELL & JONES
Certified Public Accountants
June 17, 2016

**METROPOLITAN TRANSPORTATION PLANNING ORGANIZATION
FOR THE GAINESVILLE URBANIZED AREA
Management's Discussion and Analysis**

This discussion and analysis is intended to be an easily readable analysis of the Metropolitan Transportation Planning Organization for the Gainesville Urbanized Area's (the Organization) financial activities based on currently known facts, decisions or conditions. This analysis focuses on current year activities and should be read in conjunction with the financial statements that follow.

Report Layout

The Organization has implemented Governmental Accounting Standards Board (GASB) Statement 34, "Basic Financial Statements - and Management's Discussion and Analysis - for State and Local Governments". This Statement requires governmental entities to report finances in accordance with specific guidelines. Among those guidelines are the components of this section dealing with management's discussion and analysis. Besides this Management's Discussion and Analysis (MD&A), the report consists of government-wide statements, fund financial statements, and the notes to the financial statements. The first two statements are condensed and present a government-wide view of the Organization's finances. Within this view, all the Organization's operations are categorized as applicable, and reported as either governmental or business-type activities. Governmental activities include basic planning related services and general administration. The Organization had no business-type activities in this fiscal year. These government-wide statements are designed to be more corporate-like in that all activities are consolidated into a total for the Organization.

Basic Financial Statements

The Statement of Net Position focuses on resources available for future operations. In simple terms, this statement presents a snap-shot view of the assets of the Organization, the liabilities it owes and the net difference. The net difference is further separated into amounts restricted for specific purposes and unrestricted amounts. Governmental activities are reported on the accrual basis of accounting.

- The Statement of Activities focuses gross and net costs of the Organization's programs and the extent, if any, to which such programs rely upon general revenues. This statement summarizes and simplifies the user's analysis to determine the extent to which programs are self-supporting and/or subsidized by general revenues.
- Fund financial statements focus separately on governmental and proprietary funds, as applicable. Governmental fund statements follow the more traditional presentation of financial statements. As stated above, the Organization has no proprietary funds and business-type activities.
- The notes to the financial statements provide additional disclosures required by governmental accounting standards and provide information to assist the reader in understanding the Organization's financial condition.
- The MD&A is intended to serve as an introduction to the Organization's basic financial statements and to explain the significant changes in financial position and differences in operations between the current and prior years.

Condensed Financial Information

Condensed financial information from the Statements of Net Position as of September 30, 2015 and 2014, follow:

	Governmental Activities	
	Total Government	
	September 30,	
	2015	2014
Assets:		
Cash	\$ 53,716	\$ 2,737
Prepaid expenses	500	-
Receivables	802,620	482,039
Total assets	<u>856,836</u>	<u>484,776</u>
Liabilities:		
Accounts payable	797,346	421,607
Total liabilities	<u>797,346</u>	<u>421,607</u>
Net Position		
Unrestricted	59,490	63,169
Total net position	<u>\$ 59,490</u>	<u>\$ 63,169</u>

During the year ended September 30, 2015, there was a decrease of \$3,679 in net position, due to normal operations during the year.

Condensed versions of the Statement of Activities for the years ended September 30, 2015 and 2014 follow:

	Governmental Activities	
	Total Government	
	Fiscal Year Ended September 30,	
	2015	2014
Revenues		
Program revenues		
Member dues	\$ 24,000	\$ 24,000
Operating grants	889,771	812,995
Other income	506	-
In-kind contributions	130,224	162,547
Total revenues	<u>1,044,501</u>	<u>999,542</u>
Expenses		
Transportation planning services	1,048,180	999,301
Total expenses	<u>1,048,180</u>	<u>999,301</u>
Change in net position	(3,679)	241
Beginning net position	63,169	62,928
Ending net position	<u>\$ 59,490</u>	<u>\$ 63,169</u>

Governmental activities

Transportation planning program activities remained similar to the prior year except that total expenses increased approximately 5%, which were the result of grant revenues also increasing approximately 5%.

Capital Assets and Debt Administration

Capital Assets

At September 30, 2015, the Organization had no capital assets titled in its name. All of the capital assets utilized in the Organization's programs are owned by North Central Florida Regional Planning Council, its administering agency.

Debt Outstanding

At September 30, 2015, the Organization had no outstanding debt.

Financial Contact

The Organization's financial statements are designed to present users (citizens, taxpayers, customers, and creditors) with a general overview of the Organization's finances and to demonstrate the Organization's accountability. If you have questions about the report or need additional financial information, please contact the Organization's Executive Director at 2009 NW 67th Place, Gainesville, Florida 32653-1603.

**METROPOLITAN TRANSPORTATION PLANNING ORGANIZATION
FOR THE GAINESVILLE URBANIZED AREA**

STATEMENT OF NET POSITION

September 30, 2015

	Governmental Activities
ASSETS	
Current Assets	
Cash	\$ 53,716
Prepaid expenses	500
Accounts receivable	802,620
Total assets	\$ 856,836
 LIABILITIES	
Current liabilities	
Accounts payable	\$ 797,346
Total liabilities	797,346
 NET POSITION	
Unrestricted	59,490
Total net position	59,490
 Total liabilities and net position	 \$ 856,836

See notes to financial statements.

**METROPOLITAN TRANSPORTATION PLANNING ORGANIZATION
FOR THE GAINESVILLE URBANIZED AREA**

STATEMENT OF ACTIVITIES

For the Fiscal Year Ended September 30, 2015

	<u>Expenses</u>	<u>Program Revenues Operating Grants and Contributions</u>	<u>Net Expenses and Change in Net Position Governmental Activities Total</u>
Governmental activities:			
General government			
Transportation planning services	\$ 1,048,180	\$ 1,019,995	\$ (28,185)
Total governmental activities	<u>\$ 1,048,180</u>	<u>\$ 1,019,995</u>	<u>(28,185)</u>
General revenues:			
Member dues			24,000
Other			506
			<u>24,506</u>
Decrease in net position			(3,679)
Net position - October 1, 2014			<u>63,169</u>
Net position - September 30, 2015			<u>\$ 59,490</u>
See notes to financial statements.			

**METROPOLITAN TRANSPORTATION PLANNING ORGANIZATION
FOR THE GAINESVILLE URBANIZED AREA**

**BALANCE SHEET
GOVERNMENTAL FUND**

September 30, 2015

	<u>General Fund</u>
ASSETS	
Cash	\$ 53,716
Prepaid expenses	500
Accounts receivable	802,620
Total assets	<u>\$ 856,836</u>
LIABILITIES	
Accounts payable	<u>\$ 797,346</u>
Total liabilities	<u>797,346</u>
FUND BALANCE	
Non-spendable, prepaids	500
Unassigned	58,990
Total fund balance	<u>59,490</u>
Total liabilities and fund balance	<u>\$ 856,836</u>

Total fund balance is the same as net position in the Statement of Net Position.

See notes to financial statements.

**METROPOLITAN TRANSPORTATION PLANNING ORGANIZATION
FOR THE GAINESVILLE URBANIZED AREA**

**GENERAL FUND
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES
IN FUND BALANCE - BUDGET AND ACTUAL
For the Fiscal Year Ended September 30, 2015**

	Budgeted Amounts		Actual Amounts	Variance Final Budget Positive (Negative)
	Original	Final		
REVENUES				
State of Florida, Department of Transportation grants	\$ 981,500	\$ 880,400	\$ 866,552	\$ (13,848)
State of Florida, Transportation Disadvantaged Commission	24,200	23,100	23,219	119
Member dues - Alachua County	9,600	9,600	9,600	-
Member dues - City of Gainesville	14,400	14,400	14,400	-
Other	-	-	506	506
In-kind contributions (FDOT)	130,200	130,200	130,224	24
Total revenues	1,159,900	1,057,700	1,044,501	(13,199)
EXPENDITURES				
Professional contractual services	1,008,700	899,100	896,222	2,878
Other	21,000	28,400	21,734	6,666
In-kind services (FDOT)	130,200	130,200	130,224	(24)
Total expenditures	1,159,900	1,057,700	1,048,180	9,520
Net change in fund balance	-	-	(3,679)	(3,679)
Fund balance, October 1, 2014	63,169	63,169	63,169	-
Fund balance, September 30, 2015	\$ 63,169	\$ 63,169	\$ 59,490	\$ (3,679)

The amounts in the Statement of Revenues, Expenditures, and Changes In Fund Balance of the General Fund are the same as the corresponding amounts reported for governmental activities in the Statement of Activities.

See notes to financial statements.

**METROPOLITAN TRANSPORTATION PLANNING ORGANIZATION
FOR THE GAINESVILLE URBANIZED AREA**

NOTES TO FINANCIAL STATEMENTS

September 30, 2015

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Metropolitan Transportation Planning Organization for the Gainesville Urbanized Area (the Organization), is a political subdivision created pursuant to provisions of Chapter 163, *Florida Statutes*. The Organization was established in 1977 by an Interlocal agreement between the City of Gainesville, Alachua County and Florida Department of Transportation. It is governed by a fourteen-member board, including the five members of the Alachua County Board of County Commissioners, the seven members of the City of Gainesville City Commission, and non-voting representatives of the University of Florida, and a rural advisor selected by the Alachua County League of Cities. The Organization is not currently subject to state or federal income taxes. Staff services are provided by the North Central Florida Regional Planning Council.

The financial statements of the Organization have been prepared in conformity with generally accepted accounting principles (GAAP) as applied to government units. The Government Accounting Standards Board (GASB) is the accepted standard-setting body for establishing governmental accounting and financial reporting principles. The more significant of the Organization's accounting policies are described below:

A. Reporting entity - As required by generally accepted accounting principles, these financial statements present the Organization and any component units, entities for which the primary government is considered to be financially accountable. There are no entities that would be considered component units of the Organization.

B. Basic financial statements - Basic financial statements are presented at both the government-wide and fund financial level. Both levels of statements categorize primary activities as either governmental or business-type.

Government-wide financial statements report information about the reporting unit as a whole. For the most part, the effect of any interfund activity has been removed from these statements. These statements focus on the sustainability of the Organization as an entity and the change in aggregate financial position resulting from the activities of the year. These aggregated statements consist of the Statement of Net Position and the Statement of Activities.

The Statement of Activities demonstrates the degree to which the direct expenses of a given function are offset by program revenues. Direct expenses are those that are clearly identifiable with a specific function. Program revenues include charges to customers or applicants who purchase, use, or directly benefit from goods, services, or privileges provided by a given function. Any other items not reported as program revenues are reported instead as general revenues.

Fund financial statements report information at the individual fund level. Each fund is considered to be a separate accounting entity. The Organization only reports a general fund which is a governmental fund.

C. Measurement focus, basis of accounting, and basis of presentation - The government-wide financial statements are reported using the economic resources measurement focus and the accrual basis of accounting. Revenues are recorded when earned and expenses are recorded when a liability is incurred, regardless of the timing of related cash flows.

Governmental fund financial statements are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Revenues are recognized as soon as they are both measurable and available. A 120 day availability period after year end is used for revenue recognition. Expenditures are recorded when the related fund liability is incurred.

The Organization reports deferred revenue as applicable on its governmental fund balance sheet. Deferred revenues arise when a potential revenue does not meet both the "measurable" and "available" criteria for recognition on the current period. In subsequent periods, when both revenue recognition criteria are met, the liability for deferred revenue is removed from the balance sheet and revenue is recognized.

Private-sector standards of accounting and financial reporting issued prior to December 1, 1989, generally are followed in the government-wide financial statements to the extent that those standards do not conflict with or contradict guidance of the Governmental Accounting Standards Board.

The Organization reports the following fund:

General Fund

This is the general operating fund of the Organization. It is used to account for all financial resources of the government, except those required to be accounted for in another fund.

D. Cash and cash equivalents - As applicable year to year, the Organization considers all highly liquid investments with a maturity of three months or less when purchased to be cash equivalents.

E. Cash and Investments - Cash deposits are held by a bank qualified as a public depository under Florida law. All deposits are insured by Federal depository insurance and collateralized with securities held in Florida's multiple financial institution collateral pool as required by Chapter 280, *Florida Statutes*.

F. Pervasiveness of Estimates - The preparation of financial statements in conformity with generally accepted accounting principles required management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

G. Fund Balances - As of September 30, 2015, fund balances of the governmental funds are classified as follows:

Non-spendable - amounts that cannot be spent either because they are in non-spendable form or because they are legally or contractually required to be maintained intact.

Restricted - amounts that can be spent only for specific purpose because of constitutional provisions, charter requirements or enabling legislation or because of constraints that are externally imposed by creditors, grantors, contributors, or the laws or regulations of other governments.

Committed - amounts that can be used only for specific purposes determined by a formal action of the Governing Board. The Governing Board is the highest level of decision making authority for the Organization. Commitments may be established, modified or rescinded only through ordinances or resolutions approved by the Governing Board.

Assigned - amounts that do not meet the criteria to be classified as restricted or committed but that are intended to be used for specific purposes. Under the Organization's general policy, only the Governing Board may assign amounts for specific purposes.

Unassigned – all other spendable amounts.

As of September 30, 2015, fund balances are composed of the following:

Non-spendable	\$	500
Unassigned		58,990
	\$	<u>59,490</u>

NOTE 2. BUDGETARY PROCESS

The Organization follows these procedures in establishing the budgetary data reflected in the financial statements:

- a. In March, staff members begin preparing a budget for the fiscal year commencing the following October 1, based on work outlined in the Unified Planning Work Program.
- b. In August, the Organization adopts and approves the budget.
- c. Actual contracts accepted by the Organization throughout the year necessarily have an impact on approved budget operating levels. Should any major changes be needed, due to unforeseen contracts or the need to appropriate additional funds, the budget is then redeveloped for consideration by the Organization.
- d. The budget is adopted on a basis consistent with generally accepted accounting principles. The legal level of budgeting control is the fund level.

NOTE 3. CONCENTRATION OF CREDIT RISK

Significant concentration of credit risk for financial instruments owned by the Organization are as follows:

- a. **Accounts and grants receivable** - Substantially all of the Organization's receivables are for amounts due from federal, state and local governmental agencies under cost reimbursement contracts. The Organization has no policy requiring collateral or other security to support its receivables.
- b. **Cash and cash equivalents** - At September 30, 2015, the carrying amount of the Organization's bank deposits was \$53,716. All deposits with financial institutions were 100% insured by federal depository insurance or by collateral provided by qualified public depositories to the State Treasurer pursuant to the Public Depository Security Act of the State of Florida. The Act established a Trust Fund, maintained by the State Treasurer, which is a multiple financial institution pool with the ability to assess its member financial institutions for collateral shortfalls if a member fails.

NOTE 4. CONTINGENT LIABILITIES

Amounts received or receivable from grantor agencies are subject to audit and adjustment by grantor agencies, principally the Federal government. Any disallowed claims, including amounts already collected, may constitute a liability to the Organization. The amount, if any, of expenditures which may be disallowed by the grantor cannot be determined at this time although the Organization expects such amounts, if any, to be immaterial.

SINGLE AUDIT AND COMPLIANCE SECTION

METROPOLITAN TRANSPORTATION PLANNING ORGANIZATION FOR THE GAINESVILLE URBANIZED AREA

SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS AND STATE FINANCIAL ASSISTANCE

Federal Grantor/Pass-Through Grantor/ State Grantor Program Title	CFDA/ CSFA Number	Grantor's Number	Program Award/Matching Amount	Accrued (Deferred) Prior Year	Received/ Reported Prior Year	Current Year Revenues	Current Year Expenditures
FEDERAL AWARDS							
Major Programs							
<i>U.S. Department of Transportation</i>							
Passed through the State of Florida							
Department of Transportation:							
Highway Planning and Construction							
FP #: 214094-9-14-01							
FEDERAL #: FAP 0241 (48) M							
2015-16	20.205	AWP92	\$ 495,442	\$ -	\$ -	\$ 70,266	\$ 70,266
2014-15	20.205	APW92	590,442	-	122,695	443,588	443,588
			<u>1,085,884</u>	<u>-</u>	<u>122,695</u>	<u>513,854</u>	<u>513,854</u>
Federal Transit: Metropolitan							
Planning Grants							
2014-15; FPID # 411762-3-14-13							
Grant award	20.505	AQR23	476,529	-	169,885	166,843	166,843
State match			59,566	-	21,236	20,855	20,855
			<u>536,095</u>	<u>-</u>	<u>191,121</u>	<u>187,698</u>	<u>187,698</u>
Total Major Programs/Federal Awards			<u>1,621,979</u>	<u>-</u>	<u>313,816</u>	<u>701,552</u>	<u>701,552</u>
STATE FINANCIAL ASSISTANCE							
State Match for Major Federal Programs							
<i>State of Florida Department of Transportation</i>							
Highway Planning and Construction							
FP #: 214094-9-14-01							
FEDERAL #: FAP 0241 (48) M							
2014-15	20.205	APW92	130,224	-	-	130,224	130,224
Non-major Programs							
<i>State of Florida Department of Transportation</i>							
Planning Grants							
FPID # 434702-1-18-01							
2014-15	55.030	AR757	100,000	-	-	65,000	65,000
Transit Corridor Program							
FPID # 435558-1-18-01							
2014-15	55.013	ARA39	100,000	-	-	100,000	100,000
Transportation Disadvantaged							
FPID # 432029-1-14-01							
2015-16	55.002	G0206	24,186	-	-	5,563	5,563
2014-15	55.002	AR240	24,186	-	6,530	17,656	17,656
			<u>48,372</u>	<u>-</u>	<u>6,530</u>	<u>23,219</u>	<u>23,219</u>
Total State Financial Assistance			<u>378,596</u>	<u>-</u>	<u>6,530</u>	<u>318,443</u>	<u>318,443</u>
Total federal and state financial assistance			<u>\$ 2,000,575</u>	<u>\$ -</u>	<u>\$ 320,346</u>	<u>\$ 1,019,995</u>	<u>\$ 1,019,995</u>

See notes to the Schedule of Federal Awards and State Financial Assistance.

**METROPOLITAN TRANSPORTATION PLANNING ORGANIZATION
FOR THE GAINESVILLE URBANIZED AREA**

Notes to Schedule of Expenditures of Federal Awards and State Financial Assistance

For the Fiscal Year Ended September 30, 2015

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The accounting policies and presentation of the Schedule of Expenditures of Federal Awards and State Financial Assistance of the Metropolitan Transportation Planning Organization for the Gainesville Urbanized Area (the Organization) have been designed to conform to generally accepted accounting principles as applicable to governmental units, including the reporting and compliance requirements of the Audits of States, Local Governments, and Non-Profit Organizations and Office of Management and Budget Circular A-133.

A. Reporting Entity

This reporting entity consists of the Metropolitan Transportation Planning Organization for the Gainesville Urbanized Area. The Organization includes a Schedule of Expenditures of Federal Awards and State Financial Assistance in the compliance Section for the purpose of additional analysis.

B. Basis of Accounting

Basis of accounting refers to when revenues and expenditures or expenses are recognized in the accounts and reported in the financial statements. Basis of accounting relates to the timing of the measurements made, regardless of the measurement focus.

The accrual basis of accounting is followed in the Schedule of Expenditures of Federal Awards and State Financial Assistance. Under the modified accrual basis, revenues are recognized when they become measurable and available. Revenues are considered to be available when they are collectible within the current period or soon enough thereafter to pay liabilities of the current period. For this purpose, the Organization considers revenues to be available if they are collected within 120 days after the end of the current fiscal period. Expenditures generally are recorded when a liability is incurred, as under accrual accounting.

**INDEPENDENT AUDITOR'S REPORT ON INTERNAL CONTROL OVER FINANCIAL REPORTING AND ON
COMPLIANCE AND OTHER MATTERS BASED ON AN AUDIT OF FINANCIAL STATEMENTS
PERFORMED IN ACCORDANCE WITH GOVERNMENT AUDITING STANDARDS**

To Metropolitan Transportation Planning
Organization for the Gainesville Urbanized Area
Gainesville, Florida

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 Metropolitan Transportation Planning Organization for the Gainesville Urbanized Area, as of and for the year ended September 30, 2015, and the related notes to the financial statements, which collectively comprise Metropolitan Transportation Planning Organization for the Gainesville Urbanized Area's basic financial statements, and have issued our report thereon dated June 17, 2016.

Internal Control Over Financial Reporting

In planning and performing our audit of the financial statements, we considered the Metropolitan Transportation Planning Organization for the Gainesville Urbanized Area'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 Metropolitan Transportation Planning Organization for the Gainesville Urbanized Area's internal control. Accordingly, we do not express an opinion on the effectiveness of the Metropolitan Transportation Planning Organization for the Gainesville Urbanized Area'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.

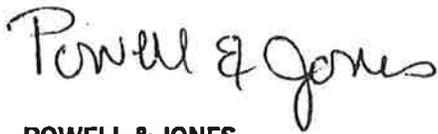
Compliance and Other Matters

As part of obtaining reasonable assurance about whether the Metropolitan Transportation Planning Organization for the Gainesville Urbanized Area's financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material

effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

Purpose of this Report

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the 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.

A handwritten signature in cursive script that reads "Powell & Jones".

POWELL & JONES
Certified Public Accountants
June 17, 2016

**INDEPENDENT AUDITOR'S REPORT ON COMPLIANCE FOR EACH MAJOR PROGRAM
AND ON INTERNAL CONTROL OVER COMPLIANCE REQUIRED BY OMB CIRCULAR A-133**

To Metropolitan Transportation
Planning Organization for the
Gainesville Urbanized Area

Report on Compliance for each Major Federal Program

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 Metropolitan Transportation Planning Organization for the Gainesville Urbanized Area's compliance with the types of compliance requirements described in *OMB Circular A-133 Compliance Supplement* that could have a direct and material effect on Metropolitan Transportation Planning Organization for the Gainesville Urbanized Area's major federal program for the year ended September 30, 2015. Metropolitan Transportation Planning Organization for the Gainesville Urbanized Area's major federal program is identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs.

Management's Responsibility

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

Auditor's Responsibility

Our responsibility is to express an opinion on compliance for Metropolitan Transportation Planning Organization for the Gainesville Urbanized Area'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 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 Metropolitan Transportation Planning Organization for the Gainesville Urbanized Area's compliance with those requirements and performing such other procedures as we considered necessary for 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 Metropolitan Transportation Planning Organization for the Gainesville Urbanized Area's compliance.

Opinion on Each Major Federal Program

In our opinion, Metropolitan Transportation Planning Organization for the Gainesville Urbanized Area 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, 2015.

Other Matters

The results of our auditing procedures disclosed no instances of noncompliance, which are required to be reported in accordance with OMB Circular A-133

Report on Internal Control Over Compliance

Management of Metropolitan Transportation Planning Organization for the Gainesville Urbanized Area 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 Metropolitan Transportation Planning Organization for the Gainesville Urbanized Area'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 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 Metropolitan Transportation Planning Organization for the Gainesville Urbanized Area'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.


POWELL & JONES
Certified Public Accountants
June 17, 2016

**METROPOLITAN TRANSPORTATION PLANNING ORGANIZATION
FOR THE GAINESVILLE URBANIZED AREA**

SCHEDULE OF FINDINGS AND QUESTIONED COSTS

For the Fiscal Year Ended September 30, 2015

Section I. Summary of Auditor's Results

Financial Statements

Type of auditor's report issued:	Unqualified
Internal control over financial reporting:	
• Material weakness identified?	None reported
• Significant deficiencies identified not considered to be a material weakness?	None reported
Noncompliance material to financial statements noted?	None reported

Federal Awards

Type of auditor's report issued:	Unqualified
Internal control over financial reporting:	
• Material weakness identified?	None reported
• Significant deficiencies identified not considered to be a material weakness?	None reported
Any audit findings disclosed that are required to be reported in accordance with Section 510(a) of Circular A-133?	None reported

Identification of major programs:

<u>CFDA Number</u>	<u>Name of Federal Programs</u>
20.205	U.S. Department of Transportation Highway Planning and Construction
20.505	U.S. Department of Transportation Federal Transit: Metropolitan Planning Grant

Dollar threshold used to distinguish between Type A and Type B programs:	\$300,000
Auditee qualified as low-risk auditee?	Yes

SECTION II - FINANCIAL STATEMENT AUDIT

There were no current year findings.

SECTION III - FEDERAL AWARDS FINDINGS AND QUESTIONED COSTS

There were no current year findings.

SECTION IV - PRIOR YEAR FINDINGS AND QUESTIONED COSTS

There were no prior year findings.

**INDEPENDENT AUDITOR'S MANAGEMENT LETTER REQUIRED BY
CHAPTER 10.550, RULES OF THE AUDITOR GENERAL**

To Metropolitan Transportation
Planning Organization for the
Gainesville Urbanized Area

We have audited the basic financial statements of the Metropolitan Transportation Planning Organization for the Gainesville Urbanized Area (the Organization) as of and for the year ended September 30, 2015, and have issued our report thereon dated June 17, 2016.

We have issued our 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*, dated June 17, 2016. Disclosures in that report, if any, should be considered in conjunction with this management letter.

We conducted our audit in accordance with auditing standards generally accepted in the United States of America and *Government Auditing Standards* issued by the Comptroller General of the United States. Additionally, our audit was conducted in accordance with the provisions of Chapter 10.550, *Rules of the Auditor General*, which govern the conduct of local governmental entity audits performed in the State of Florida and require that the following items be addressed in this letter.

PRIOR YEAR FINDINGS – There were no reportable findings in the prior year.

CURRENT YEAR FINDINGS - There were no reportable findings in the current year.

FINANCIAL COMPLIANCE MATTERS

Financial Emergency Status – We determined that the Organization did not meet any of the conditions described in Section 218.503(1), *Florida Statutes*, that might result in a financial emergency.

Financial Condition Assessment – As required by the *Rules of the Auditor General* (Sections 10.544(1)(i)7.c. and 10.556(7)), we applied financial condition assessment procedures. It is management's responsibility to monitor the entity's financial condition, and our financial condition assessment was based in part on representations made by management and the review of financial information they provided.

We noted no deteriorating financial conditions as defined by Rule 10.544(2)(f).

Our audit did not disclose any further items that would be required to be reported under *Rules of the Auditor General* Chapter 10.550.

CONCLUSION

We very much enjoyed the challenge and experiences with this audit of the Organization. We

appreciate the helpful assistance of the Organization staff in completing our audit and also the generally high quality of the Organization's financial records and internal controls.

Powell & Jones

POWELL & JONES
Certified Public Accountants
June 17, 2016

INDEPENDENT ACCOUNTANT'S REPORT

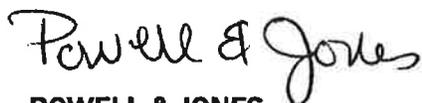
To Metropolitan Transportation
Planning Organization for the
Gainesville Urbanized Area

We have examined the Metropolitan Transportation Planning Organization for the Gainesville Urbanized Area's compliance with Section 218.415, *Florida Statutes*, regarding the investment of public funds during the year ended September 30, 2015. Management is responsible for the Organization's compliance with those requirements. Our responsibility is to express an opinion on the Organization's compliance based on our examination.

Our examination was conducted in accordance with attestation standards established by the American Institute of Certified Public Accountants and, accordingly, included examining, on a test basis, evidence about the Organization's compliance with those requirements and performing such other procedures as we considered necessary in the circumstances. We believe that our examination provides a reasonable basis for our opinion. Our examination does not provide a legal determination on the Organization's compliance with specified requirements.

In our opinion, the Organization complied, in all material respects, with the aforementioned requirements for the year ended September 30, 2015.

This report is intended solely for the information and use of the Organization and the Auditor General, State of Florida, and is not intended to be and should not be used by anyone other than these specified parties.



POWELL & JONES
Certified Public Accountants
June 17, 2016

Communication with Those Charged with Governance

**To Metropolitan Transportation
Planning Organization for the
Gainesville Urbanized Area**

We have audited the financial statements of the Metropolitan Transportation Planning Organization for the Gainesville Urbanized Area for the year ended September 30, 2015. Professional standards require that we provide you with information about our responsibilities under generally accepted auditing standards and *Government Auditing Standards*, as well as certain information related to the planned scope and timing of our audit. Professional standards also require that we communicate to you the following information related to our audit.

Significant Audit Findings

Qualitative Aspects of Accounting Practices

Management is responsible for the selection and use of appropriate accounting policies. The significant accounting policies used by the Organization are described Note 1 to the financial statements. No new accounting policies were adopted and the application of existing policies was not changed during 2015. We noted no transactions entered into by the governmental unit during the year for which there is a lack of authoritative guidance or consensus.

All significant transactions have been recognized in the financial statements in the proper period.

Accounting estimates are an integral part of the financial statements prepared by management and are based on management's knowledge and experience about past and current events and assumptions about future events. Certain accounting estimates are particularly sensitive because of their significance to the financial statements and because of the possibility that future events affecting them may differ significantly from those expected. There are no sensitive estimates affecting the Organization's financial statements.

Certain financial statement disclosures are particularly sensitive because of their significance to financial statement users. There are no sensitive disclosures affecting the financial statements.

Difficulties Encountered in Performing the Audit

We encountered no significant difficulties in dealing with management in performing and completing our audit.

Corrected and Uncorrected Misstatements

Professional standards require us to accumulate all known and likely misstatements identified during the audit, other than those that are trivial, and communicate them to the appropriate level of management. There were no such misstatements identified during our audit.

Disagreements with Management

For purposes of this letter, professional standards define a disagreement with management as a financial accounting, reporting, or auditing matter, whether or not resolved to our satisfaction, that

could be significant to the financial statements or the auditor's report. We are pleased to report that no such disagreements arose during the course of our audit.

Management Representations

We have requested certain representations from management that are included in the management representation letter dated June 17, 2016.

Management Consultations with Other Independent Accountants

In some cases, management may decide to consult with other accountants about auditing and accounting matters, similar to obtaining a "second opinion" on certain situations. If a consultation involves application of an accounting principle to the governmental unit's financial statements or a determination of the type of auditor's opinion that may be expressed on those statements, our professional standards require the consulting accountant to check with us to determine that the consultant has all the relevant facts. To our knowledge, there were no such consultations with other accountants.

Other Audit Findings or Issues

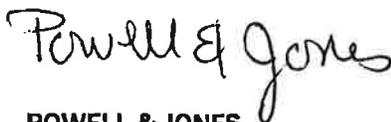
We generally discuss a variety of matters, including the application of accounting principles and auditing standards, with management each year prior to retention as the governmental unit's auditors. However, these discussions occurred in the normal course of our professional relationship and our responses were not a condition to our retention.

Other Information in Documents Containing Audited Financial Statements

With respect to the supplementary information accompanying the financial statements, we made certain inquiries of management and evaluated the form, content, and methods of preparing the information to determine that the information complies with accounting principles generally accepted in the United States of America, the method of preparing it has not changed from the prior period, and the information is appropriate and complete in relation to our audit of the financial statements. We compared and reconciled the supplementary information to the underlying accounting records used to prepare the financial statements or to the financial statements themselves.

This information is intended solely for the use of the Governing Board and management of the Metropolitan Transportation Planning Organization for the Gainesville Urbanized Area, and is not intended to be and should not be used by anyone other than these specified parties.

Very truly yours,



POWELL & JONES
Certified Public Accountants
June 17, 2016