

**CITY OF GRAND FORKS, NORTH DAKOTA
GRAND FORKS, NORTH DAKOTA**

**INDEPENDENT AUDITOR'S REPORTING REQUIREMENTS
AND OTHER COMMUNICATIONS REQUIRED UNDER
THE SINGLE AUDIT ACT**

FOR THE YEAR ENDED DECEMBER 31, 2011

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CERTIFIED PUBLIC ACCOUNTANTS
AND CONSULTANTS

**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 the Honorable Mayor and
Members of the City Council
City of Grand Forks, North Dakota

We have audited the financial statements of the governmental activities, the business-type activities, the discretely presented component unit, each major fund, and the aggregate remaining fund information of the City of Grand Forks, North Dakota, as of and for the year ended December 31, 2011, which collectively comprise the City of Grand Forks basic financial statements and have issued our report thereon dated June 8, 2012. 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.

Internal Control Over Financial Reporting

Management of the City of Grand Forks, North Dakota, is responsible for establishing and maintaining effective internal control over financial reporting. In planning and performing our audit, we considered the City of Grand Forks' internal control over financial reporting as a basis for designing our auditing procedures for the purpose of expressing our opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the City's internal control over financial reporting. Accordingly we do not express an opinion on the effectiveness of the City's internal control over financial reporting.

A *deficiency in internal control* exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent or detect misstatements on a timely basis. A *material weakness* is a deficiency, or 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.

Our consideration of internal control over financial reporting 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 financial reporting that might be deficiencies, significant deficiencies or material weaknesses. We did not identify any deficiencies in internal control over financial reporting that we consider to be material weaknesses, as defined above.

Compliance and Other Matters

As part of obtaining reasonable assurance about whether the City of Grand Forks' financial statements are free of material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

We noted certain matters that we reported to management of the City of Grand Forks in a separate letter dated June 8, 2012.

This report is intended solely for the information of the Honorable Mayor and members of the City Council, management and state and federal agencies and is not intended to be and should not be used by anyone other than these specified parties.

Brady Martz

BRADY, MARTZ & ASSOCIATES, P.C.

June 8, 2012



CERTIFIED PUBLIC ACCOUNTANTS
AND CONSULTANTS

**INDEPENDENT AUDITOR'S REPORT ON COMPLIANCE WITH REQUIREMENTS
THAT COULD HAVE A DIRECT AND MATERIAL EFFECT ON EACH
MAJOR PROGRAM AND ON INTERNAL CONTROL OVER
COMPLIANCE IN ACCORDANCE WITH OMB CIRCULAR A-133**

To the Honorable Mayor and
Members of the City Council
City of Grand Forks, North Dakota

Compliance

We have audited the City of Grand Forks' compliance with the types of compliance requirements described in the *OMB Circular A-133 Compliance Supplement* that could have a direct and material effect on each of its major federal programs for the year ended December 31, 2011. The City of Grand Forks' major federal programs are identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs. Compliance with the requirements of laws, regulations, contracts, and grants applicable to each of its major federal programs is the responsibility of the City's management. Our responsibility is to express an opinion on the City's compliance based on our audit.

The City of Grand Forks' basic financial statements include the operations of the Grand Forks Airport Authority, which received \$5,298,974 in federal awards that are not included in the schedule during the year ended December 31, 2011. Our audit described below, did not include the operations of the Grand Forks Airport Authority because the Authority engaged us to perform a separate audit in accordance with OMB Circular A-133.

We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States; and OMB Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations*. Those standards and OMB Circular A-133 require that we plan and perform the audit to obtain reasonable assurance about whether noncompliance with the types of compliance requirements referred to above that could have a direct and material effect on a major federal program occurred. An audit includes examining, on a test basis, evidence about the City's compliance with those requirements and performing such other procedures as we considered necessary in the circumstances. We believe that our audit provides a reasonable basis for our opinion. Our audit does not provide a legal determination on the City's compliance with those requirements.

In our opinion, the City of Grand Forks complied, in all material respects, with the compliance requirements referred to above that could have a direct and material effect on each of its major federal programs for the year ended December 31, 2011.

Internal Control Over Compliance

Management of the City of Grand Forks is responsible for establishing and maintaining effective internal control over compliance with requirements of laws, regulations, contracts and grants applicable to federal programs. In planning and performing our audit, we considered the City's internal control over compliance with requirements that could have a direct and material effect on a major federal program in order to determine our auditing procedures for the purpose of expressing our opinion on compliance and to test and report on internal control over compliance in accordance with OMB Circular A-133, but not for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, we do not express an opinion on the effectiveness of the City's internal control over compliance.

A deficiency in internal control over compliance exists when the design or operation of a control over compliance does not allow management or employees, in the normal course of performing their assigned functions, to prevent or detect and correct, noncompliance with a type of compliance requirement of a federal program on a timely basis. *A material weakness in internal control over compliance* is a deficiency, or a combination of deficiencies, in internal control over compliance, such that there is a reasonable possibility that material noncompliance with a type of compliance requirement of a federal program will not be prevented, or detected and corrected, on a timely basis.

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

Schedule of Expenditures of Federal Awards

We have audited the financial statements of the governmental activities, the business-type activities, the discretely presented component unit, each major fund, and the aggregate remaining fund information of the City of Grand Forks as of and for the year ended December 31, 2011, which collectively comprise the City's basic financial statements, and have issued our report thereon dated June 8, 2012, which contained unqualified opinions on those financial statements. Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the City's basic financial statements. The schedule of expenditures of federal awards is presented for purposes of additional analysis as required by 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. 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 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 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 information is fairly stated in all material respects, in relation to the basic financial statements taken as a whole.

This report is intended solely for the information of the Honorable Mayor and members of the City Council, management and state and federal agencies and is not intended to be and should not be used by anyone other than these specified parties.

Brady Martz
BRADY, MARTZ & ASSOCIATES, P.C.

June 8, 2012

CITY OF GRAND FORKS, NORTH DAKOTA
 SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
 FOR THE YEAR ENDED DECEMBER 31, 2011

Federal Grantor/ Program Title	Federal CFDA Number	Award Amount	Expenditures
Environmental Protection Agency			
Pass Through NDBB - SRF loan 380806-01 (03)	66.458	\$ 6,686,156	\$ 0
Total Environmental Protection Agency		6,686,156	0
Department of Energy			
ARRA - DE-SC000-3248	81.128	569,800	170,458
Total EECBG Grant		569,800	170,458
Pass Through ND Department of Commerce/DCS			
DE-FG26-07NT43202 (2992-SEP10-EE)	81.041	5,000	5,000
DE-FG26-07NT43202 (3217-SEP11-EE)	81.041	10,000	0
ARRA - DE-EE0000142 (3085-SEP10R-B)	81.041	100,000	0
ARRA - DE-EE0000142 (3086-SEP10R-B)	81.041	58,680	0
ARRA - DE-EE0000772 (3145-EECGV10)	81.128	61,689	0
Total Division of Community Services		235,369	5,000
Total Department of Energy		805,169	175,458
Department of Transportation			
Federal Transit Administration			
FTA Capital Improvement			
FTA ND-04-0007	20.500	384,000	0
ND-04-0012 (FY 2009 Section 5309)	20.500	1,000,001	144,637
ND-04-0017-00	20.500	383,277	259,140
Total FTA Capital Improvement		1,767,278	403,777
Federal Transit Administration			
FTA Operating & Capital Assistance			
ND-90-X079-00 (FY06 New Freedom)	20.507	28,942	1,652
ND-90-X082-00	20.507	903,493	3,702
ND-90-X086-00	20.507	1,030,045	427,447
ND-90-X090-00	20.507	1,003,075	426,142
Total FTA Operating & Capital Assistance		2,965,555	858,943

See Notes to Schedule

CITY OF GRAND FORKS, NORTH DAKOTA
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
FOR THE YEAR ENDED DECEMBER 31, 2011 - CONTINUED

North Dakota State Grants

(Pass through NDDOT)

NDDOT #38-100-0310 (FY08 JARC)	20.516	79,860	39,930
NDDOT #38-172-0910 (FY09 JARC)	20.516	40,139	20,000
NDDOT #38-110-022 (FY11 JARC)	20.516	120,000	58,811
NDDOT #38-101-0310 (FY08 New Freedom)	20.521	31,200	27,290
NDDOT #38-173-0910 (FY09 New Freedom)	20.521	27,509	27,288
NDDOT #38-110-023 (FY11 New Freedom)	20.521	50,900	23,976

Total North Dakota State Grants

	349,608	197,295
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Federal Highway Administration

Pass Through North Dakota State Dept. of Transportation

NHU-6-002(062)357 (Gateway/Proposed Intersection Impr)	20.205	60,541	60,541
RPS-9999(240)	20.205	427,082	34,630
SU-6-081(068)940	20.205	2,026,270	48,941
SU-6-297(007)002	20.205	1,513,683	1,066,611
SU-6-986(082)086 (Const.-Paving S 48th St.)	20.205	4,213,231	325,647
SU-6-986(082)086 (Const.-Strm. Sewer/Drainage)	20.205	2,106,769	1,626,875
SU-6-986(082)086 (Eng.-Paving S 48th St.)	20.205	369,170	209,522
SU-6-986(082)086 (Eng.-Strm. Sewer/Drainage)	20.205	184,598	27,848
SU-6-986(084)088	20.205	1,764,624	24,095
TEU-6-986(100)104 (Shared-Use Path/S 42nd St)	20.205	91,433	2,974
TEU-6-986(103)107 (Shared-Use Path/Wash/47th-55th)	20.205	214,000	152,660
QZ-SAP-6-002(109)356 (Quiet Zone)	20.205	225,000	225,000

Total Federal Highway Administration

	13,196,401	3,805,344
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National Highway Traffic Safety Administration

Pass Through North Dakota Dept. of Transportation

Section 402 Program

NDDOT 12-100-2841	20.600	7,200	4,461
NDDOT 12-112-0581	20.600	9,600	1,501
NDDOT 12-100-2842	20.601	9,600	8,474
NDDOT 12-112-0582	20.601	9,600	2,215

Total National Highway Traffic Safety Administration

	36,000	16,651
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See Notes to Schedule

CITY OF GRAND FORKS, NORTH DAKOTA
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
FOR THE YEAR ENDED DECEMBER 31, 2011 - CONTINUED

Division of Homeland Security			
Pass Through North Dakota Dept of Emergency Services			
Total Division of Homeland Security		0	0
Total Department of Transportation		<u>18,314,842</u>	<u>5,282,010</u>
Department of Housing & Urban Development			
Community Development Block Grants -			
Entitlement Grants Cluster			
Program Income - Revolving Loan Fund			162,706
B-10-MC-38-0002	14.218	451,667	22,937
B-11-MC-38-0002	14.218	375,814	0
Program Income - Supplemental			1,033,413
Total Community Development Block Grants		<u>827,481</u>	<u>1,219,056</u>
HOME HUD Grant			
Program Income - Admin.			1,219
M08SG380100/M09SG380100/M10SG380100 (2217-M080910-12)	14.239	48,500	8,756
2041-M07080910-12	14.239	814,500	0
2449-M0810-12	14.239	375,000	301,116
Program Income - Current Elmwood			10,972
Recapture Funds			44,412
Total HOME HUD Grant		<u>1,238,000</u>	<u>366,475</u>
Pass Through North Dakota Dept of Commerce/DCS			
B-08-DN-38-0001 (2459-NSP09) (HERA)	14.228	4,312,782	1,059,761
Program Income - NSP			266,290
Total Division of Community Services		<u>4,312,782</u>	<u>1,326,051</u>
Total Department of Housing & Urban Development		<u>6,378,263</u>	<u>2,911,582</u>
Department of Health & Human Services			
Pass Through N.D. Department of Health			
Maternal and Child Health Care/Nutrition			
09-754(A)	93.994	68,808	26,645
G11-011	93.994	57,990	40,753
Care Coordination Grant			
09-063	93.994	71,400	16,606
11.085	93.994	72,456	17,904
Communicable Disease Control			
PF09-275	93.943	2,657	2,657

See Notes to Schedule

CITY OF GRAND FORKS, NORTH DAKOTA
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
FOR THE YEAR ENDED DECEMBER 31, 2011 - CONTINUED

Immunization Initiative Grant			
ARRA - 09-694 (Immunization Coalition)	93.712	20,000	13,336
09-1091(A)	93.268	41,820	41,584
Tobacco Prevention & Control			
G09-11	93.283	55,258	13,816
G11-11	93.283	53,318	13,330
West Nile Virus Surveillance			
09-1213	93.283	15,000	15,000
Colorectal Cancer Screening			
G09-917	93.283	5,000	4,974
Bioterrorism			
Emergency Preparedness & Response			
09-226(A)	93.069	490,804	140,980
09-240(A)	93.069	38,470	19,234
11.240	93.069	253,902	84,717
11.254	93.069	20,790	8,944
Ryan White Care Grant			
PF09-150	93.917	1,409	1,409
PF09-344	93.917	7,836	7,836
Tuberculosis Control			
PF09-298	93.116	13,444	13,444
Women's Way Grant			
PF09-205(A)	93.283	88,355	41,446
PF11.032	93.919	44,759	34,034
Total North Dakota Department of Health		<u>1,423,476</u>	<u>558,649</u>
Pass Through N.D. Department of Human Services			
Health Tracks			
(formerly Early Prevention Screening Program)			
1/1/11 - 12/31/11	93.778	85,224	85,224
Refugee Health Services			
2011-03	93.566	21,000	19,311
2012-15	93.566	14,000	3,517
Total North Dakota Department of Human Services		<u>35,000</u>	<u>22,828</u>
Affordable Care Act - Health Center Planning			
P04CS23078	93.527	80,000	13,561
Total North Dakota Department of Human Services		200,224	121,613
Total Department of Health & Human Services		<u>1,623,700</u>	<u>680,262</u>

See Notes to Schedule

CITY OF GRAND FORKS, NORTH DAKOTA
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
FOR THE YEAR ENDED DECEMBER 31, 2011 - CONTINUED

Department of Interior, Fish & Wildlife Service

National Park Service

Pass Through North Dakota State Historical Society

38-10-21941-27	15.904	28,163	13,778
38-11-31941-28	15.904	29,020	15,920

Total Department of Interior

		57,183	29,698
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Department of Justice-Office of Justice Programs

Pass Through ND State Office of Attorney General

BULLET PROOF VEST PROGRAM	16.607	60,759	6,126
10-208 (CVIC)	16.738	12,500	12,500
10-704 (Project Safe Neighborhoods)	16.609	10,000	9,840
2009-DJ-BX-0584	16.738	44,474	19,314
2010-DJ-BX-1020	16.738	49,204	29,021
2011-DJ-BX-2463	16.738	36,362	2,096
ARRA - #ST09205	16.803	153,040	25,642
ARRA - #ST09206	16.803	6,420	299
ARRA - #ST09-228 (CVIC)	16.803	94,970	24,682
ARRA - 2009-SB-B9-2428	16.804	261,710	4,572
2010-MU-MU-K019 (CVIC)	16.560	159,967	109,816
2010-WE-AX-0058 (CVIC)	16.590	387,979	177,019
2011-MU-MU-K004 (CVIC)	16.730	2,000,000	70,433
2011-CW-AX-K010 (CVIC)	16.527	340,216	2,195

Pass Through North Dakota Dept. of Transportation

ND HWY DEPT 2010-1	16.727	8,960	3,433
ND HWY DEPT 2011-1	16.727	10,000	6,019

Office of Community Oriented Policing Services (COPS)

05-IN-WX-0012	16.710	3,000,000	41,329
ARRA - 2009-RK-WX-0595	16.710	360,436	98,095
CY11-403	16.737	75,400	43,639
HIDTA 23593-GF	16.UNK	382,314	64,455

Pass Through ND Department of Health

G09-1007	16.588	21,069	10,544
G11.407	16.588	22,435	9,192

Total Department of Justice

		7,498,215	770,261
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See Notes to Schedule

CITY OF GRAND FORKS, NORTH DAKOTA
 SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
 FOR THE YEAR ENDED DECEMBER 31, 2011 - CONTINUED

Department of Homeland Security

Pass Through North Dakota Dept of Emergency Services				
HOMELAND SECURITY##A0457-001-2008-HTRR	PD	97.067	45,912	17,468
HOMELAND SECURITY##A0461-001-2009-HQRR	FD	97.067	157,415	21,962
HOMELAND SECURITY##A0461-002-2009-HTRR	FD	97.067	26,768	20,285
HOMELAND SECURITY##A0461-004-2008-HSQ	FD	97.067	18,670	18,669
HOMELAND SECURITY##A0574-001-2009-HQRR	PD	97.067	266,755	25,726
HOMELAND SECURITY##A0574-002-2009-HTRR	PD	97.067	44,479	27,176
HOMELAND SECURITY##A0574-003-2009-HPRR	PD	97.067	11,050	2,773
HOMELAND SECURITY##A1004-001-2009-HQ	PD	97.067	276,897	1,544
HOMELAND SECURITY##A0815-001-2008-HQ	PSAP	97.067	35,000	24,186
Total North Dakota Department of Emergency Services			882,946	159,789
 Federal Emergency Management Agency (FEMA)				
FEMA-EMW-2010-FO-04944	FD	97.044	189,000	189,000
FEMA-1829-ND-035-32060-00		97.036	467,302	1,314
FEMA-1981-ND-035-32060-00		97.036	96,914	94,007
FEMA-EM-3309-ND		97.036	16,883	516
Total Federal Emergency Management Agency			770,099	284,837
 Total Department of Homeland Security			1,653,045	444,626
 Department of Commerce				
Project 05-19-59026 Revolving Loan Funds		11.307	2,222,223	1,860,345
HOMELAND SECURITY##A0457-001-2007-PSICSQ	PD	11.555	8,400	7,980
Total Department of Commerce			2,230,623	1,868,325
 Total Expenditures of Federal Awards			\$ 45,247,196	\$ 12,162,222

See Notes to Schedule

CITY OF GRAND FORKS, NORTH DAKOTA
NOTES TO THE SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
FOR THE YEAR ENDED DECEMBER 31, 2011

NOTE 1 Basis of Presentation

The accompanying schedule of expenditures of federal awards includes the federal grant activity of the City of Grand Forks and is presented on the accrual basis. The information in this schedule is presented in accordance with the requirements of OMB Circular A-133, Audits of States, Local Governments, and Non-Profit Organizations. Therefore, some amounts presented in this schedule may differ from amounts presented in, or used in the preparation of, the basic financial statements.

NOTE 2 Clusters

The accompanying schedule of expenditures of federal awards contains the following clusters:

<u>Program Name</u>	<u>CFDA Numbers</u>	<u>Total</u>
Federal Transit Cluster	20.500, 20.507	\$ 1,262,720
Transit Services Programs Cluster	20.516, 20.521	197,295
Highway Safety Cluster	20.600, 20.601	16,651
Immunization Cluster	93.268, 93.712	54,920
JAG Program Cluster - Major	16.738, 16.803, 16.804	118,126

NOTE 3 Loans Outstanding

The City of Grand Forks had the following loan balances outstanding at December 31, 2011. Current year loan expenditures were \$0. These loan balances outstanding are not included in the federal expenditures presented in the schedule, as they are not considered to have continuing compliance requirements:

<u>Program Title</u>	<u>Federal CFDA Number</u>	<u>Amount Outstanding</u>
North Dakota Finance Authority - State Revolving Fund	66.458	
Loan #380800-01		1,605,000
Loan #380800-02		980,000
Loan #380806-01(01)		5,580,000
Loan #380806-01(02)		7,740,000
Loan #1800410-01		5,815,000
Loan #1800410-02		5,640,000
Loan #380798-01		925,000
Loan #380798-02		1,220,000
Loan #380806-01 (03)		3,856,561
Loan #380806-02		3,375,000

See Notes to Schedule

CITY OF GRAND FORKS, NORTH DAKOTA
NOTES TO THE SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS - CONTINUED
FOR THE YEAR ENDED DECEMBER 31, 2011

NOTE 4 Subrecipients

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

<u>Program Title</u>	<u>Federal CFDA Number</u>	<u>Amount Provided to Subrecipients</u>
Community Development Block Grant	14.218	\$ 273,595
Edward Byrne Memorial Justice Assistance Grant Program	16.738	12,500
Recovery Act - Edward Byrne Memorial Justice Assistance Grant	16.803	24,682
National Institute of Justice Research, Evaluation, and Development Project Grant	16.560	109,816
Grants to Encourage Arrest Policies and Enforcement of Protection Orders Program	16.590	177,019
Supervised Visitation, Safe Havens for Children	16.527	2,059
Reduction and Prevention of Children's Exposure to Violence	16.730	41,683

NOTE 5 Program Income

As of December 31, 2011, the City of Grand Forks earned \$1,033,413 in program income from its CDBG Emergency Supplemental Appropriation Grant, \$162,706 in program income from its CDBG Revolving Loan Fund and \$56,603 in program income from its HOME HUD grant.

NOTE 6 Matching Costs

The accompanying schedule of expenditures of federal awards does not include matching expenditures.

See Notes to Schedule

CITY OF GRAND FORKS, NORTH DAKOTA
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
FOR THE YEAR ENDED DECEMBER 31, 2011

Section I-Summary of Auditor's Results

Financial Statements

Type of auditor's report issued: Unqualified

Internal control over financial reporting:
Material weakness (es) identified? yes x no
Significant deficiency(ies) identified that are
not considered to be material weaknesses? 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 weaknesses? yes x none reported

Type of auditor's report issued on compliance
for major programs: Unqualified

Any audit findings disclosed that are required to be
reported in accordance with Circular A-133, Section .510(a)? yes x no

Identification of major programs:

CFDA Number(s) Name of Federal Program or Cluster

81.128 – ARRA - Energy Efficiency and Conservation Block Grant Program (EECBG)
20.205 – Highway Planning and Construction
14.218 – Community Development Block Grants
16.738, 16.803, & 16.804 – ARRA - JAG Program Cluster
16.710 – ARRA - Public Safety Partnership and Community Policing Grants

Dollar threshold used to distinguish
between Type A and Type B programs: \$309,056

Auditee qualified as low-risk auditee? X yes no

Section II-Financial Statement Findings

There are no findings that are required to be reported under this section.

Section III-Federal Award Findings and Questioned Costs

There are no findings that are required to be reported under this section.

CITY OF GRAND FORKS, NORTH DAKOTA
SCHEDULE OF PRIOR AUDIT FINDINGS
FOR THE YEAR ENDED DECEMBER 31, 2011

No prior audit findings were required to be reported.