

COUNTY OF  
BARRY, MICHIGAN



For the  
Year Ended  
December 31,  
2011

Single Audit Act  
Compliance

 Rehmann

# COUNTY OF BARRY, MICHIGAN

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INDEPENDENT AUDITORS' REPORT ON THE  
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS

May 18, 2012

Honorable Members of the  
Board of Commissioners  
of the County of Barry, Michigan  
Hastings, Michigan

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 *County of Barry, Michigan*, as of and for the year ended December 31, 2011, which collectively comprise the basic financial statements, and have issued our report thereon dated June 15, 2012. Our report includes a reference to other auditors. Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the County's basic financial statements. The accompanying 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, 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 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 financial statements as a whole.



COUNTY OF BARRY, MICHIGAN

**Schedule of Expenditures of Federal Awards**  
For the Year Ended December 31, 2011

Federal Agency / Cluster / Program Title	CFDA Number	Passed Through	Pass-through / Grantor Number	Federal Expenditures
<b>U.S. Department of Agriculture</b>				
Food Donation:				
FY 2011	10.565	RIII-B	11BCCOA1	\$ 31,942
FY 2012	10.565	RIII-B	12BCCOA1	16,857
				<u>48,799</u>
National Forest Revenue	10.665	MDNR	-n/a-	<u>11</u>
<b>Total U.S. Department of Agriculture</b>				<u>48,810</u>
<b>U.S. Department of Housing and Urban Development</b>				
Community Development Block Grant	14.228	MSHDA	MSC-2009-0769-HOA	37,862
Home Investment Partnership Program (HOME)	14.239	MSHDA	M-2007-0769-02	<u>20,349</u>
<b>Total U.S. Department of Housing and Urban Development</b>				<u>58,211</u>
<b>U.S. Department of Justice</b>				
Edward Byrne Memorial Justice Assistance Grant Program:				
FY 2011 Adult Felony Drug Court	16.738	MDCH	SCAO-2011-061	40,915
FY 2012 Adult Felony Drug Court	16.738	MDCH	SCAO-2012-061	22,512
FY 2011 Juvenile Drug Court	16.738	MDCH	SCAO-2011-003	39,474
FY 2012 Juvenile Drug Court	16.738	MDCH	SCAO-2012-003	23,661
FY 2011 Southwest Enforcement Team	16.738	MDCH	70888-3-11-B	16,802
FY 2012 Southwest Enforcement Team	16.738	MDCH	70888-4-12-B	<u>9,942</u>
<b>Total U.S. Department of Justice</b>				<u>153,306</u>
<b>U.S. Department of Transportation</b>				
Passed through the Michigan State Police:				
FY 2011 State and Community Highway Safety	20.600	MSP	PT-11-19	<u>10,430</u>
<b>U.S. Department of Health and Human Services</b>				
Aging Cluster:				
Title III-B Special Programs for the Aging, Grants for Supportive Services and Senior Centers:				
FY 2011	93.044	RIII-B	11BCCOA1	15,962
FY 2012	93.044	RIII-B	12BCCOA1	5,161

continued...

COUNTY OF BARRY, MICHIGAN

**Schedule of Expenditures of Federal Awards**  
For the Year Ended December 31, 2011

Federal Agency / Cluster / Program Title	CFDA Number	Passed Through	Pass-through / Grantor Number	Federal Expenditures
<b>U.S. Department of Health and Human Services (Concluded)</b>				
Aging Cluster (Concluded):				
Title III-C Special Programs for the Aging,				
Nutrition Services:				
FY 2011 Nutrition Congregate	93.045	RIII-B	11BCCOA1	\$ 62,587
FY 2012 Nutrition Congregate	93.045	RIII-B	12BCCOA1	22,235
FY 2011 Nutrition Home Delivered Meals	93.045	RIII-B	11BCCOA1	21,594
FY 2012 Nutrition Home Delivered Meals	93.045	RIII-B	12BCCOA1	2,710
				<u>130,249</u>
Title III-E/National Family Caregiver Support:				
FY 2011	93.052	RIII-B	SFSC-04-10001-5	22,895
FY 2012	93.052	RIII-B	SFSC-04-11001-5	4,384
				<u>27,279</u>
Building Strong Families	93.556	DHS	SFSC 09-08001	22,756
Promoting Safe and Stable Families	93.556	DHS	WRAP-11-08001	27,540
				<u>50,296</u>
Child Support Enforcement:				
FY 2011 Friend of the Court	93.563	DHS	CS/FOC-11-08001	358,144
FY 2012 Friend of the Court	93.563	DHS	CS/FOC-12-08001	126,780
Incentive Payments	93.563	DHS	-n/a-	89,643
FY 2011 Prosecuting Attorney	93.563	DHS	CS/PA-11-08002	22,333
FY 2012 Prosecuting Attorney	93.563	DHS	CS/PA-12-08002	17,266
				<u>614,166</u>
Access and Visitation Grant	93.597	SCAO	-n/a-	<u>1,282</u>
<b>Total U.S. Department of Health and Human Services</b>				<u><u>823,272</u></u>
<b>U.S. Department of Homeland Security</b>				
Emergency Management Performance Grant:				
FY 2011	97.042	MSP	2011-EP-00044-S01	21,515
FY 2012	97.042	MSP	2012-EP-00044-S01	7,578
				<u>29,093</u>
Homeland Security Grant	97.067	MSP	08-00019	<u>22,222</u>
<b>Total U.S. Department of Homeland Security</b>				<u>51,315</u>
<b>Total Expenditures of Federal Awards</b>				<u><u>\$ 1,145,344</u></u>

concluded

See notes to schedule of expenditures of federal awards.

# COUNTY OF BARRY, MICHIGAN

## Notes to Schedule of Expenditures of Federal Awards

### 1. BASIS OF PRESENTATION

The accompanying schedule of expenditures of federal awards (the "Schedule") includes the federal grant activity of the County of Barry, Michigan (the "County") under programs of the federal government for the year ended December 31, 2011. The information in this schedule is presented in accordance with the requirements of the Office of Management and Budget (OMB) Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations*. Because the schedule presents only a selected portion of the operations of the County, it is not intended to and does not present the financial position, changes in net assets or cash flows of the County.

The County's reporting entity is defined in Note 1 of the County's Annual Financial Report. The County's financial statements include the operations of the Barry County Road Commission discretely-presented component unit, which received federal awards that are not included in the Schedule for the year ended December 31, 2011, as this entity was separately audited.

### 2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Expenditures reported on the Schedule are reported on the accrual basis of accounting, which is described in Note 1 to the County's financial statements. Such expenditures are recognized following the cost principles contained in 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. Negative amounts shown on the Schedule represent adjustments or credits made in the normal course of business to amounts reported as expenditures in prior years. Pass-through entity identifying numbers are presented where available.

### 3. OTHER FEDERAL REVENUE

In addition to the expenditures of federal awards reported in the Schedule, the County was a direct beneficiary of construction at the City of Hastings/Barry County Joint Airport Authority. The project was administered directly by the Michigan Department of Transportation under CFDA# 20.106 - Airport Improvement Program. The amount capitalized by the County as was \$71,737, of which 95 percent, or \$68,150 was federal. Of the total federal award of \$68,150, \$63,902 and \$4,248 were recognized for the years ended December 31, 2010 and 2011, respectively. Inasmuch as the County had no direct responsibility for administration of this grant, the amounts have been excluded from the Schedule and will be reported in the report on Single Audit Act compliance for the State of Michigan.

# COUNTY OF BARRY, MICHIGAN

## ■ Notes to Schedule of Expenditures of Federal Awards

### 4. PASS-THROUGH AGENCIES

The County receives certain federal awards indirectly through pass-through grantor agencies. These agencies have been abbreviated on the Schedule, as follows:

Pass-through Agency Abbreviation	Pass-through Agency Name
RIII-B	Region 3B Area Agency on Aging
MDNR	Michigan Department of Natural Resources
MSHDA	Michigan State Housing Development Authority
MDCH	Michigan Department of Community Health
MSP	Michigan State Police
DHS	Michigan Department of Human Services
SCAO	Michigan State Court Administrative Office

### 5. SUBRECIPIENTS

The County administers certain federal awards programs through subrecipients. Those subrecipients are not considered part of the County's reporting entity. Of the federal expenditures presented in the Schedule, the County provided federal awards to subrecipients as follows:

Program Title	CFDA Number	Amount Provided to Subrecipients
State and Community Highway Safety	20.600	<u>\$ 3,361</u>



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

May 18, 2012

Honorable Members of the  
Board of Commissioners  
of the County of Barry, Michigan  
Hastings, Michigan

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 *County of Barry, Michigan* (the "County"), as of and for the year ended December 31, 2011, which collectively comprise the basic financial statements of the County, and have issued our report thereon dated May 18, 2012. We did not audit the financial statements of the Barry County Road Commission discretely presented component unit, the Barry County Medical Care Facility (Thornapple Manor) enterprise fund, or the Barry County Transit enterprise fund. Those financial statements were audited by other auditors whose reports thereon have been furnished to us, and our report on these financial statements insofar as it related to the amounts included for the Barry County Road Commission, the Barry County Medical Care Facility (Thornapple Manor), and the Barry County Transit was based solely on the reports of other auditors. 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. The financial statements of the Road Commission and the Barry County Medical Care Facility (Thornapple Manor) were not audited in accordance with *Government Auditing Standards*.

**Internal Control Over Financial Reporting**

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

Our consideration of internal control over financial reporting was for the limited purpose described in the preceding paragraph and was not designed to identify all deficiencies in internal control over financial reporting that might be significant deficiencies or material weaknesses and therefore, there can be no assurance that all deficiencies, significant deficiencies, or material weaknesses have been identified. However, as described in the accompanying schedule of findings and questioned costs, we identified a certain deficiency in internal control over financial reporting that we consider to be a material weakness.

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. We consider the deficiency described in the accompanying schedule of findings and questioned costs at 2011-FS-1 to be a material weakness.

#### Compliance and Other Matters

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

We noted certain other matters that we reported to management of County of Barry, Michigan in a separate letter dated May 18, 2012.

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

This report is intended solely for the information and use of management, the Board of Commissioners, others within the organization, and federal awarding agencies and pass-through entities and is not intended to be and should not be used by anyone other than these specified parties. However, it is a matter of public record, and its distribution is not limited.

A handwritten signature in cursive script that reads "Lehmann Johnson".

INDEPENDENT AUDITORS' 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

May 18, 2012

Honorable Members of the  
Board of Commissioners  
of the County of Barry, Michigan  
Hastings, Michigan

Compliance

We have audited the *County of Barry, Michigan's* compliance with the types of compliance requirements described in the *OMB Circular A-133 Compliance Supplement* that could have a direct and material effect on each of the County of Barry, Michigan's major federal programs for the year ended December 31, 2011. The County of Barry, Michigan's major federal programs are identified in the summary of auditors' 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 County of Barry, Michigan's management. Our responsibility is to express an opinion on the County of Barry, Michigan's compliance based on our audit. The County of Barry, Michigan's basic financial statements include the operations of the Barry County Road Commission discretely presented component unit, the Barry County Medical Care Facility (Thornapple Manor) enterprise fund, and the Barry County Transit enterprise fund. Our audit, described below, did not include the operations of the Barry County Road Commission discretely presented component unit, the Barry County Medical Care Facility (Thornapple Manor) enterprise fund, or the Barry County Transit enterprise fund because those component units arranged to have their audits completed separately.

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 County of Barry, Michigan's compliance with those requirements and performing such other procedures as we considered necessary in the circumstances. We believe that our audit and the reports of the other auditors provide a reasonable basis for our opinion. Our audit does not provide a legal determination of the County of Barry, Michigan's compliance with those requirements.

In our opinion, the County of Barry, Michigan complied, in all material respects, with the 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. However, the results of our auditing procedures disclosed an instance of noncompliance with those requirements, which is required to be reported in accordance with OMB Circular A-133 and which is described in the accompanying schedule of findings and questioned costs as item 2011-SA-1.

### Internal Control Over Compliance

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

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

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

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

This report is intended solely for the information and use of management, the Board of Commissioners, others within the organization, and federal awarding agencies and pass-through entities and is not intended to be and should not be used by anyone other than these specified parties. However, it is a matter of public record, and its distribution is not limited.



COUNTY OF BARRY, MICHIGAN

Schedule of Findings and Questioned Costs  
For the Year Ended December 31, 2011

SECTION I - SUMMARY OF AUDITORS' RESULTS

Financial Statements

Type of auditors' report issued: Unqualified

Internal control over financial reporting:

Material weakness(es) identified?  X  yes   no

Significant deficiency(ies) identified?   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?   yes  X  none reported

Type of auditors' 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)?  X  yes   no

Identification of major programs:

CFDA Number

Name of Federal Program or Cluster

93.563

Child Support Enforcement

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

\$ 300,000

Auditee qualified as low-risk auditee?

yes  X  no

# COUNTY OF BARRY, MICHIGAN

## Schedule of Findings and Questioned Costs For the Year Ended December 31, 2011

### SECTION II - FINANCIAL STATEMENT FINDINGS

#### 2011-FS-1 - Material Audit Adjustments

**Finding Type.** Material Weakness in Internal Control over Financial Reporting.

**Criteria.** Management is responsible for maintaining its accounting records in accordance with generally accepted accounting principles (GAAP).

**Condition.** During our audit, we identified and proposed a material adjustment (which was approved and posted by management) to adjust the County's capital asset records, which initially excluded a drain infrastructure project of over \$200,000. In addition, we proposed an adjustment to accrue the County-portion of the December retirement expense in the amount of approximately \$132,000.

**Cause.** This condition was the result of management oversight in recording all capital asset additions for the Drain Commission component unit. Such expenditures are tracked for all drain projects in a single general ledger account, which also includes routine costs for repairs and maintenance that are appropriately excluded from capital asset additions. The aggregated level of detail made it difficult to identify errors or omissions. The retirement payment is made through a wire transfer, rather than by check. As such, it was not subjected to the County's standard accounts payable process.

**Effect.** As a result of this condition, the County's capital asset records were initially misstated by an amount that was quantitatively material to a single opinion unit.

**Recommendation.** Management has already taken appropriate corrective action by reviewing and approving the proposed audit adjustments. In future years, we recommend that management review a drain expenditure ledger by drainage district (which is maintained in a separate system) in order to determine whether all significant projects have been capitalized.

**View of Responsible Officials.** Management agrees with the adjustments mentioned above. The County's general ledger and capital asset records have been updated accordingly. In future periods, the County's contracted accountants will obtain and review a detailed drain expenditure report from the office of the Drain Commissioner in order to verify completeness of capital asset additions.

# COUNTY OF BARRY, MICHIGAN

## Schedule of Findings and Questioned Costs For the Year Ended December 31, 2011

### SECTION III - FEDERAL AWARD FINDINGS AND QUESTIONED COSTS

#### 2011-SA-1 - Timeliness of Financial Reporting

##### Finding Type. Immaterial Noncompliance (Reporting)

Program. Child Support Enforcement Program; U.S. Department of Health and Human Services; CFDA Number 93.563; Michigan Department of Human Services; Award Numbers CS/FOC-11-08001, CS/FOC-12-08001, CS/PA-11-08002 and CS/PA-12-08002.

Criteria. Recipients of federal awards are required to submit timely and accurate reports to the awarding agency in accordance with federal compliance requirements and/or pass-through agency agreements.

Condition. While the County did, in fact, file all required reports for this program with the Michigan Department of Human Services (DHS), certain reports required under the provisions of the grant agreement were not filed by the stated due dates.

Cause. This condition appears to be caused by a delay in processing at the third-party management company used by the County to compile the necessary information in the required format. The underlying data appeared to be provided by the County to the third-party in a reasonable amount of time for processing and submission of the reports to occur within the 30-day time limit.

Effect. Based on the terms of the contract with DHS, the County was exposed to the risk that DHS would deny payment for the late submissions.

Questioned Costs. No costs were questioned as a result of this condition as all reports were eventually submitted.

Recommendation. We recommend that the County reiterate to its third-party provider the importance of having timely reports available. A management-level individual should be assigned the responsibility for monitoring the report due dates and ensuring that each report is submitted by the stated deadline.

View of Responsible Officials. During 2011 the State of Michigan converted their reporting requirements from a manual to an automated system. The State did not accept reports from October 2010 until August 2011 and would not accept reports until the prior months report was approved. Our third party administrator diligently worked to complete the reports for October 2010 until current as promptly as the State would approve them. Due to this new reporting requirement the thirty day time limit was not met with regard to the reporting of two months. Now that the conversion process is complete the reports will be filed on time.

A management level individual will continually monitor the performance of the third-party provider to ensure that reports are submitted to the State on a timely basis. In conjunction with reiterating the importance of timely reporting to the third-party provider, management will also explore other means of compiling the reports for submission to the State.

# COUNTY OF BARRY, MICHIGAN

## ■ Summary Schedule of Prior Audit Findings For the Year Ended December 31, 2011

### Finding 2010-1 - Material Audit Adjustments

The 2010 audit identified the need for material adjustments to the County's financial statements. This finding was repeated for unrelated audit adjustments. Refer to 2011-FS-1.

### Finding 2010-2 - Material Adjustments to Schedule of Expenditures of Federal Awards (SEFA)

The 2010 audit identified the need for material changes to the County's SEFA. The audit identified the need modifications to the SEFA in the current year. However, these amounts were not material. Therefore, this finding was corrected in 2011.

### Finding 2010-3 - Grant Draws in Excess of Immediate Cash Needs - CFDA # 66.468 - ARRA Drinking Water Revolving Funds

The County failed to minimize the amount of time between receipt of funds and disbursement to the vendor, as required by the OMB Circular A-133 Compliance Supplement for reimbursement-based grants. In 2011, the County drew down \$15,000 related to retainage payable that had not yet been disbursed to the vendor as of audit fieldwork. However, the Federal portion of the grant award was fully expended in the previous year. Therefore, while the County was in violation of the terms of the State Revolving Fund agreement, there was no noncompliance with the provisions of OMB Circular A-133.

### Finding 2010-4 Internal Controls Over Suspension and Debarment - CFDA # 97.039 - Hazard Mitigation Grant

The County has a formal policy in place requiring department heads to ensure that vendors being paid over \$25,000 of federal funds are not suspended or debarred from doing business with the government. However, the department head administering this program was unaware of the policy and was not performing the control activity. This specific federal award was not required to be tested in the current year and did utilize any vendor/contractor in the amount of \$25,000 or more for this award. Suspension/debarment procedures did not apply to the major program tested in the current year as no vendor was utilized in the amount of \$25,000 or more.

### Finding 2010-5 - Internal Controls Over Reporting - CFDA# 97.039 - Hazard Mitigation Grant

The County failed to complete regular cash draw requests, resulting in a large receivable at year end. Additionally, the County inadvertently transferred expenditures of approximately \$35,000 to another fund of the County, where they would not be easily identified in preparing the next reimbursement request. In 2011, the grant was closed and the outstanding receivables were collected in full.

