

Carroll County, Maryland

Single Audit Report

June 30, 2020

Carroll County, Maryland

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Independent Auditor's Report on Compliance for Each Major Program; Report on
Internal Control over Compliance; and Report on Schedule of Expenditures of
Federal Awards Required by the Uniform Guidance

The County Commissioners of Carroll County
Westminster, Maryland

Report on Compliance for Each Major Federal Program

We have audited Carroll County, Maryland's compliance with the types of compliance requirements described in the *OMB Compliance Supplement* that could have a direct and material effect on each of Carroll County, Maryland's major federal programs for the year ended June 30, 2020. Carroll County, Maryland's major federal programs are identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs.

Carroll County, Maryland's basic financial statements include the operations of the Carroll County Community College, the Carroll County Board of Education, the Industrial Development Authority of Carroll County, and the Carroll County Public Library for the year ended June 30, 2020, component units which may have expended federal awards, and which are not included in Carroll County, Maryland's schedule of expenditures of federal awards during the year ended June 30, 2020. Our audit, described below, did not include the operations of these entities as they are engaged under separate audits. The results of these audits are separately reported in accordance with the Uniform Guidance, if required.

Management's Responsibility

Management is responsible for compliance with federal statutes, regulations, and the terms and conditions of its federal awards applicable to its federal programs.

Auditor's Responsibility

Our responsibility is to express an opinion on compliance for each of Carroll County, Maryland's major federal programs based on our audit of the types of compliance requirements referred to above. We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; and the audit requirements of Title 2 U.S. Code of Federal Regulations Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* ("Uniform Guidance"). Those standards and the Uniform Guidance require that we plan and perform the audit to obtain reasonable assurance about whether noncompliance with the types of compliance requirements referred to above that could have a direct and material effect on a major federal program occurred. An audit includes examining, on a test basis, evidence about Carroll County, Maryland's compliance with those requirements and performing such other procedures as we considered necessary in the circumstances.

We believe that our audit provides a reasonable basis for our opinion on compliance for each major federal program. However, our audit does not provide a legal determination of Carroll County, Maryland's compliance.

Opinion on Each Major Federal Program

In our opinion, Carroll County, Maryland complied, in all material respects, with the types of compliance requirements referred to above that could have a direct and material effect on each of its major federal programs for the year ended June 30, 2020.

Report on Internal Control over Compliance

Management of Carroll County, Maryland 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 Carroll County, Maryland's internal control over compliance with the types of requirements that could have a direct and material effect on each major federal program to determine the auditing procedures that are appropriate in the circumstances for the purpose of expressing an opinion on compliance for each major federal program and to test and report on internal control over compliance in accordance with the Uniform Guidance, but not for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, we do not express an opinion on the effectiveness of Carroll County, Maryland'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. A *significant deficiency in internal control over compliance* is a deficiency, or a combination of deficiencies, in internal control over compliance with a type of compliance requirement of a federal program that is less severe than a material weakness in internal control over compliance, yet important enough to merit attention by those charged with governance.

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

The purpose of this report on internal control over compliance is solely to describe the scope of our testing of internal control over compliance and the results of that testing based on the requirements of the Uniform Guidance. Accordingly, this report is not suitable for any other purpose.

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

We have audited the financial statements of the governmental activities, the business-type activities, the aggregate discretely presented component units, each major fund, and the aggregate remaining fund information of Carroll County, Maryland, as of and for the year ended June 30, 2020, and the related notes to the financial statements, which collectively comprise Carroll County, Maryland's basic financial statements. We issued our report thereon dated December 21, 2020, which contained unmodified opinions on those financial statements. Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the basic financial statements. The accompanying schedule of expenditures of federal awards is presented for purposes of additional analysis as required by the Uniform Guidance and is not a required part of the basic financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements.

The information has been subjected to the auditing procedures applied in the audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the schedule of expenditures of federal awards is fairly stated in all material respects in relation to the basic financial statements as a whole.

CohnReznick LLP

Baltimore, Maryland
June 8, 2021

Carroll County, Maryland

**Schedule of Expenditures of Federal Awards
Year Ended June 30, 2020**

Federal Grantor/Pass-through Grantor / Program or Cluster Title	Federal CFDA Number	Pass-through Entity Identifying Number	Pass-through to Subrecipients	Expenditures
U.S. Department of Housing and Urban Development				
Direct Housing Section 8 Grants				
Housing Voucher Cluster (14.871 / 14.879)				
Section 8 Housing Choice Vouchers				
HUD Housing FY19	14.871	N/A	\$ -	\$ 5,835,901
HUD Housing Admin FY20	14.871	N/A	-	462,204
Housing Voucher Adm (HCV) CV193223	14.871	N/A	-	107,040
HUD Housing FY19	14.871	N/A	-	5,331
HUD Housing Admin FY19	14.871	N/A	-	(1,831)
Total Housing Voucher Cluster (14.871 / 14.879)			-	6,408,645
Continuum of Care Program FY19	14.267	N/A	-	5,685
Family Self-Sufficiency Program				
Family Self-Sufficiency Program FY17	14.896	N/A	-	16,584
Family Self-Sufficiency Program FY19	14.896	N/A	-	6,747
Family Self-Sufficiency Program FY20	14.896	N/A	-	41,821
Total Family Self-Sufficiency Program			-	65,152
Passed Through Maryland Department of Community Development				
Community Development Block Grants/State's Program				
CDBG BGC Gym FY19-20	14.228	Unavailable	382,511	382,511
Community Dev Block-COVID19	14.228	Unavailable	50,386	50,386
Community Dev Block HSP	14.228	Unavailable	70,668	70,668
Total Community Development Block Grants/State's Program			503,565	503,565
Emergency Solutions Grant Program				
HSP FED S&H	14.231	Unavailable	63,511	63,511
HSP FFY SH20	14.231	Unavailable	75,100	75,100
HSP FFY Admin FY20	14.231	Unavailable	5,500	5,500
Total Emergency Solutions Grant Program			144,111	144,111
Total U.S. Department of Housing and Urban Development			647,676	7,127,158

Carroll County, Maryland

**Schedule of Expenditures of Federal Awards
Year Ended June 30, 2020**

<u>Federal Grantor/Pass-through Grantor / Program or Cluster Title</u>	<u>Federal CFDA Number</u>	<u>Pass-through Entity Identifying Number</u>	<u>Pass-through to Subrecipients</u>	<u>Expenditures</u>
U.S. Department of Labor				
Passed Through Howard County Maryland				
Manpower Resources Employment and Training Assistance				
WIOA Cluster (17.258 / 17.259 / 17.278)				
WIOA Adult Program				
BERC WIOA	17.258	Unavailable	-	221,984
BERC - Admin FY19	17.258	Unavailable	-	20,123
BERC - Youth FY20	17.258	Unavailable	-	11,519
BERC - Admin FY20	17.258	Unavailable	-	2,099
Total WIOA Adult Program			-	255,725
WIOA Youth Activities				
BERC - Youth FY19	17.259	Unavailable	-	131,383
BERC - Admin FY19	17.259	Unavailable	-	20,123
BERC SYCP FY20	17.259	Unavailable	-	19,294
BERC WEX FY19	17.259	Unavailable	-	15,540
BERC - Admin FY20	17.259	Unavailable	-	2,099
Total WIOA Youth Activities			-	188,439
WIOA Dislocated Worker Formula Grants				
BERC - Title I Disc Worker FY19	17.278	Unavailable	-	627,625
BERC - Admin FY19	17.278	Unavailable	-	55,580
BERC- Title I Disc Worker FY20	17.278	Unavailable	-	50,649
BERC - Title I Adult FY20	17.278	Unavailable	-	11,525
BERC - Admin FY20	17.278	Unavailable	-	5,796
Total WIOA Dislocated Worker Formula Grants			-	751,175
Total WIO Cluster (17.258 / 17.259 / 17.278)			-	1,195,339
Dislocated Worker National Reserve Demonstration Grant				
Opioid National Health Emerg (OPHEmer19)	17.280	Unavailable	-	25,000
Total U.S. Department of Labor			-	1,220,339

Carroll County, Maryland

**Schedule of Expenditures of Federal Awards
Year Ended June 30, 2020**

Federal Grantor/Pass-through Grantor / Program or Cluster Title	Federal CFDA Number	Pass-through Entity Identifying Number	Pass-through to Subrecipients	Expenditures
U.S. Department of Health and Human Services				
Passed Through Maryland Office on Aging				
Aging Cluster (93.044 / 93.045 / 93.053)				
Special Programs for the Aging, Title III, Part B, Grants for Supportive Services and Senior Centers				
Title III, B FY20	93.044	Unavailable	-	109,093
Title III, B FY19	93.044	Unavailable	-	32,509
Cares Act - Title IIIB FY20	93.044	Unavailable	-	418
Total Special Programs for the Aging, Title III, Part B, Grants for Supportive Services and Senior Centers			-	142,020
Special Programs for the Aging, Title III, Part C, Nutrition Services				
Cares Act - Title IIIC FY20	93.045	Unavailable	-	2,500
Title III, Part C FY19	93.045	Unavailable	-	35,877
Title IIIC FY20	93.045	Unavailable	-	100,194
HDM FY19	93.045	Unavailable	-	30,158
HDM FY20	93.045	Unavailable	-	49,568
COVID Title IIIC1	93.045	Unavailable	-	17,939
Total Special Programs for the Aging, Title III, Part C, Nutrition Services			-	236,236
Nutrition Services Incentive Program				
NSIP FFY20	93.053	Unavailable	-	33,088
NSIP FFY19	93.053	Unavailable	-	94
Total Nutrition Services Incentive Program			-	33,182
Total Aging Cluster (93.044 / 93.045 / 93.053)			-	411,438
Special Programs for the Aging, Title III, Part D				
Title III, Part D FY19	93.043	Unavailable	-	3,934
National Family Caregiver Support, Title III, Part E				
Title III, Part E FY19	93.052	Unavailable	-	25,035
Title IIIE FY20	93.052	Unavailable	-	17,966
Total National Family Caregiver Support, Title III, Part E			-	43,001
Special Programs for the Aging, Title VII, Chapter 2				
Ombudsman FY19	93.042	Unavailable	-	115
Ombudsman Title VII FY20	93.042	Unavailable	-	10,197
Total Special Programs for the Aging, Title VII, Chapter 2			-	10,312
Special Programs for the Aging, Title VII, Chapter 3				
Title VII Pt3 Elder Abuse FY203007	93.041	Unavailable	-	1,405
Title VII FFY19	93.041	Unavailable	-	2,165
Total Special Programs for the Aging, Title VII, Chapter 3			-	3,570
Special Programs for the Aging, Title IV, and Title II				
SMP-SR Med Patrol FY20	93.048	Unavailable	-	3,619
State Health Insurance Assistance Program				
SHIP FY20	93.324	Unavailable	-	15,665
SHIP FY21	93.324	Unavailable	-	7,345
Total State Health Insurance Assistance Program			-	23,010
Medicare Enrollment Assistance Program				
MIPPA FY20	93.071	Unavailable	-	20
MIPPA FY19	93.071	Unavailable	-	1
Total Medicare Enrollment Assistance Program			-	21
Empowering Older Adults and Adults with Disabilities through Chronic Disease Self-Management Education Programs				
PEARLS FY19	93.734	Unavailable	-	885

Carroll County, Maryland

**Schedule of Expenditures of Federal Awards
Year Ended June 30, 2020**

Federal Grantor/Pass-through Grantor / Program or Cluster Title	Federal CFDA Number	Pass-through Entity Identifying Number	Pass-through to Subrecipients	Expenditures
Passed Through Maryland State Department of Human Resources				
Child Support Enforcement				
Circuit Ct Child Support FY19	93.563	Unavailable	-	5,702
Sheriff Child Support FY19	93.563	Unavailable	-	47,563
Circuit Ct Child Support FY20	93.563	Unavailable	-	15,349
Sheriff Child Support FY20	93.563	Unavailable	-	99,401
			<u>-</u>	<u>168,015</u>
Total Child Support Enforcement				
MaryLee Allen Promoting Safe and Stable Families Program				
Safe and Stable Families FY20	93.556	Unavailable	125,824	125,824
			<u>125,824</u>	<u>125,824</u>
477 Cluster (15.025 / 15.026 / 15.113 / 15.114 / 15.130 / 17.265 / 93.558 / 93.569 / 93.575 / 93.594 / 93.596)				
Temporary Assistance for Needy Families				
Family Preservation FY19	93.558	Unavailable	387,830	387,830
Family Preservation Admin FY20	93.558	Unavailable	-	8,000
			<u>-</u>	<u>8,000</u>
Total 477 Cluster (15.025 / 15.026 / 15.113 / 15.114 / 15.130 / 17.265 / 93.558 / 93.569 / 93.575 / 93.594 / 93.596)				
			<u>387,830</u>	<u>395,830</u>
Passed Through Maryland Department of Health & Mental Hygiene				
Medicaid Cluster (93.775 / 93.777 / 93.778)				
Medical Assistance Program				
Case Mgmt & Support FY19	93.778	Unavailable	-	122,262
Case Mgmt & Support FY20	93.778	Unavailable	-	126,794
FFP FY20	93.778	Unavailable	-	99,667
MFP FY19	93.778	Unavailable	-	9,208
			<u>-</u>	<u>357,931</u>
Total Medicaid Cluster (93.775 / 93.777 / 93.778)				
Passed Through The Governor's Office of Crime Control and Prevention				
Children's Justice Grants to States				
Sheriff CCAIC Training Enhance FY19	93.643	Unavailable	-	1,220
			<u>-</u>	<u>1,220</u>
Total U.S. Department of Health and Human Services				
			<u>513,654</u>	<u>1,548,610</u>
U.S. Department of Veterans Affairs				
Passed Through Maryland Office On Aging				
VHA Home Care				
Veterans Directed Home FY19	64.044	Unavailable	-	(436)
Veterans Directed Home FY20	64.044	Unavailable	-	5,698
			<u>-</u>	<u>5,262</u>
Total VHA Home Care				
			<u>-</u>	<u>5,262</u>
Total U.S. Department of Veterans Affairs				
			<u>-</u>	<u>5,262</u>

Carroll County, Maryland

**Schedule of Expenditures of Federal Awards
Year Ended June 30, 2020**

<u>Federal Grantor/Pass-through Grantor / Program or Cluster Title</u>	<u>Federal CFDA Number</u>	<u>Pass-through Entity Identifying Number</u>	<u>Pass-through to Subrecipients</u>	<u>Expenditures</u>
U.S. Department of Transportation				
Passed through Maryland State Highway Administration				
Highway Safety Cluster (20.600 / 20.601 / 20.602 / 20.609 / 20.610 / 20.611 / 20.612 / 20.613 / 20.616)				
State and Community Highway Safety				
Sheriff Highway Safety FY20	20.600	Unavailable	-	693
Sheriff Highway Safety FY20	20.600	Unavailable	-	1,848
Sheriff Highway Safety FY20	20.600	Unavailable	-	1,154
Sheriff Highway Safety FY20	20.600	Unavailable	-	8,084
Sheriff Highway Safety FY19	20.600	Unavailable	-	3,091
			<u>-</u>	<u>14,870</u>
Total State and Community Highway Safety				
National Priority Safety Programs				
Sheriff Highway Safety FY19	20.616	Unavailable	-	4,637
			<u>-</u>	<u>4,637</u>
Total Highway Safety Cluster (20.600 / 20.601 / 20.602 / 20.609 / 20.610 / 20.611 / 20.612 / 20.613 / 20.616)				
			<u>-</u>	<u>19,507</u>
Federal Transit Cluster (20.500 / 20.507 / 20.525 / 20.526)				
Buses and Bus Facilities Formula, Competitive, and Low or No Emissions Programs				
Transportation Cap Assets FY203070	20.526	Unavailable	-	155,878
			<u>-</u>	<u>155,878</u>
Federal Transit Formula Grants				
State Dept of Transportation	20.507	Unavailable	-	82,176
State Dept of Transportation	20.507	Unavailable	-	52,364
PreveMain FY18	20.507	Unavailable	-	9,429
PreveMain FY19	20.507	Unavailable	-	63,073
Section 5307 Operating FY20	20.507	Unavailable	-	430,555
Section 5307 Prev Main FY20	20.507	Unavailable	-	118,725
Section 5307 FY19	20.507	Unavailable	-	(1)
			<u>-</u>	<u>756,321</u>
Total Federal Transit Formula Grants				
Total Federal Transit Cluster (20.500 / 20.507 / 20.525 / 20.526)				
			<u>-</u>	<u>912,199</u>
Motor Carrier Safety Assistance				
Motor Carrier Safety Asst FY19	20.218	Unavailable	-	7,928
MCSAP FY20	20.218	Unavailable	-	13,408
			<u>-</u>	<u>21,336</u>
Total Motor Carrier Safety Assistance				
Formula Grants for Rural Areas and Tribal Transit Program				
Section 5311 Operating FY20	20.509	Unavailable	-	152,483
			<u>-</u>	<u>152,483</u>

Carroll County, Maryland

**Schedule of Expenditures of Federal Awards
Year Ended June 30, 2020**

Federal Grantor/Pass-through Grantor / Program or Cluster Title	Federal CFDA Number	Pass-through Entity Identifying Number	Pass-through to Subrecipients	Expenditures
Metropolitan Transportation Planning and State and Non-Metropolitan Planning and Research				
UPWP FY15	20.505	Unavailable	-	13,284
UPWP FY18	20.505	Unavailable	-	1,504
UPWP FY19	20.505	Unavailable	-	33,157
Total Metropolitan Transportation Planning and State and Non-Metropolitan Planning and Research			-	47,945
Interagency Hazardous Materials Public Sector Training and Planning Grants				
Hazmat FY19	20.703	Unavailable	-	14,300
Airport Improvement Program				
Grand Facility Improvement	20.106	N/A	-	1,502
Total U.S. Department of Transportation			-	1,169,272
U.S. Department of Homeland Security				
Passed Through Maryland Emergency Management Administration				
Hazard Mitigation Grant				
HS Hazard Mitigation FY18	97.039	Unavailable	-	197,034
Total Hazard Mitigation Grants				
Homeland Security Grant Program				
SHSP Spring Tower Site 2017	97.067	Unavailable	-	11,566
UASI Tactical Supp Ops FY20	97.067	Unavailable	-	63,986
UASI Tactical Supp Ops FY19	97.067	Unavailable	-	769
UASI Tactical Support Op FY18	97.067	Unavailable	-	15,045
SHSP FFY17 Resp	97.067	Unavailable	-	2,951
SHSP FFY18	97.067	Unavailable	-	940
SHSP FFY19 Resp	97.067	Unavailable	-	507
SHSP FFY17 EOC	97.067	Unavailable	-	1,953
SHSP FFY19 EOC	97.067	Unavailable	-	2,209
SHSP FY20	97.067	Unavailable	-	46,534
UASI Coved 19 FY20	97.067	Unavailable	-	7,792
SHSP FF19 Train	97.067	Unavailable	-	6,082
UASI Regional Planners FFY19	97.067	Unavailable	-	111,800
UASI-CBRNE FFY16	97.067	Unavailable	-	(7,904)
UASI MCV FFY18	97.067	Unavailable	-	354
UASI MCV FFY19	97.067	Unavailable	-	533
UASI Empl FFY18	97.067	Unavailable	-	29,466
UASIHazt FFY18	97.067	Unavailable	-	6,443
UASIHazt FFY19	97.067	Unavailable	-	627
Block Grants for Prevention and Treatment of Substance Abuse	97.067	Unavailable	-	17,410
Total Homeland Security Grant Program			-	319,063
Emergency Management Performance Grants				
Emerg Mgmt Perf FY19	97.042	Unavailable	-	7,267
Emerg Mgmt Perf FY20	97.042	Unavailable	-	168,626
Total Emergency Management Performance Grants			-	175,893
Total U.S. Department of Homeland Security			-	691,990

Carroll County, Maryland

**Schedule of Expenditures of Federal Awards
Year Ended June 30, 2020**

<u>Federal Grantor/Pass-through Grantor / Program or Cluster Title</u>	<u>Federal CFDA Number</u>	<u>Pass-through Entity Identifying Number</u>	<u>Pass-through to Subrecipients</u>	<u>Expenditures</u>
U.S. Department of Justice				
Passed Through The Governor's Office of Crime Control and Prevention				
Equitable Sharing Program				
Tactical Diversion TF DOJ FY203065	16.922	Unavailable	-	12,915
DTF Disburse DOJ St Atty	16.922	Unavailable	-	15,852
Total Equitable Sharing Program			-	28,767
Joint Law Enforcement Operations				
DOJ Joint Law Enforcement Ops FY19	16.111	Unavailable	-	4,782
DOJ Joint Law Enforcement Ops FY20	16.111	Unavailable	-	14,828
Total Joint Law Enforcement Operations			-	19,610
Crime Victim Assistance				
VOCA-CV19 FY20	16.575	Unavailable	-	356
Federal Asset Forfeiture Grant				
DOJ Child Exp Hmn Traffic FFY203114	16.992	Unavailable	-	1,610
Violence Against Women Formula Grants				
VAWA St Atty FY20	16.588	Unavailable	-	55,453
State Criminal Alien Assistance Program				
SCAAP FY19	16.606	Unavailable	-	11,258
Edward Byrne Memorial Justice Assistance Grant Program				
SCAAP FY20	16.738	Unavailable	-	10,825
BJAG FY20	16.738	Unavailable	-	3,999
Total Edward Byrne Memorial Justice Assistance Grant Program			-	14,824
Total of U.S. Department of Justice			-	131,878
Executive Office of the President				
Passed Through Mercyhurst University				
High Intensity Drug Trafficking Areas Program				
HIDTA CY18	95.001	Unavailable	-	1
HIDTA CY19	95.001	Unavailable	-	35,433
HIDTA CY20	95.001	Unavailable	-	27,557
Total High Intensity Drug Trafficking Areas Program			-	62,991
Total Executive Office of the President			-	62,991
U.S. Department of Education				
Passed Through Maryland Department of Education				
Rehabilitation Services - Vocational Rehabilitation Grants to States				
BERC DORS FY20	84.126	Unavailable	-	34,857
Total U.S. Department of Education			-	34,857

Carroll County, Maryland

**Schedule of Expenditures of Federal Awards
Year Ended June 30, 2020**

<u>Federal Grantor/Pass-through Grantor / Program or Cluster Title</u>	<u>Federal CFDA Number</u>	<u>Pass-through Entity Identifying Number</u>	<u>Pass-through to Subrecipients</u>	<u>Expenditures</u>
U.S. Treasury				
Passed through State of Maryland				
Coronavirus Relief Fund				
CRF-PW Facilities	21.019	Unavailable	-	18,615
CRF-Information Technology	21.019	Unavailable	-	84,183
CRF-PW PPE	21.019	Unavailable	-	178,985
CRF-Courts Temp Sensor	21.019	Unavailable	-	21,257
CRF-Citizen Svcs Homeless	21.019	Unavailable	-	69,510
CRF-Comptroller	21.019	Unavailable	-	12,783
CRF-Recs and Parks	21.019	Unavailable	-	329
CRF-Recs & Parks PPE	21.019	Unavailable	-	1,763
CRF-Public Library PPE	21.019	Unavailable	5,575	5,575
CRF-Municipalities PPE	21.019	Unavailable	71,297	71,297
CRF-Public Safety PPE	21.019	Unavailable	-	17,484
CRF-Econ Development	21.019	Unavailable	-	75
CRF-Library	21.019	Unavailable	42,000	42,000
CRF-Municipalities	21.019	Unavailable	344,739	344,739
CRF-Elections	21.019	Unavailable	-	15,155
CRF-Public Safety Commn Cntr	21.019	Unavailable	-	5,518
CRF-Sheriff PPE	21.019	Unavailable	-	104,156
CRF-Citizen Services PPE	21.019	Unavailable	-	2,220
CRF-Pub Safety Comm Ctr Mods	21.019	Unavailable	-	4,850
CRF-Communications	21.019	Unavailable	-	10,667
CRF-Humane Society	21.019	Unavailable	500	500
CRF-Humane Society PPE	21.019	Unavailable	1,300	1,300
CRF-Human Resources	21.019	Unavailable	-	11,996
CRF-Northern Landfill	21.019	Unavailable	-	13,172
			<u>465,411</u>	<u>1,038,129</u>
Passed through Maryland Emergency Management Administration				
Equitable Sharing				
DTF DOT State Atty	21.016	Unavailable	-	13,210
			<u>465,411</u>	<u>1,051,339</u>
Environmental Protection Agency				
Passed Through National Fish and Wildlife Foundation				
Chesapeake Bay Program				
Woodsyde Estates	66.466	Unavailable	-	50,000
			<u>-</u>	<u>50,000</u>
Total Environmental Protection Agency				
			<u>-</u>	<u>50,000</u>
U.S. Department of Agriculture				
Passed Through National Resources Conservation Service				
Watershed Rehabilitation Program				
Piney Run Dam Spillway	10.916	Unavailable	-	246,148
			<u>-</u>	<u>246,148</u>
Total U.S. Department of Agriculture				
			<u>-</u>	<u>246,148</u>
Total Federal Programs			<u>\$ 1,626,741</u>	<u>\$ 13,339,844</u>

See Notes to Schedule of Expenditures of Federal Awards.

Carroll County, Maryland

Notes to Schedule of Expenditures of Federal Awards June 30, 2020

Note 1 - Basis of presentation

The accompanying schedule of expenditures of federal awards (the "Schedule") includes the federal award activity of Carroll County, Maryland under programs of the federal government for the year ended June 30, 2020. The information in this Schedule is presented in accordance with the requirements of Title 2 U.S. *Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* ("Uniform Guidance"). Because the Schedule presents only a selected portion of the operations of Carroll County, Maryland, it is not intended to and does not present the financial position, changes in net position or cash flows of Carroll County, Maryland.

Note 2 - Summary of significant accounting policies

Expenditures reported on the Schedule are reported on the modified accrual basis of accounting. Such expenditures are recognized following the cost principles contained in the Uniform Guidance, wherein certain types of expenditures are not allowable or are limited as to reimbursement. Grant revenues are recorded for financial reporting purpose when expenditures are made in accordance with requirements of respective grants. 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.

Note 3 - Indirect cost rate

Carroll County, Maryland has elected not to use the 10 percent de minimis indirect cost rate allowed under the Uniform Guidance.

Carroll County, Maryland

**Schedule of Findings and Questioned Costs
Year Ended June 30, 2020**

I. Summary of Independent Auditor's Results

Financial Statements

Type of Auditor's report issued on whether the financial statements audited were prepared in accordance with GAAP:

Unmodified opinion

Internal control over financial reporting:

Material weakness(es) identified?	<u> X </u> Yes	<u> </u> No
Significant deficiency(ies) identified?	<u> </u> Yes	<u> X </u> None Reported
Noncompliance material to financial statements noted?	<u> </u> Yes	<u> X </u> No

Federal Awards

Internal control over major programs:

Material weakness(es) identified?	<u> </u> Yes	<u> X </u> No
Significant deficiency(ies) identified?	<u> </u> Yes	<u> X </u> None Reported

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

Unmodified opinion

Any audit findings disclosed that are required to be reported in accordance with 2 CFR Section 200.516(a) of the Uniform Guidance

 Yes X No

Identification of Major Programs

<u>Name of Federal Program or Cluster</u>	<u>CFDA Number</u>	<u>Fiscal Year 6/30/2020 Expenditures</u>
Housing Voucher Cluster	14.871 / 14.879	<u>\$ 6,408,645</u>
Federal Transit Cluster	20.507 / 20.526	<u>\$ 912,199</u>
Coronavirus Relief Fund	21.019	<u>\$ 1,038,129</u>
Dollar threshold used to distinguish between type A and type B programs		<u>\$ 750,000</u>
Auditee qualified as a low-risk auditee?	<u> </u> Yes	<u> X </u> No

Carroll County, Maryland

**Schedule of Findings and Questioned Costs
Year Ended June 30, 2020**

II. Financial Statement Findings

Finding No. 2020-001

Material Weakness

Statement of Condition

The accounting records for the Capital Projects Fund required numerous material adjustments to be proposed and recorded in order for the financial statements to be fairly presented in accordance with accounting principles generally accepted in the United States of America.

Criteria

Internal controls over financial reporting should exist to ensure that material misstatements are prevented or detected and corrected by management in a timely manner. COSO/Internal Control Framework defines control activities as "policies and procedures that help to ensure management's directives are carried out." Management review controls are defined as, "the activities of a person, different than the preparer, through analyzing and performing oversight activities performed, and is an integral part of any internal control structure." COSO/Internal Control Framework state that control activities must be in place for there to be adequate internal control procedures over financial reporting. Furthermore, these control activities should be performed timely to ensure financial transactions are recorded in the correct reporting period in compliance with Generally Accepted Accounting Principles ("GAAP") and the standards set by the Governmental Accounting Standards Board ("GASB").

Cause

Management did not have sufficient procedures in place to ensure the accounting for external funding sources related to capital projects was in accordance with generally accepted accounting principles.

Effect

Management may produce interim or annual financial statements that are materially misstated.

Recommendations

We have the following recommendations related to the internal control processes that impact revenue recognition in the Capital Projects Fund:

- We recommend that the County ensure the individuals responsible for both the recording and approval processes related to revenue recognition in the Capital Projects Fund have a sufficient understanding of the laws, agreements and accounting principles pertinent to the grants and similar programs associated with the fund.
- We recommend that, no less than quarterly, the County review the activity recorded to each grant or similar program and reconcile it to related grant reimbursement or funding requests. We recommend that the review and reconciliation process be documented.

Carroll County, Maryland

**Schedule of Findings and Questioned Costs
Year Ended June 30, 2020**

View of the Responsible Officials

The County's accounting staff will work with the grants manager and grant administrators to review the grant agreements and understand the terms of these agreements, reconcile the grants quarterly against the financial system, and ensure revenue is recognized properly at year-end.

III. Major Federal Award Findings and Questioned Costs

None



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