

**CARROLL COUNTY, MARYLAND**  
**SINGLE AUDIT REPORT**  
**YEAR ENDED JUNE 30, 2025**



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**CARROLL COUNTY, MARYLAND  
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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**

The County Commissioners  
of Carroll County, Maryland  
Westminster, Maryland

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of the governmental activities, the business-type activities, the aggregate discretely presented component units, each major fund, and the aggregate remaining fund information of Carroll County, Maryland (the County), as of and for the year ended June 30, 2025, and the related notes to the financial statements, which collectively comprise the County's basic financial statements, and have issued our report thereon dated November 28, 2025. This report does not include the results of our testing of internal control over financial reporting or compliance and other matters for the Carroll County Board of Education, Carroll Community College, the Carroll County Public Library, and the Industrial Development Authority of Carroll County as we have issued separate reports for the Carroll County Board of Education, Carroll Community College, the Carroll County Public Library, and the Industrial Development Authority of Carroll County.

**Internal Control Over Financial Reporting**

In planning and performing our audit of the financial statements, we considered the County's internal control over financial reporting (internal control) as a basis for designing 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 the County's internal control. Accordingly, we do not express an opinion on the effectiveness the County'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 and therefore, material weaknesses or significant deficiencies may exist that were not identified. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses.

The County Commissioners  
of Carroll County, Maryland  
Westminster, Maryland

We identified certain a deficiency in internal control, described in the accompanying schedule of findings and questioned costs as item 2025-001 that we consider to be a significant deficiency.

**Compliance and Other Matters**

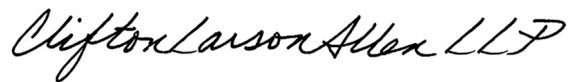
As part of obtaining reasonable assurance about whether the County’s financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the financial statements. 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*.

**The County’s Response to Findings**

*Government Auditing Standards* requires the auditor to perform limited procedures on the County’s response to the findings identified in our audit and described in the accompanying schedule of findings and questioned costs as finding 2025-01. The County’s response was not subjected to the other auditing procedures applied in the audit of the financial statements and, accordingly, we express no opinion on the response.

**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.



**CliftonLarsonAllen LLP**

Baltimore, Maryland  
November 28, 2025



**INDEPENDENT AUDITORS' REPORT ON COMPLIANCE FOR EACH MAJOR FEDERAL PROGRAM, REPORT ON INTERNAL CONTROL OVER COMPLIANCE, AND REPORT ON THE SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS REQUIRED BY THE UNIFORM GUIDANCE**

The County Commissioners  
of Carroll County, Maryland  
Westminster, Maryland

**Report on Compliance for Each Major Federal Program**

***Opinion on Each Major Federal Program***

We have audited Carroll County, Maryland's (the County) compliance with the types of compliance requirements identified as subject to audit in the OMB *Compliance Supplement* that could have a direct and material effect on each of the County's major federal programs for the year ended June 30, 2025. The County's major federal programs are identified in the summary of auditors' results section of the accompanying schedule of findings and questioned costs.

In our opinion, the County 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 June 30, 2025.

***Basis for Opinion on Each Major Federal Program***

We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America (GAAS); 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). Our responsibilities under those standards and the Uniform Guidance are further described in the Auditors' Responsibilities for the Audit of Compliance section of our report.

We are required to be independent of the County and to meet our other ethical responsibilities, in accordance with relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion on compliance for each major federal program. Our audit does not provide a legal determination of the County's compliance with the compliance requirements referred to above.

***Responsibilities of Management for Compliance***

Management is responsible for compliance with the requirements referred to above and for the design, implementation, and maintenance of effective internal control over compliance with the requirements of laws, statutes, regulations, rules and provisions of contracts or grant agreements applicable to the County's federal programs.

### ***Auditors' Responsibilities for the Audit of Compliance***

Our objectives are to obtain reasonable assurance about whether material noncompliance with the compliance requirements referred to above occurred, whether due to fraud or error, and express an opinion on the County's compliance based on our audit. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with GAAS, *Government Auditing Standards*, and the Uniform Guidance will always detect material noncompliance when it exists. The risk of not detecting material noncompliance resulting from fraud is higher than for that resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Noncompliance with the compliance requirements referred to above is considered material if there is a substantial likelihood that, individually or in the aggregate, it would influence the judgment made by a reasonable user of the report on compliance about the County's compliance with the requirements of each major federal program as a whole.

In performing an audit in accordance with GAAS, *Government Auditing Standards*, and the Uniform Guidance, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material noncompliance, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the County's compliance with the compliance requirements referred to above and performing such other procedures as we considered necessary in the circumstances.
- Obtain an understanding of the County's internal control over compliance relevant to the audit in order to design audit procedures that are appropriate in the circumstances 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 the County's internal control over compliance. Accordingly, no such opinion is expressed.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and any significant deficiencies and material weaknesses in internal control over compliance that we identified during the audit.

### **Report on 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 Auditors' Responsibilities for the Audit of Compliance section above and was not designed to identify all deficiencies in internal control over compliance that might be material weaknesses or significant deficiencies in internal control over compliance.

The County Commissioners  
of Carroll County, Maryland  
Westminster, Maryland

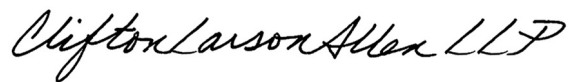
Given these limitations, during our audit we did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses or significant deficiencies, as defined above. However, material weaknesses or significant deficiencies in internal control over compliance may exist that were not identified.

Our audit was not designed for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, no such opinion is expressed.

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 as of and for the year ended June 30, 2025, and the related notes to the financial statements, which collectively comprise the County's basic financial statements. We have issued our report thereon, dated November 28, 2025, 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 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 is fairly stated in all material respects in relation to the basic financial statements as a whole.



**CliftonLarsonAllen LLP**

Baltimore, Maryland  
March 9, 2026

**CARROLL COUNTY, MARYLAND**  
**SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS**  
**YEAR ENDED JUNE 30, 2025**

Federal Grantor/Program or Cluster Title	Federal Assistance Listing Number	Pass-Through Identifying Number	Federal Expenditures	Passed Through to Subrecipients
<b>U.S. Department of Agriculture</b>				
Watershed Rehabilitation Program	10.916			
Passed through National Resources Conservation Service		NRCS-ADS-093	36,790	-
<b>Total U.S. Department of Agriculture</b>			<b>36,790</b>	<b>-</b>
<b>U.S. Department of Commerce</b>				
<i>Economic Development Cluster</i>				
Economic Adjustment Assistance	11.307			
Passed through Maryland Department of Commerce				
COVID-19 - Economic Adjustment Assistance		Not Available	107,650	-
Economic Adjustment Assistance		Not Available	2,000	-
<b>Total Economic Development Cluster</b>			<b>109,650</b>	<b>-</b>
<b>Total U.S. Department of Commerce</b>			<b>109,650</b>	<b>-</b>
<b>U.S. Department of Housing and Urban Development</b>				
COVID-19 - Community Development Block Grants/State's program and Non-Entitlement Grants in Hawaii	14.228			
Passed through Maryland Department of Housing and Community Development		CV-2-6	38,920	38,920
Community Development Block Grants/State's program and Non-Entitlement Grants in Hawaii				
Passed through Maryland Department of Housing and Community Development		MD-RHP-3	790,901	790,901
Community Development Block Grants/State's program and Non-Entitlement Grants in Hawaii				
Passed through Maryland Department of Housing and Community Development		MD-25-CD-23	308,325	-
<b>Total Community Development Block Grants/State's program and Non-Entitlement Grants in Hawaii</b>			<b>1,138,146</b>	<b>829,821</b>
Emergency Solutions Grant Program	14.231			
Passed through Maryland Department of Housing and Community Development				
Emergency Solutions Grant Program		Not Available	80,000	80,000
<b>Total Emergency Solutions Grant Program</b>			<b>80,000</b>	<b>80,000</b>
Housing Opportunities for Persons with AIDS	14.241		24,673	-
Continuum of Care Program	14.267		50,000	-
The Youth Homelessness System Improvement (YHSI) Grant	14.277		2,618	-
Family Self-Sufficiency Program	14.896		102,393	-
<i>Housing Voucher Cluster</i>				
Section 8 Housing Choice Vouchers	14.871		7,913,746	-
Mainstream Vouchers	14.879		1,408,162	-
<b>Total Housing Voucher Cluster</b>			<b>9,321,908</b>	<b>-</b>
<b>Total U.S. Department of Housing and Urban Development</b>			<b>10,719,738</b>	<b>909,821</b>
<b>U.S. Department of Justice</b>				
Joint Law Enforcement Operations (JLEO)	16.111		11,292	-
Violence Against Women Formula Grants	16.588			
Passed through Governor's Office of Crime Control and Prevention		VAWA-2024-0027	50,448	-
		VAWA-2023-0005	13,351	-
<b>Total Violence Against Women Formula Grants</b>			<b>63,799</b>	<b>-</b>
Congressionally Recommended Awards	16.753		270,216	-
Byrne Criminal Justice Innovation Program	16.817			
Passed through Governor's Office of Crime Control and Prevention		3 BJAG-2022-0020	47,157	-
		BJAG-2020-0034	(10,962)	-
<b>Total Byrne Criminal Justice Innovation Program</b>			<b>36,195</b>	<b>-</b>
<b>Total U.S. Department of Justice</b>			<b>381,502</b>	<b>-</b>
<b>U.S. Department of Labor</b>				
<i>WIOA Cluster</i>				
Passed through Maryland Department of Labor Licensing and Regulation				
WIOA Adult Program	17.258			
WIOA Adult Program		PP56-CC-FY24-A	43,393	-
		P56-CC-FY25-A	116,755	-
<b>Total WIOA Adult Program</b>			<b>160,148</b>	<b>-</b>
WIOA Youth Activities	17.259			
WIOA Youth Activities		P46-CC-PY23-Y	41,275	-
		P46-CC-FY23-Y	839	-
		P56-PY24-Y	132,404	-
<b>Total WIOA Youth Activities</b>			<b>174,518</b>	<b>-</b>
WIOA Dislocated Worker Formula Grants	17.278			
WIOA Dislocated Worker Formula Grants		P46-CC-PY23-D	37,112	-
		P56-CC-PY24-D	110,525	-
		P46-CC-FY24-D	332,987	-
		P56-CC-FY25-D	41,445	-
<b>Total WIOA Dislocated Worker Formula Grants</b>			<b>522,069</b>	<b>-</b>
<b>Total WIOA Cluster</b>			<b>856,735</b>	<b>-</b>
<b>Total U.S. Department of Labor</b>			<b>856,735</b>	<b>-</b>

See accompanying Notes to Schedule of Expenditures of Federal Awards

**CARROLL COUNTY, MARYLAND**  
**SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS (CONTINUED)**  
**YEAR ENDED JUNE 30, 2025**

Federal Grantor/Program or Cluster Title	Federal Assistance Listing Number	Pass-Through Identifying Number	Federal Expenditures	Passed Through to Subrecipients
<b>U.S. Department of Transportation</b>				
Airport Improvement Program, Infrastructure Investment and Jobs Act Programs, and COVID-19 Airports Programs	20.106	3-24-0028-040-2024	218,547	-
		3-24-0028-037-2022	16,951	-
		3-24-0028-040-2024	41,174	-
		3-24-0028-041-2024	157,938	-
		3-24-0028-041-2024	440,974	-
Highway Planning and Construction Passed through Maryland Department of Transportation	20.205	HS# HS232B51/ FAP#	472,364	-
Metropolitan Transportation Planning and State and Non-Metropolitan Planning and Research Passed through Baltimore Metropolitan Council	20.505	Not Available	6,000	-
Formula Grants for Rural Areas and Tribal Transit Program Passed through Maryland Department of Transportation	20.509			
COVID-19 - Formula Grants for Rural Areas and Tribal Transit Program		CL03CARES11O2020	5,983	-
Formula Grants for Rural Areas and Tribal Transit Program		Section 5311 - TBD	821,157	-
Total Formula Grants for Rural Areas and Tribal Transit Program			827,140	-
<i>Highway Safety Cluster</i>				
State and Community Highway Safety Passed through Maryland Department of Transportation	20.600			
		LE-Carroll Co Sheriff- 2024 - 043, 044, 045	3,893	-
		LE-Carroll Co Sheriff-2025-048	2,558	-
		LE-Carroll Co Sheriff-2025-049	6,523	-
Total State and Community Highway Safety			12,974	-
National Priority Safety Programs Passed through Maryland Department of Transportation	20.616			
		LE-Carroll Co Sheriff- 2024 - 043, 044, 045	3,590	-
		LE-Carroll Co Sheriff-2025-050	18,339	-
		LE-Carroll Co Sheriff- 2025-002	2,050	-
Total National Priority Safety Programs			23,979	-
Total Highway Safety Cluster			36,953	-
<i>FMCSA Cluster</i>				
Motor Carrier Safety Assistance Passed through Maryland Department of Transportation	20.218			
		PO2282 C-1	2,303	-
		PO2282 C-4	12,297	-
Total FMCSA Cluster			14,600	-
<i>Federal Transit Cluster</i>				
Passed through Maryland Department of Transportation COVID-19 - Federal Transit Formula Grants	20.507	CL03CARES07O2020	402,560	-
Formula Grants for Rural Areas and Tribal Transit Program Passed through Maryland Department of Transportation	20.526	Not Available	120,000	-
Total Federal Transit Cluster			522,560	-
Interagency Hazardous Materials Public Sector Training and Planning Grants Passed through Maryland Department of Emergency Management	20.703	22-GA-8842-06	5,950	-
<b>Total U.S. Department of Transportation</b>			<b>2,761,151</b>	<b>-</b>
<b>U.S. Department of the Treasury</b>				
Equitable Sharing	21.016	Not Available	4,950	-
COVID-19 - Emergency Rental Assistance Program Passed through Maryland Department of Housing and Community Development	21.023	Not Available	253,586	-

See accompanying Notes to Schedule of Expenditures of Federal Awards  
(7)

**CARROLL COUNTY, MARYLAND**  
**SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS (CONTINUED)**  
**YEAR ENDED JUNE 30, 2025**

Federal Grantor/Program or Cluster Title	Federal Assistance Listing Number	Pass-Through Identifying Number	Federal Expenditures	Passed Through to Subrecipients
<b>U.S. Department of the Treasury (Continued)</b>				
COVID-19 - Coronavirus State and Local Fiscal Recovery Funds	21.027	Not Available	8,539,646	1,661,118
Passed through Maryland Department of Housing and Community Development		Not Available	35,368	8,052
Passed through Maryland Department of Labor		CC-ARPA-II	485,381	-
Total COVID-19 - Coronavirus State and Local Fiscal Recovery Funds			<u>9,060,395</u>	<u>1,669,170</u>
<b>Total U.S. Department of the Treasury</b>			<u><b>9,318,931</b></u>	<u><b>1,669,170</b></u>
<b>U.S. Department of Veterans Affairs</b>				
VHA Home Care	64.044			
Passed through Maryland Office on Aging		Not Available	29,076	-
<b>Total U.S. Department of Veterans Affairs</b>			<u><b>29,076</b></u>	<u><b>-</b></u>
<b>U.S. Environmental Protection Agency</b>				
Geographic Programs - Chesapeake Bay Program	66.466	Not Available	4,027	-
Geographic Programs - Chesapeake Bay Program Implementation, Regulatory/Accountability and Monitoring Grants	66.964			
Passed through Maryland Department of Natural Resources		14-24-4142 IJJA 0101	38,206	-
<b>Total U.S. Environmental Protection Agency</b>			<u><b>42,233</b></u>	<u><b>-</b></u>
<b>U.S. Department of Education</b>				
Rehabilitation Services Vocational Rehabilitation Grants to States	84.126			
Passed Through Maryland Department of Education		241724	44,430	-
<b>Total U.S. Department of Education</b>			<u><b>44,430</b></u>	<u><b>-</b></u>
<b>U.S. Department of Health and Human Services</b>				
Special Programs for the Aging, Title VII, Chapter 3, Programs for Prevention of Elder Abuse, Neglect, and Exploitation	93.041			
Passed through Maryland Office on Aging		650921/06	2,140	-
		Not Available	1,005	-
Total Special Programs for the Aging, Title VII, Chapter 3, Programs for Prevention of Elder Abuse, Neglect, and Exploitation			3,145	-
Special Programs for the Aging, Title VII, Chapter 2, Long Term Care Ombudsman Services for Older Individuals	93.042			
Passed through Maryland Office on Aging		Not Available	3,874	-
		650725/06	9,380	-
			<u>13,254</u>	<u>-</u>
Special Programs for the Aging, Title III, Part D, Disease Prevention and Health Promotion Services	93.043			
Passed through Maryland Office on Aging				
COVID-19 - Special Programs for the Aging, Title III, Part D, Disease Prevention and Health Promotion Services		655521/06	4,241	-
Special Programs for the Aging, Title III, Part D, Disease Prevention and Health Promotion Services		650624/06	9,823	-
		Not Available	3,458	-
Total Special Programs for the Aging, Title III, Part D, Disease Prevention and Health Promotion Services			<u>17,522</u>	<u>-</u>
Special Programs for the Aging, Title IV, and Title II, Discretionary Projects	93.048			
Passed through Maryland Office on Aging		Not Available	13,060	-

See accompanying Notes to Schedule of Expenditures of Federal Awards

**CARROLL COUNTY, MARYLAND**  
**SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS (CONTINUED)**  
**YEAR ENDED JUNE 30, 2025**

Federal Grantor/Program or Cluster Title	Federal Assistance Listing Number	Pass-Through Identifying Number	Federal Expenditures	Passed Through to Subrecipients
<b>U.S. Department of Health and Human Services (Continued)</b>				
National Family Caregiver Support, Title III, Part E	93.052			
Passed through Maryland Office on Aging				
COVID-19 - National Family Caregiver Support, Title III, Part E		655621/06	6,543	-
National Family Caregiver Support, Title III, Part E		652025/06	14,877	-
		Not Available	42,198	-
Total National Family Caregiver Support, Title III, Part E			63,618	-
Medicare Enrollment Assistance Program	93.071			
Passed through Maryland Office on Aging		Not Available	10,410	-
State Health Insurance Assistance Program	93.324			
Passed through Maryland Office on Aging		Not Available	574	-
MaryLee Allen Promoting Safe and Stable Families Program	93.556			
Passed through Maryland Department of Human Services		CRRL/SSA 24-012-A1	94,368	94,368
Temporary Assistance for Needy Families	93.558			
Passed through Maryland Department of Human Services		CRRL/SSA 19-003-A2	394,963	386,963
Child Support Enforcement	93.563			
Passed through Maryland Department of Human Services		CSA/CRA-24-010	5,268	-
		CSA/CRA-25-010	20,827	-
		CSA.CRA.24-035	37,107	-
		CSA/CRA-25-035	162,338	-
Total Child Support Enforcement			225,540	-
<i>Aging Cluster</i>				
Passed through Maryland Office on Aging				
COVID-19 - Special Programs for the Aging, Title III, Part B, Grants for Supportive Services and Senior Centers	93.044			
Special Programs for the Aging, Title III, Part B, Grants for Supportive		655321/06	92,729	-
		652123/06	1,765	-
		650125/06	22,496	-
		652125/06	34,702	-
		Not Available	99,943	-
Total Special Programs for the Aging, Title III, Part B, Grants for Supportive Services and Senior Centers			251,635	-
Special Programs for the Aging, Title III, Part C, Nutrition Services	93.045			
COVID-19 - Special Programs for the Aging, Title III, Part C, Nutrition Services		655821/06	107,879	-
Special Programs for the Aging, Title III, Part C, Nutrition Services		Not Available	264,299	-
		650225/06	194,786	-
		650325/06	53,165	-
Total Special Programs for the Aging, Title III, Part C, Nutrition Services			620,129	-
Nutrition Services Incentive Program	93.053			
<i>Total Aging Cluster</i>		650524/06	22,452	-
			894,216	-

**CARROLL COUNTY, MARYLAND**  
**SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS (CONTINUED)**  
**YEAR ENDED JUNE 30, 2025**

Federal Grantor/Program or Cluster Title	Federal Assistance Listing Number	Pass-Through Identifying Number	Federal Expenditures	Passed Through to Subrecipients
<b>U.S. Department of Health and Human Services (Continued)</b>				
<i>Medicaid Cluster</i>				
Medical Assistance Program	93.778			
Passed through Maryland Department of Health		Not Available	670,271	-
Passed through Maryland Office on Aging		Not Available	132,419	-
Total Medical Assistance Program			<u>802,690</u>	<u>-</u>
<i>Total Medicaid Cluster</i>			<u>802,690</u>	<u>-</u>
<b>Total U.S. Department of Health and Human Services</b>			<b><u>2,533,360</u></b>	<b><u>481,331</u></b>
<b>Executive Office of the President</b>				
High Intensity Drug Trafficking Areas Program	95.001			
Passed through Mercyhurst University		Not Available	85,028	-
<b>Total Executive Office of the President</b>			<b><u>85,028</u></b>	<b><u>-</u></b>
<b>U.S. Department of Homeland Security</b>				
Passed through Maryland Department of Emergency Management	97.042			
Emergency Management Performance Grants		23 SR 8841-01	12,514	-
		24-SR 8841-02	79,714	-
Total Emergency Management Performance Grants			<u>92,228</u>	<u>-</u>
Homeland Security Grant Program	97.067			
Passed through Maryland Department of Emergency Management		23 SR 8841-02	89,792	-
		24-SR 8841-03	21,091	-
		22 SR 8841-03	109,117	-
		23 SR 8841-03	38,254	-
		21-SR-8841-03	395	-
		22 SR 8841-02	266,531	-
Total Homeland Security Grant Program			<u>525,180</u>	<u>-</u>
<b>Total U.S. Department of Homeland Security</b>			<b><u>617,408</u></b>	<b><u>-</u></b>
<b>Total Expenditures of Federal Awards</b>			<b><u>27,536,032</u></b>	<b><u>3,060,322</u></b>

**CARROLL COUNTY, MARYLAND**  
**NOTES TO SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS**  
**YEAR ENDED JUNE 30, 2025**

**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, 2025, excluding the Carroll County Public Library, Board of Education of Carroll County and Carroll Community College. The County reporting entity is defined in Note 1 to the County's basic financial statements.

**NOTE 2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

Expenditures reported on the Schedule are reported on the modified accrual basis of accounting as described in Note 1 to the County's basic financial statements. 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). Therefore, some amounts presented in this schedule may differ from amounts presented in, or used in, the preparation of the basic financial statements.

**NOTE 3 INDIRECT COST RATE**

Carroll County, Maryland has elected to use the de minimis indirect cost rate on certain grants and not to use the de minimis indirect cost rate on other grants as allowed under the Uniform Guidance.

**CARROLL COUNTY, MARYLAND  
SCHEDULE OF FINDINGS AND QUESTIONED COSTS  
YEAR ENDED JUNE 30, 2025**

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**Section I – Summary of Auditors’ Results**

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**Financial Statements**

1. Type of auditors’ report issued: Unmodified
2. Internal control over financial reporting:
- Material weakness(es) identified? \_\_\_\_\_ yes        x   no
  - Significant deficiency(ies) identified?   x   yes      \_\_\_\_\_ none reported
3. Noncompliance material to financial statements noted? \_\_\_\_\_ yes        x   no

**Federal Awards**

1. Internal control over major federal programs:
- Material weakness(es) identified? \_\_\_\_\_ yes        x   no
  - Significant deficiency(ies) identified? \_\_\_\_\_ yes        x   none reported
2. Type of auditors’ report issued on compliance for major federal programs: Unmodified
3. Any audit findings disclosed that are required to be reported in accordance with 2 CFR 200.516(a)? \_\_\_\_\_ yes        x   no

**Identification of Major Federal Programs**

**Assistance Listing Number(s)**

14.228  
20.509  
21.027

**Name of Federal Program or Cluster**

Community Development Block Grant  
Formula Grants for Rural Areas & Tribal Transit  
COVID 19: Coronavirus State and Local Fiscal  
Recovery Funds

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

\$826,081

Auditee qualified as low-risk auditee?

\_\_\_\_\_ yes        x   no

**CARROLL COUNTY, MARYLAND  
SCHEDULE OF FINDINGS AND QUESTIONED COSTS (CONTINUED)  
YEAR ENDED JUNE 30, 2025**

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***Section II – Financial Statement Findings***

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**Finding 2025-001 – Inadequate Cutoff Procedures for Accounts Payable**

**Type of Finding: Significant Deficiency in Internal Control over Financial Reporting**

***Condition***

During our audit of the County's financial statements for the year ended June 30, 2025, we noted that the County's procedures for reviewing subsequent disbursements after year-end did not identify an invoice related to the solid waste fund. This invoice was recorded in the incorrect fiscal year, resulting in an understatement of liabilities and expenditures at year-end.

***Criteria***

Generally accepted accounting standards require that liabilities be recorded in the period in which goods or services are received to ensure accurate financial reporting.

***Cause***

The County's review process for subsequent payments was insufficient to detect invoices applicable to the prior fiscal year.

***Effect***

Liabilities and expenditures were understated by \$740,330 in the solid waste fund. A correcting journal entry was made to properly record this transaction in fiscal year 2025.

***Recommendation***

We recommend management review its procedures and make changes as necessary to ensure adequate cutoff of accounts payable at year end.

***Views of Responsible Officials:***

There is no disagreement with the audit finding. Action planned in response to finding: Management acknowledges the finding and has determined that the \$740,330.89 entry error was an isolated, human error resulting from a unique combination of external vendor changes and internal non-routine processing. Specifically, Republic Services reassigned invoicing duties, which led to communication challenges and delayed invoice submission. The April 2025 invoice was missed due to these circumstances, resulting in a timing difference rather than a failure to recognize or misclassify the expense.

The County's standard financial controls remain reliable for the rest of the accounting population, and this issue is not indicative of a widespread control weakness. The error has been fully corrected, and the financial statements for both periods are now compliant with Generally Accepted Accounting Principles (GAAP).

To address this issue, management will:

- Review and update procedures for year-end accounts payable cutoff.
- Enhance communication protocols with vendors, especially during periods of transition.
- Reinforce the practice of contacting vendors near fiscal year-end to ensure timely submission of invoices for goods and services provided through June 30th.
- Provide additional training to staff on year-end review and reconciliation procedures.

**CARROLL COUNTY, MARYLAND  
SCHEDULE OF FINDINGS AND QUESTIONED COSTS (CONTINUED)  
YEAR ENDED JUNE 30, 2025**

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***Section III – Findings and Questioned Costs – Major Federal Programs***

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Our audit did not disclose any matters required to be reported in accordance with 2 *CFR* 200.516(a).



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