

CARROLL COUNTY, MARYLAND
SINGLE AUDIT REPORT
YEAR ENDED JUNE 30, 2023



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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, 2023, and the related notes to the financial statements, which collectively comprise the County's basic financial statements, and have issued our report thereon dated December 12, 2023. 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.

Report on 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 of the County's internal control. Accordingly, we do not express an opinion on the effectiveness of 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.

The County Commissioners
of Carroll County, Maryland
Westminster, Maryland

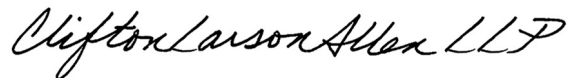
Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. However, material weaknesses or significant deficiencies may exist that were not identified.

Report on 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*.

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
December 12, 2023



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, 2023. 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, 2023.

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

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 and therefore, material weaknesses or significant deficiencies may exist that were not identified. We did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses. However, as discussed below, we did identify a certain deficiency in internal control over compliance that we consider to be a significant deficiency.

The County Commissioners
of Carroll County, Maryland
Westminster, Maryland

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. We consider the deficiency in internal control over compliance described in the accompanying schedule of findings and questioned costs as item 2023-001 to be a significant deficiency.

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.

Government Auditing Standards requires the auditor to perform limited procedures on the County's response to the internal control over compliance findings identified in our audit described in the accompanying schedule of findings and questioned costs. The County's response was not subjected to the other auditing procedures applied in the audit of compliance and, accordingly, we express no opinion on the response.

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, 2023, and the related notes to the financial statements, which collectively comprise Carroll County's basic financial statements. We have issued our report thereon, dated December 12, 2023, 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 GAAS. 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 25, 2024

**CARROLL COUNTY, MARYLAND
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
YEAR ENDED JUNE 30, 2023**

Federal Grantor/Program or Cluster Title	Federal Assistance Listing Number	Pass-Through Identifying Number	Federal Expenditures	Passed Through to Subrecipients
U.S. Department of Housing and Urban Development				
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 MD-22-CD-8	\$ 226,354 <u>32,800</u>	\$ 163,968 <u>32,800</u>
Total ALN 14.228 Community Development Block Grants/State's Program and Non-Entitlement Grants in Hawaii			259,154	196,768
Emergency Solutions Grant Program	14.231			
Passed through Maryland Department of Housing and Community Development				
COVID-19 - Emergency Solutions Grant Program		Not Available	213,129	182,511
Emergency Solutions Grant Program		HSP-2023-CarrollCo-00422	<u>80,000</u>	<u>80,000</u>
Total ALN 14.231 Emergency Solutions Grant Program			293,129	262,511
Housing Opportunities for Persons with AIDS	14.241			
Passed through Carroll County Health Department		Not Available	25,264	-
Continuum of Care Program	14.267		11,613	-
Family Self-Sufficiency Program	14.896		88,667	
<i>Housing Voucher Cluster</i>				
Section 8 Housing Choice Vouchers	14.871		6,560,234	-
Mainstream Vouchers	14.879		<u>773,702</u>	<u>-</u>
Total Housing Voucher Cluster			<u>7,333,936</u>	<u>-</u>
Total U.S. Department of Housing and Urban Development			<u>8,011,763</u>	<u>459,279</u>

See accompanying Notes to Expenditures of Federal Awards.

**CARROLL COUNTY, MARYLAND
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS (CONTINUED)
YEAR ENDED JUNE 30, 2023**

Federal Grantor/Program or Cluster Title	Federal Assistance Listing Number	Pass-Through Identifying Number	Federal Expenditures	Passed Through to Subrecipients
U.S. Department of Justice				
Joint Law Enforcement Operations (JLEO)	16.111		\$ 11,870	\$ -
Violence Against Women Formula Grants	16.588			
Passed through Governor's Office of Crime Control and Prevention		VAWA-2021-0011	65,157	-
Edward Byrne Memorial Justice Assistance Grant Program	16.738			
Passed through Governor's Office of Crime Control and Prevention		BJAG-2019-0009	3,600	-
		BJAG-2019-0014	45,900	-
Total ALN 16.738 Edward Byrne Memorial Justice Assistance Grant Program			49,500	-
Equitable Sharing Program	16.922		28,866	-
Total U.S. Department of Justice			155,393	-
U.S. Department of Labor				
<i>WIOA Cluster</i>				
Passed through Maryland Department of Labor Licensing and Regulation				
WIOA Adult Program	17.258	FP36-CC-PY22-A	209,672	-
		P-26-CC-PY21-A & P26-CC-FY22-A	83,099	-
Total ALN 17.258 WIOA Adult Program			292,771	-
WIOA Youth Activities	17.259	P-26-CC-PY21-Y	156,180	-
		P36-CC-PY22-Y	166,466	-
Total ALN 17.259 WIOA Youth Activities			322,646	-
WIOA Dislocated Worker Formula Grants	17.278	P-26-CC-PY21-D & P26-CC-FY22-D	347,775	-
		P36-CC-PY22-D	127,381	-
Total ALN 17.278 WIOA Dislocated Worker Formula Grants			475,156	-
<i>Total WIOA Cluster</i>			1,090,573	-
Total U.S. Department of Labor			1,090,573	-

See accompanying Notes to Expenditures of Federal Awards.

CARROLL COUNTY, MARYLAND
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS (CONTINUED)
YEAR ENDED JUNE 30, 2023

Federal Grantor/Program or Cluster Title	Federal Assistance Listing Number	Pass-Through Identifying Number	Federal Expenditures	Passed Through to Subrecipients
U.S. Department of Transportation				
COVID-19 - Airport Improvement Program, COVID-19 Airports Programs, and Infrastructure Investment and Jobs Act Programs	20.106		\$ 32,369	\$ -
Airport Improvement Program, COVID-19 Airports Programs, and Infrastructure Investment and Jobs Act Programs			<u>1,291,769</u>	<u>-</u>
Total ALN 20.106 Airport Improvement Program, COVID-19 Airports Programs, and Infrastructure Investment and Jobs Act Programs			1,324,138	-
Highway Planning and Construction	20.205			
Passed through Maryland Department of Transportation		HS# HS232B51 / FAP# SRTS3(380)E	9,512	-
		Not Available	5,415	-
		CL252ZM1	9,727	-
		CL233ZM2	20,629	-
		CL465ZM2	<u>1,754,674</u>	<u>-</u>
Total ALN 20.205 Highway Planning and Construction			1,799,957	-
Metropolitan Transportation Planning and State and Non-Metropolitan Planning and Research	20.505			
Passed through Baltimore Metropolitan Council		Not Available	11,824	-
Formula Grants for Rural Areas and Tribal Transit Program	20.509			
Passed through Maryland Department of Transportation				
COVID-19 - Formula Grants for Rural Areas and Tribal Transit Program		CL03CRRSAA11O2021	303,130	-
Formula Grants for Rural Areas and Tribal Transit Program		CL035311O2023	<u>100,119</u>	<u>-</u>
Total ALN 20.509 Formula Grants for Rural Areas and Tribal Transit Program			403,249	-
Interagency Hazardous Materials Public Sector Training and Planning Grants	20.703			
Passed through Maryland Department of Emergency Management		19-GA 8848-06	17,850	-

See accompanying Notes to Expenditures of Federal Awards.

CARROLL COUNTY, MARYLAND
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS (CONTINUED)
YEAR ENDED JUNE 30, 2023

Federal Grantor/Program or Cluster Title	Federal Assistance Listing Number	Pass-Through Identifying Number	Federal Expenditures	Passed Through to Subrecipients
<i>Highway Safety Cluster</i>				
State and Community Highway Safety Passed through Maryland Department of Transportation	20.600			
		LE-Carroll Co Sheriff- 2023 - 126	\$ 5,521	\$ -
		LE-Carroll Co Sheriff- 2023 - 128	3,727	-
		LE-Carroll Co Sheriff- 2022-104	693	-
		LE-Carroll Co Sheriff- 2022-107	1,778	-
Total ALN 20.600 State and Community Highway Safety			<u>11,719</u>	<u>-</u>
National Priority Safety Programs	20.616			
Passed through Maryland Department of Transportation				
		LE-Carroll Co Sheriff- 2023 - 129	10,441	-
		LE-Carroll Co Sheriff- 2022-102	5,226	-
		LE-Carroll Co Sheriff- 2022-106	2,326	-
Total ALN 20.616 National Priority Safety Programs			<u>17,993</u>	<u>-</u>
<i>Total Highway Safety Cluster</i>			<u>29,712</u>	<u>-</u>
<i>FMCSA Cluster</i>				
Motor Carrier Safety Assistance	20.218			
Passed through Maryland Department of Transportation				
		104	6,471	-
		PO2282 C-1	15,641	-
Total ALN 20.218 Motor Carrier Safety Assistance			<u>22,112</u>	<u>-</u>
<i>Total FMCSA Cluster</i>			<u>22,112</u>	<u>-</u>

See accompanying Notes to Expenditures of Federal Awards.

**CARROLL COUNTY, MARYLAND
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS (CONTINUED)
YEAR ENDED JUNE 30, 2023**

Federal Grantor/Program or Cluster Title	Federal Assistance Listing Number	Pass-Through Identifying Number	Federal Expenditures	Passed Through to Subrecipients
<i>Federal Transit Cluster</i>				
Passed through Maryland Department of Transportation	20.507			
COVID-19 - Federal Transit Formula Grants		CL03ARPA0702022	\$ 205,588	\$ -
		CL03CARES0702020	520,925	-
		CL03CARES1102020	22,350	-
Federal Transit Formula Grants		CL035307C2022	94,977	-
		CL035339C2022	20,696	-
		CL035307C2023	33,041	-
		CL035307O2023	325,827	-
Total ALN 20.507 Federal Transit Formula Grants			<u>1,223,404</u>	<u>-</u>
<i>Total Federal Transit Cluster</i>			<u>1,223,404</u>	<u>-</u>
Total U.S. Department of Transportation			<u>4,832,246</u>	<u>-</u>
U.S. Department of the Treasury				
COVID-19 - Emergency Rental Assistance Program	21.023			
Passed through Maryland Department of Housing and Community Development		ERAP-2021-Carroll Co-000853	193,114	18,246
		Not Available	472,569	9,293
Total ALN 21.023 Emergency Rental Assistance Program			<u>665,683</u>	<u>27,539</u>
COVID-19 - Coronavirus State and Local Fiscal Recovery Funds	21.027		1,813,143	720,647
Passed through Maryland Department of Housing and Community Development		Not Available	393,123	-
Passed through Maryland Department of Labor Licensing and Regulation		CC-ARPA-PY21	627,692	-
Total ALN 21.027 COVID-19 - Coronavirus State and Local Fiscal Recovery Funds			<u>2,833,958</u>	<u>720,647</u>
Total U.S. Department of the Treasury			<u>3,499,641</u>	<u>748,186</u>

See accompanying Notes to Expenditures of Federal Awards.

**CARROLL COUNTY, MARYLAND
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS (CONTINUED)
YEAR ENDED JUNE 30, 2023**

Federal Grantor/Program or Cluster Title	Federal Assistance Listing Number	Pass-Through Identifying Number	Federal Expenditures	Passed Through to Subrecipients
U.S. Department of Veterans Affairs				
VHA Home Care	64.044			
Passed through Maryland Office on Aging		Not Available	\$ 2,545	\$ -
Total U.S. Department of Veterans Affairs			2,545	-
U.S. Environmental Protection Agency				
Geographic Programs - Chesapeake Bay Program	66.466			
Passed through U.S. Fish and Wildlife Service		0603.21.072042	28,076	28,076
Total U.S. Environmental Protection Agency			28,076	28,076
U.S. Department of Health and Human Services				
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	799	-
		650922/06	3	-
		650923/06	22	-
Total ALN 93.041 Special Programs for the Aging, Title VII, Chapter 3, Programs for Prevention of Elder Abuse, Neglect, and Exploitation			824	-
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				
Special Programs for the Aging, Title VII, Chapter 2, Long Term Care Ombudsman Services for Older Individuals		650722/06	101	-
		650723/06	11,787	-
COVID-19 - Special Programs for the Aging, Title VII, Chapter 2, Long Term Care Ombudsman Services for Older Individuals		620520/06	4,404	-
Total ALN 93.042 Special Programs for the Aging, Title VII, Chapter 2, Long Term Care Ombudsman Services for Older Individuals			16,292	-

See accompanying Notes to Expenditures of Federal Awards.

**CARROLL COUNTY, MARYLAND
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS (CONTINUED)
YEAR ENDED JUNE 30, 2023**

Federal Grantor/Program or Cluster Title	Federal Assistance Listing Number	Pass-Through Identifying Number	Federal Expenditures	Passed Through to Subrecipients
Special Programs for the Aging, Title III, Part D, Disease Prevention and Health Promotion Services	93.043			
Passed through Maryland Office on Aging		650622/06	# \$ 7,644	\$ -
		650620/06	# 58	-
Total ALN 93.043 Special Programs for the Aging, Title III, Part D, Disease Prevention and Health Promotion Services			7,702	-
Special Programs for the Aging, Title IV, and Title II, Discretionary Projects	93.048			
Passed through Maryland Office on Aging		653423/06	5,797	-
National Family Caregiver Support, Title III, Part E	93.052			
Passed through Maryland Office on Aging		650022/06	38,776	-
		650223/06	68,351	-
Total ALN 93.052 National Family Caregiver Support, Title III, Part E			107,127	-
Medicare Enrollment Assistance Program	93.071			
Passed through Maryland Office on Aging		Not Available	1,395	-
		653723/06, 653823/06, 653923/06	6,429	-
Total ALN 93.071 Medicare Enrollment Assistance Program			7,824	-
State Health Insurance Assistance Program	93.324	Not Available	2,263	-
Passed through Maryland Office on Aging				
Low Income Household Water Assistance Program	93.499			
Passed through Maryland Department of Human Services		Not Available	8,817	-
MaryLee Allen Promoting Safe and Stable Families Program	93.556			
Passed through Maryland Department of Human Services		CRRL/SSA 21-012-A2	125,824	125,824
Temporary Assistance for Needy Families	93.558			
Passed through Maryland Department of Human Services		CRRL/SSA 19-003-A2	395,830	387,830

See accompanying Notes to Expenditures of Federal Awards.

**CARROLL COUNTY, MARYLAND
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS (CONTINUED)
YEAR ENDED JUNE 30, 2023**

Federal Grantor/Program or Cluster Title	Federal Assistance Listing Number	Pass-Through Identifying Number	Federal Expenditures	Passed Through to Subrecipients
Child Support Enforcement	93.563			
Passed through Maryland Department of Human Services		CSA.CRA.23-035	\$ 101,940	\$ -
		CSA/CRA-22-010	6,053	-
		CSA/CRA-22-035	38,145	-
		CSA/CRA-23-010	<u>14,039</u>	<u>-</u>
Total ALN 93.563 Child Support Enforcement			160,177	-
<i>Aging Cluster</i>				
Passed through Maryland Office on Aging	93.044			
Special Programs for the Aging, Title III, Part B, Grants for Supportive Services and Senior Centers		650120/06	271	-
		650122/06	63,221	-
		655321/06	61,419	-
COVID-19 - Special Programs for the Aging, Title III, Part B, Grants for Supportive Services and Senior Centers		655221/06	<u>18,437</u>	<u>-</u>
Total ALN 93.044 Special Programs for the Aging, Title III, Part B, Grants for Supportive Services and Senior Centers			143,348	-
Special Programs for the Aging, Title III, Part C, Nutrition Services	93.045			
Passed through Maryland Office on Aging				
Special Programs for the Aging, Title III, Part C, Nutrition Services		650220/06	598	-
		650222/06	1,848	-
		650320/06	307	-
		650322/06	111,306	-
		650223/06	203,294	-
COVID-19 - Special Programs for the Aging, Title III, Part C, Nutrition Services		654620/06	1,261	-
		655121/06	<u>6,890</u>	<u>-</u>
Total ALN 93.045 Special Programs for the Aging, Title III, Part C, Nutrition Services			325,504	-
Total Aging Cluster			<u>468,852</u>	<u>-</u>

See accompanying Notes to Expenditures of Federal Awards.

CARROLL COUNTY, MARYLAND
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS (CONTINUED)
YEAR ENDED JUNE 30, 2023

Federal Grantor/Program or Cluster Title	Federal Assistance Listing Number	Pass-Through Identifying Number	Federal Expenditures	Passed Through to Subrecipients
<i>Medicaid Cluster</i>				
Medical Assistance Program	93.778			
Passed through Maryland Department of Health		Not Available	\$ 348,015	\$ -
		Not Available	119,665	-
Total ALN 93.778 Medical Assistance Program			<u>467,680</u>	<u>-</u>
<i>Total Medicaid Cluster</i>			467,680	-
			<u>1,775,009</u>	<u>513,654</u>
Total U.S. Department of Health and Human Services				
Executive Office of the President				
High Intensity Drug Trafficking Areas Program	95.001			
Passed through Mercyhurst University		Not Available	31,891	-
		G23WB0004A	38,318	-
Total ALN 95.001 High Intensity Drug Trafficking Areas Program			<u>70,209</u>	<u>-</u>
Total Executive Office of the President			<u>70,209</u>	<u>-</u>
U.S. Department of Homeland Security				
Passed through Maryland Department of Emergency Management	97.042			
Emergency Management Performance Grants		20-SR-8841-01	1,262	-
		22 SR 8841-01	113,014	-
COVID-19 - Emergency Management Performance Grants		21-SR-8841-02	20,695	-
Total ALN 97.042 Emergency Management Performance Grants			<u>134,971</u>	<u>-</u>
Assistance to Firefighters Grant	97.044		797,227	-

See accompanying Notes to Expenditures of Federal Awards.

**CARROLL COUNTY, MARYLAND
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS (CONTINUED)
YEAR ENDED JUNE 30, 2023**

Federal Grantor/Program or Cluster Title	Federal Assistance Listing Number	Pass-Through Identifying Number	Federal Expenditures	Passed Through to Subrecipients
Homeland Security Grant Program	97.067			
Passed through Maryland Department of Emergency Management		19-SR-8841-01	\$ 15,782	\$ -
		20-SR 8841-03	143,847	-
		21-SR-8841-03	44,419	-
		21-SR-8841-04	25,852	-
		22 SR 8841-02	23,280	-
		22 SR 8841-03	24,000	-
		EMW-2019-SS-00064 SHSP	4,092	-
		20-SR-8841-04	3,271	-
Total ALN 97.067 Homeland Security Grant Program			<u>284,543</u>	<u>-</u>
Total U.S. Department of the Treasury			<u>1,216,741</u>	<u>-</u>
Total Expenditures of Federal Awards			<u>\$ 20,682,196</u>	<u>\$ 1,749,195</u>

See accompanying Notes to Expenditures of Federal Awards.

CARROLL COUNTY, MARYLAND
NOTES TO SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
YEAR ENDED JUNE 30, 2023

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, 2023, 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 10 percent de minimis indirect cost rate on certain grants and not to use the 10 percent 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, 2023**

Section I – Summary of Auditors’ Results

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? _____ yes x 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? x yes _____ 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)? x yes _____ no

Identification of Major Federal Programs

Assistance Listing Number(s)	Name of Federal Program or Cluster
20.106	Airport Improvement Program
20.205	Highway Planning and Construction
20.507	Federal Transit Cluster
21.027	COVID 19: Coronavirus State and Local Fiscal Recovery Funds
93.778	Medicaid Cluster
97.044	Assistance to Firefighters Grant

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

\$750,000

Auditee qualified as low-risk auditee? _____ yes x no

**CARROLL COUNTY, MARYLAND
SCHEDULE OF FINDINGS AND QUESTIONED COSTS (CONTINUED)
YEAR ENDED JUNE, 2023**

Section II – Financial Statement Findings

Our audit did not disclose any matters required to be reported in accordance with *Government Auditing Standards*

Section III – Findings and Questioned Costs – Major Federal Programs

Reference Number: 2023-001
Federal Agency: U.S. Department of Transportation
U.S. Department of Treasury
U.S. Department of Health and Human Services
U.S. Department of Homeland Security

Federal Program: Airport Improvement Fund
Highway Planning and Construction
Federal Transit Cluster
COVID 19: Coronavirus State & Local Fiscal Recovery Funds
Medicaid Cluster
Assistance to Firefighters Grant

Assistance Listing Number: 20.106, 20.205, 20.507, 21.027, 93.778, 97.044

Pass-through Agency: Maryland Department of Transportation
Maryland Department of Housing & Community Development
Maryland Department of Labor & Licensing
Maryland Department of Health

Pass-through Number: HS# HS232B51 / FAP# SRTS3(380)E, CL252ZM1
CL233ZM2, CL465ZM, CL03ARPA0702022,
CL03CARES07O2020, CL03CARES11O2020,
CL035307C2022, CL035339C2022, CL035307C2023,
CL035307O2023, CC-ARPA-PY21

Compliance Requirement: Reporting: Schedule of Expenditures of Federal Awards

Type of Finding: Significant Deficiency in Internal Control over Compliance

Criteria or Specific Requirement:

Compliance: Per 2 CFR 200 Section 510(b), the auditee must prepare a schedule of expenditures of Federal awards for the period covered by the auditee's financial statements which must include the total Federal awards expended as determined in accordance with Section 200.502. The schedule must list individual Federal programs by Federal agency and provide total Federal awards expended for each individual Federal program and the Assistance Listings Number or other identifying number when the Assistance Listings information is not available. It must also include the total amount provided to subrecipients from each Federal program. Per Section 502(g), Federal non-cash assistance, such as free rent, food commodities, donated property, or donated surplus property, must be valued at fair market value at the time of receipt or the assessed value provided by the Federal agency.

CARROLL COUNTY, MARYLAND
SCHEDULE OF FINDINGS AND QUESTIONED COSTS (CONTINUED)
YEAR ENDED JUNE, 2023

Section III – Findings and Questioned Costs – Major Federal Programs (continued)

Control: Per 2 CFR section 200.303(a), a non-Federal entity must: Establish and maintain effective internal control over the Federal award that provides reasonable assurance that the non-Federal entity is managing the Federal award in compliance with Federal statutes, regulations, and the terms and conditions of the Federal award. These internal controls should comply with guidance in “Standards for Internal Control in the Federal Government” issued by the Comptroller General of the United States or the “Internal Control Integrated Framework”, issued by the Committee of Sponsoring Organizations of the Treadway Commission (COSO).

Condition:

Expenditures were recorded on the Schedule of Expenditures of Federal Awards (SEFA) submitted to the auditors in the year when revenue was recognized and not in the year in which the expenditure was incurred.

Cause:

The influx of grant dollars, complexity of multiple funding sources on grants, and managements difficulty deciphering best practices on multiple federal awards led to challenges while completing the schedule of expenditures of federal awards per the federal requirements for preparation of the SEFA.

Effect:

Federal expenditures were incorrectly reported on the SEFA submitted to the auditors by \$140,000, effecting the initial determination of Type A and Type B programs and our program coverage.

Questioned Costs:

None

Recommendation:

We recommend that the County improve its SEFA compilation process to ensure that program expenditures reported on the County’s SEFA are complete and accurate based on when the expenditure was incurred.

Views of Responsible Officials:

The County agrees with this finding. See separate Correction Action Plan related to this finding.



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