

ANNE ARUNDEL COUNTY, MARYLAND

**Single Audit Together with
Reports of Independent Public Accountants**

For the Year Ended June 30, 2022



SB & COMPANY, LLC
KNOWLEDGE • QUALITY • CLIENT SERVICE

JUNE 30, 2022

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REPORT OF INDEPENDENT PUBLIC ACCOUNTANTS

The Honorable County Executive and
 The Honorable Members of the County Council
 Anne Arundel County, Maryland

Report on the Audit of the Financial Statements

Opinions

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 Anne Arundel County, Maryland (the County), as of and for the year ended June 30, 2022, and the related notes to the financial statements, which collectively comprise the County’s basic financial statements.

In our opinion, based on our audit and the reports of the other auditors, the accompanying financial statements present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, the aggregate discretely presented component units, each major fund, and the aggregate remaining fund information of the County, as of June 30, 2022, and the respective changes in financial position and, where applicable, cash flows and budget and actual for the general and grants special revenue funds thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

We did not audit the financial statements of the Anne Arundel County Board of Education, Anne Arundel County Community College, Anne Arundel Economic Development Corporation, Tipton Airport Authority, Anne Arundel Workforce Development Corporation, and Anne Arundel County Retirement and Pension System. Those financial statements were audited by other auditors whose reports thereon have been furnished to us, and our opinion, insofar as it relates to the amounts included for the County, is based solely on the report of the other auditors.

The financial statements that we did not audit, which are listed above, represent the percentages of the total assets, total net position, and total revenues of the accompanying financial statements as listed below.

	Percentage of Opinion Unit		
	Total Assets	Total Net Position	Total Operating Revenues
Component units			
Major			
Board of Education	87.3%	118.0%	87.9%
Community College	10.7%	-19.2%	9.4%
Non-Major			
Economic Development	0.3%	-0.4%	0.3%
Tipton Airport	0.5%	-1.3%	0.2%
Workforce Development	0.3%	-0.1%	0.6%
Total Percentage of Component Units	99.1%	97.0%	98.4%
Fiduciary Funds:			
Pension Trust Fund	85.9%	85.6%	87.3%



Basis for Opinions

We conducted our audit in accordance with auditing standards generally accepted in the United States of America (GAAS) and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Our responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Financial Statements* section of our report. The financial statements of the Anne Arundel Community College Foundation, which is included in the financial statements of the Anne Arundel County Community College, were not audited in accordance with *Government Auditing Standards*.

We are required to be independent of the County and to meet our other ethical responsibilities, in accordance with the 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 audit opinions.

Responsibilities of Management for the Financial Statements

The County's management is responsible for the preparation and fair presentation of the financial statements in accordance with accounting principles generally accepted in the United States of America, and for the design, implementation, and maintenance of internal controls relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about the County's ability to continue as a going concern for twelve months beyond the financial statement date, including any currently known information that may raise substantial doubt shortly thereafter.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinions. 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 and *Government Auditing Standards* will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal controls. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

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

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, 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 amounts and disclosures in the financial statements.



- Obtain an understanding of internal controls relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the County's internal controls. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about the County's ability to continue as a going concern for a reasonable period of time.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit, significant audit findings, and certain internal controls-related matters that we identified during the audit.

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis, schedules of changes in net pension liabilities and related ratios, schedules of investment returns, schedules of employer's contributions, schedules of proportionate shares of pension plans, schedules of County's contributions, schedules of changes in net OPEB liabilities and related ratios, retiree health benefits trust schedules of contributions, and schedule of changes in length of service award program net pension liability and related ratios, as identified in the accompanying table of contents, be presented to supplement the basic financial statements. Such information is the responsibility of management and, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Supplementary Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the County's basic financial statements. The combining fund statements, budgetary statements, other supporting schedules, and schedule of expenditures of Federal awards, as required by Title 2 U.S. Code of Federal Regulations Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* are presented for purposes of additional analysis and are not a required part of the basic financial statements. Such information is the responsibility of management and were derived from and relate 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 combining fund statements, budgetary statements, other supporting schedules, and schedule of expenditures of Federal awards are fairly stated, in all material respects, in relation to the basic financial statements as a whole.

Other Information

Management is responsible for the other information included in the annual report. The other information comprises the introductory and statistical sections but does not include the financial statements and our auditor's report thereon. Our opinions on the financial statements do not cover the other information, and we do not express an opinion or any form of assurance thereon. In connection with our audit of the financial statements, our responsibility is to read the other information and consider whether a material inconsistency exists between the other information and the financial statements, or the other information otherwise appears to be materially misstated. If, based on the work performed, we conclude that an uncorrected material misstatement of the other information exists, we are required to describe it in our report.

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated January 26, 2023 on our consideration of the County's internal controls over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal controls over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of internal controls over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the County's internal controls over financial reporting and compliance.

Owings Mills, Maryland
January 26, 2023



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

The Honorable County Executive and
The Honorable Members of the County Council
Anne Arundel County, Maryland

We have audited, in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of the governmental activities, the business-type activities, the aggregate discretely presented component units, each major fund, and the aggregate remaining fund information of Anne Arundel County, Maryland (the County) as of and for the year ended June 30, 2022, and the related notes to the financial statements, which collectively comprise the County's basic financial statements, and have issued our report thereon dated January 26, 2023.

The County's basic financial statements include the operations of the Anne Arundel County Board of Education, Anne Arundel Community College, the Anne Arundel Economic Development Corporation, Tipton Airport Authority, and Anne Arundel Workforce Development Corporation, which received Federal awards that are not included in the accompanying Schedule of Expenditures of Federal Awards. Our audit, described below, did not include the operations of these entities because other auditors were engaged to perform separate audits in accordance with the Uniform Guidance.

Report on Internal Controls over Financial Reporting

In planning and performing our audit of the financial statements, we considered the County's internal controls over financial reporting (internal controls) as a basis for designing 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 controls. Accordingly, we do not express an opinion on the effectiveness of the County's internal controls.

A *deficiency in internal controls* 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 controls, 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 controls 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. 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.



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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 controls and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the entity’s internal controls 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 controls and compliance. Accordingly, this communication is not suitable for any other purpose.

Owings Mills, Maryland
January 26, 2023



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**REPORT OF INDEPENDENT PUBLIC ACCOUNTANTS ON COMPLIANCE FOR EACH
MAJOR FEDERAL PROGRAM AND ON INTERNAL CONTROLS OVER COMPLIANCE IN
ACCORDANCE WITH THE UNIFORM GUIDANCE**

The Honorable County Executive and
The Honorable Members of the County Council
Anne Arundel County, Maryland

Report on Compliance for Each Major Federal Program

Opinion on Each Major Federal Program

We have audited Anne Arundel County, Maryland's (the County) compliance with the types of compliance requirements identified as subject to audit in the U.S. Office of Management and Budget (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, 2022. The County's major Federal programs are identified in the summary of independent public accountant's results section of the accompanying schedule of findings and questioned costs.

The County's basic financial statements include the operations of the Anne Arundel County Board of Education, Anne Arundel Community College, the Anne Arundel Economic Development Corporation, Tipton Airport Authority, and Anne Arundel Workforce Development Corporation, which received Federal awards that are not included in the accompanying Schedule of Expenditures of Federal Awards. Our audit, described below, did not include the operations of these entities because other auditors were engaged to perform separate audits in accordance with the Uniform Guidance.

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, 2022.

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 (*Government Auditing Standards*); 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 *Auditor's 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 controls over compliance with the requirements of laws, statutes, regulations, rules and provisions of contracts or grant agreements applicable to the County's Federal programs.

Auditor's 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 controls. 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 controls 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 controls 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 controls over compliance that we identified during the audit.

Other Matters

The results of our auditing procedures disclosed instances of noncompliance which are required to be reported in accordance with the Uniform Guidance and which are described in the accompanying schedule of findings and questioned costs as items 2022-001 and 2022-002. Our opinion on each major Federal program is not modified with respect to these matters.



The County's response to the noncompliance findings identified in our audit is described in the accompanying schedule of findings and questioned costs. The County's response was not subjected to the auditing procedures applied in the audit of compliance and, accordingly, we express no opinion on the response.

Report on Internal Controls over Compliance

Our consideration of internal controls over compliance was for the limited purpose described in the *Auditor's Responsibilities for the Audit of Compliance* section above and was not designed to identify all deficiencies in internal controls over compliance that might be material weaknesses or significant deficiencies in internal controls over compliance and therefore, material weaknesses or significant deficiencies may exist that were not identified. However, as discussed below, we did identify certain deficiencies in internal controls over compliance that we consider to be material weaknesses.

A deficiency in internal controls 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 controls over compliance* is a deficiency, or combination of deficiencies in internal control over compliance, such that there is a reasonable possibility that material noncompliance with a type of compliance requirement of a Federal program will not be prevented, or detected and corrected on a timely basis. We consider the deficiency in internal controls over compliance described in the accompanying schedule of findings and questioned costs as item 2022-001 to be a material weakness.

A significant deficiency in internal controls over compliance is a deficiency, or a combination of deficiencies, in internal controls over compliance with a type of compliance requirement of a Federal program that is less severe than a material weakness in internal controls over compliance, yet important enough to merit attention by those charged with governance.

Our audit was not designed for the purpose of expressing an opinion on the effectiveness of internal controls 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 controls 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 controls over compliance is solely to describe the scope of our testing of internal controls 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.

Owings Mills, Maryland
March 30, 2023

ANNE ARUNDEL COUNTY, MARYLAND

Schedule of Expenditures of Federal Awards For the Year Ended June 30, 2022

Federal Agency/ Grant Title	Federal Assistance Listing Number	Pass Through Agency	Federal/Pass Through Grant Number	Federal Expenditures	Amounts Passed Through to Subrecipients
Department of Agriculture:					
Women, Infants & Children	10 557	Maryland State Health Department	WI174WIC	\$ 1,307,158	\$ -
Breast Feeding Peer Counselor	10 557	Maryland State Health Department	WIB34BPC	81,771	-
WIC Training & Temp Staffing	10 557	Maryland State Health Department	WI871TRN	365,238	-
Total Department of Agriculture				<u>1,754,167</u>	<u>-</u>
Department of Housing and Urban Development:					
<i>CDBG Cluster:</i>					
Community Development Block Grant 2016-2017	14 218	None	B-16-UC-24-0010	287	287
Community Development Block Grant 2017-2018	14 218	None	B-17-UC-24-0010	6,905	6,905
Community Development Block Grant 2018-2019	14 218	None	B-18-UC-24-0010	61,558	61,558
Community Development Block Grant 2019-2020	14 218	None	B-19-UC-24-0010	1,100,981	1,100,981
Community Development Block Grant 2020-2021	14 218	None	B-20-UC-24-0010	765,026	765,026
Community Development Block Grant 2021-2022	14 218	None	B-21-UC-24-0010	1,188,922	1,188,922
Community Development Block Grant 2022-2023	14 218	None	B-22-UC-24-0010	1,052,334	1,052,334
<i>Total CDBG Cluster</i>				<u>4,176,013</u>	<u>4,176,013</u>
Emergency Shelter Grant - CV CARES - COVID-19	14 231	None	E-20-UW-24-0010	275,843	275,843
Emergency Shelter Grant 2020-2021	14 231	None	E-20-UW-24-0010	98,943	98,943
Emergency Shelter Grant - CVII CARES - COVID-19	14 231	None	E-20-UW-24-0010	626,529	626,529
Emergency Shelter Grant 2019-2020	14 231	None	E-20-UW-24-0010	99,960	99,960
HOME Investment Partnership Program 2019	14 239	None	M-18-UC-24-0200	418	418
HOME Investment Partnership Program 2020	14 239	None	M-19-UC-24-0200	1,320,760	1,320,760
HOME Investment Partnership Program 2021	14 239	None	M-20-UC-24-0200	363,800	363,800
Housing Opportunities for People With Aids 2018-2019	14 241	City of Baltimore	MDH19-F001	372,872	372,872
Supportive Housing Program (SHP)/Continuum of Care Grant Program					
COC Planning Grant	14 267	None	N/A	299,064	299,064
COC Planning Grant	14 267	None	N/A	1,050,501	1,050,501
Total Department of Housing and Urban Development				<u>8,684,703</u>	<u>8,684,703</u>
Department of Justice:					
GLM10621 Anne Arundel VS Care Team	16 034	Governor's Office of Crime Control & Prevention	Unknown	29,724	-
Community Based Violence Prevention Program	16 123	None	2017-MU-MU-K003	68,665	11,811
Victims of Crime Assistance	16 575	Governor's Office of Crime Control & Prevention	VOCA-2020-0021	20,565	-
Victims of Crime Assistance	16 575	Governor's Office of Crime Control & Prevention	VOCA-2021-0021	107,091	-
DUI - Justice Assistance Grant	16 579	Governor's Office of Crime Control & Prevention	Unknown	131,036	-
State Criminal Alien Assistance Program	16 606	None	N/A	46,475	-
Body Worn Camera Program	16 738	Governor's Office of Crime Control & Prevention	2019-MU-BX-0019	93,660	-
Danger Assessment Advocate	16 738	Governor's Office of Crime Control & Prevention	VAWA-2020-0021	3,556	-
Danger Assessment Advocate	16 738	Governor's Office of Crime Control & Prevention	VAWA-2021-0021	16,633	-
Edward Byrne Memorial Justice	16 738	Governor's Office of Crime Control & Prevention	Unknown	354	-
Edward Byrne Memorial Justice	16 738	Governor's Office of Crime Control & Prevention	2018-DJ-BX-0218	63,090	25,560
Edward Byrne Memorial Justice	16 738	Governor's Office of Crime Control & Prevention	2019-DJ-BX-0938	65,612	8,839
Covid-19 BJAG Supplemental	16 738	Governor's Office of Crime Control & Prevention	15PBJA-21-GG-01550-JAGX	177,731	-
Edward Byrne Memorial Justice	16 738	Governor's Office of Crime Control & Prevention	15PBJA-21-GG-01550-JAGX	1,648	-
LETS Training Grant	16 738	Governor's Office of Crime Control & Prevention	BJNT-2017-0006	3,751	-
Technology Enhancements	16 738	Governor's Office of Crime Control & Prevention	BJAG-2018-0037	16,232	-

The accompanying notes are an integral part of this schedule.

ANNE ARUNDEL COUNTY, MARYLAND

**Schedule of Expenditures of Federal Awards
For the Year Ended June 30, 2022**

<u>Federal Agency/ Grant Title</u>	<u>Federal Assistance Listing Number</u>	<u>Pass Through Agency</u>	<u>Federal/Pass Through Grant Number</u>	<u>Federal Expenditures</u>	<u>Amounts Passed Through to Subrecipients</u>
Department of Justice: (continued)					
Paul Coverdell Forensic Science 21	16 742	Governor's Office of Crime Control & Prevention	CFSI-2020-0001	\$ 22,428	\$ -
Forensic Casework DNA Backlog 2019	16 743	Governor's Office of Crime Control & Prevention	2019-DN-BX-0067	47,001	-
Forensic Casework DNA Backlog 2018	16 743	Governor's Office of Crime Control & Prevention	2020-DN-BX-0125	142,649	-
Federal Prosecution Grant	16 825	Governor's Office of Crime Control & Prevention	15PBJA-21-GG-03881-SMTP	5,532	-
Total Department of Justice				<u>1,063,433</u>	<u>46,210</u>
Department of Labor:					
<i>WIOA Cluster :</i>					
WIA Title 1 Grant: Youth	17 258	Maryland Department of Labor, Licensing & Regulation	P16-AA-PY20	153,282	153,282
WIA Title 1 Grant: Dislocated Worker	17 278	Maryland Department of Labor, Licensing & Regulation	P16-AA-FY21	210,602	210,602
WIA Title 1 Grant: Adult	17 259	Maryland Department of Labor, Licensing & Regulation	P16-AA-FY21	103,339	103,339
WIA Title 1 Grant: Dislocated Worker	17 278	Maryland Department of Labor, Licensing & Regulation	P26-AA-PY21	151,819	151,819
WIA Title 1 Grant: Youth	17 258	Maryland Department of Labor, Licensing & Regulation	P26-AA-PY21	462,018	462,018
WIA Title 1 Grant: Adult	17 259	Maryland Department of Labor, Licensing & Regulation	P26-AA-PY21	487,050	487,050
WIA Title 1 Grant: Dislocated Worker	17 278	Maryland Department of Labor, Licensing & Regulation	P-26-AA-FY22	277,832	277,832
<i>Total WIOA Cluster</i>				<u>1,845,942</u>	<u>1,845,942</u>
Total Department of Labor				<u>1,845,942</u>	<u>1,845,942</u>
Department of Transportation:					
<i>Highway Planning and Construction Cluster:</i>					
Mgthy Bridge Rd Bridge/Mgthy Riv	20 205	Maryland State Highway Administration	SAFETEA-LUHPP	18,293	-
Broadneck Peninsula Trail	20 205	Maryland State Highway Administration	SAFETEA-LUHPP	120	-
<i>Total Planning and Construction Cluster</i>				<u>18,413</u>	<u>-</u>
<i>FMCSA Cluster:</i>					
Motor Carrier Assistance Program	20 218	Maryland Motor Vehicle Administration	SHA-MCSAP-2021	773	-
Motor Carrier Assistance Program	20 218	Maryland Motor Vehicle Administration	SHA-MCSAP-2020	3,722	-
<i>Total FMCSA Cluster</i>				<u>4,495</u>	<u>-</u>
<i>Federal Transit Cluster:</i>					
MD Transit Admin-Rideshare	20 507	Maryland Mass Transit Administration	AA17CMAQ2020/2021	165,720	-
Federal Transit Formula	20 507	Baltimore Metropolitan Council	UPWP-07020	86,464	-
Federal Transit Formula	20 507	Baltimore Metropolitan Council	UPWP-07021	15,823	-
Federal Transit Formula	20 507	Baltimore Metropolitan Council	UPWP-07022	175	-
GTR10002 Covid-19 Transportation	20 507	Maryland Mass Transit Administration	AA17CAREA2020	1,885,687	-
<i>Total Federal Transit Cluster</i>				<u>2,153,869</u>	<u>-</u>
<i>Highway Safety Cluster:</i>					
Community Traffic Safety	20 600	Maryland Department of Transportation	LE-AACPD-2021	13,535	-
Community Traffic Safety	20 600	Maryland Department of Transportation	LE-AACPD-2022	43,285	-
<i>Total Highway Safety Cluster</i>				<u>56,820</u>	<u>-</u>
Total Department of Transportation				<u>2,233,597</u>	<u>-</u>

The accompanying notes are an integral part of this schedule.

ANNE ARUNDEL COUNTY, MARYLAND

**Schedule of Expenditures of Federal Awards
For the Year Ended June 30, 2022**

Federal Agency/ Grant Title	Federal Assistance Listing Number	Pass Through Agency	Federal/Pass Through Grant Number	Federal Expenditures	Amounts Passed Through to Subrecipients
Department of the Treasury:					
Secret Service Task Force	21 016	None	AACO-MOU-TEOAF	\$ 7,203	\$ -
Coronavirus Relief Funds (US Treasury CARES) - COVID-19	21 019	None	SLT0184	7,067,736	155,862
Emergency Rental Assistance Funding (ERAP) - COVID-19	21 023	None	N/A	5,479,785	5,479,785
American Rescue Plan Act Funds (US Treasury ARPA)	21 027	None	N/A	44,299,273	29,879,994
Total Department of the Treasury				56,853,997	35,515,641
Department of Health and Human Services:					
Covid-19 Title VII Funding	93 042	Maryland State Office on Aging	654820	12,404	-
Title VI Ombudsman	93 042	Maryland State Office on Aging	652120	17,438	-
Title VI Ombudsman	93 042	Maryland State Office on Aging	652121	4,433	-
Preventive Health Services III D	93 043	Maryland State Office on Aging	650621	1,481	-
Preventive Health Services III D	93 043	Maryland State Office on Aging	650622	12,664	-
<i>Aging Cluster:</i>					
ARPA - OAA Spt Services III	93 044	Maryland State Office on Aging	Unknown	1,722	-
Covid-19 IIIB Funding	93 044	Maryland State Office on Aging	655221	23,060	-
Expanding Access C-19 Vaccines	93 044	Maryland State Office on Aging	Unknown	1,335	-
Expanding Access C-19 Vaccines	93 044	Maryland State Office on Aging	655221	38,666	-
Title IIIB Legal Aid Bureau 1A	93 044	Maryland State Office on Aging	Unknown	5	-
Title IIIB Ombudsman	93 044	Maryland State Office on Aging	652122	11,293	-
Title IIIB Public Relations/Admin	93 044	Maryland State Office on Aging	Unknown	3,706	-
Title IIIB Public Relations/Admin	93 044	Maryland State Office on Aging	650120	147	-
Title IIIB Public Relations/Admin	93 044	Maryland State Office on Aging	650121	158,688	-
Title IIIB Public Relations/Admin	93 044	Maryland State Office on Aging	650122	317,938	-
IIIC-1 Nutrition	93 045	Maryland State Office on Aging	Unknown	6,148	-
Covid-19 IIIC Nutrition HDC	93 045	Maryland State Office on Aging	654620	11,086	-
Covid-19 IIIC Nutrition HDC	93 045	Maryland State Office on Aging	654720	66,445	-
IIIC-1 Nutrition	93 045	Maryland State Office on Aging	650521	474,890	-
IIIC-1 Nutrition	93 045	Maryland State Office on Aging	650522	114,937	-
Covid-19 IIIC Home Delivered Meals	93 045	Maryland State Office on Aging	650321	100,272	-
Covid-19 IIIC Home Delivered Meals	93 045	Maryland State Office on Aging	650322	181,950	-
Nutrition Services Incentives	93 053	Maryland State Office on Aging	652021	386	-
National Family Caregiver	93 053	Maryland State Office on Aging	652021	55,690	-
National Family Caregiver	93 053	Maryland State Office on Aging	652022	132,773	-
<i>Total Aging Cluster</i>				<i>1,701,137</i>	<i>-</i>
Tuberculosis Control	93 116	Maryland Department of Health	CH391TBC	19,500	-
Strategic Prevention Framework	93 243	Maryland Department of Health	MU333PFS	1,262	1,237
MD-MAT-PDOA	93 243	Maryland Department of Health	AS307MAT	122,725	-
Immunization Grant	93 268	Maryland Department of Health	CH358IMM	111,139	-
ELC Com Health Grant	93 268	Maryland Department of Health	ELC01CHW	31,275	25,000
Covid Immunization	93 268	Maryland Department of Health	IZ802COV	1,440	-
Covid Mass Vaccinations - COVID-10	93 268	Maryland Department of Health	MV602COV	1,128,276	564,116
Immunization & Vaccines for Children	93 268	Maryland Department of Health	VC502COV	1,320,998	-
PHO Emergency Preparedness	93 069	Maryland Department of Health	CH809PHP	310,995	-
PHP: Cities Readiness Initiative	93 069	Maryland Department of Health	CH809PHP	92,322	-
PHO Emergency Preparedness	93 283	Maryland Department of Health	CH809PHP	3,309	-

The accompanying notes are an integral part of this schedule.

ANNE ARUNDEL COUNTY, MARYLAND

**Schedule of Expenditures of Federal Awards
For the Year Ended June 30, 2022**

Federal Agency/ Grant Title	Federal Assistance Listing Number	Pass Through Agency	Federal/Pass Through Grant Number	Federal Expenditures	Amounts Passed Through to Subrecipients
Department of Health and Human Services: (continued)					
Enhancing Detection Grant	93 323	Maryland Department of Health	ID902EDG	\$ 373,774	\$ -
CDC Crisis Cooperative Agreement	93 354	Maryland Department of Health	Unknown	628,883	-
CARES Act Provider Relief Fund - COVID-19	93 498	None	HHS-28038850779	608	-
<i>477 Cluster:</i>					
Maryland Family Network	93 558	Friends of the Family, Inc	MFN-2020-AFSC	388,660	-
<i>Total 477 Cluster</i>				388,660	-
Child Support Enforcement	93 563	Maryland Department of Human Resources	CSEA/CRA-21-032	32,523	-
Child Support Enforcement	93 563	Maryland Department of Human Resources	CSEA/CRA-22-032	198,738	-
CJAC Child Survivors Grant	93 643	Governor's Office of Crime Control Prevention	CJAC-2019-0020	1,145	-
CJAC Child Survivors Grant	93 643	Governor's Office of Crime Control Prevention	CJAC-2019-0021	26,752	-
<i>Medicaid Cluster:</i>					
Admin Care Coordinator	93 778	Maryland Department of Health	MA007EPS	512,229	-
PWC Eligibility Grant	93 778	Maryland Department of Health	MA281ACM	1,085,777	-
MA Transportation Grant	93 778	Maryland Department of Health	MA344GTS	2,321,733	1,865,191
<i>Total Medicaid Cluster</i>				3,919,739	1,865,191
Senior Health Insurance Program	93 779	Maryland Department of Aging	651522	41,128	-
Centers for Medicare/Medicaid Services	93 071	Maryland State Office on Aging	653722 and 653822	12,131	-
Personal Responsibility Ed	93 092	Maryland Department of Health	FHB76PRE	23,170	-
State Overdose Data to Action	93 136	Maryland Department of Health	AS437ODA	244,901	15,000
ePRA Expansion	93 136	Maryland Department of Health	FH607PRA	20,306	18,460
Access Harm Reduction Grant	93 788	Maryland Department of Health	AD783AHR	448,395	-
Ryan White I	93 914	Associated Black Charities	ABC-19-2403	102,881	-
AIDS Case Management	93 917	Maryland Department of Health	AD838FLX	302,120	-
RWII Health Support Service	93 917	Maryland Department of Health	AD421RWS	144,231	-
STD Grant	93 940	Maryland Department of Health	CH033STD	187,344	-
Counseling, Testing & Referral	93 940	Maryland Department of Health	AD349PRV	81,837	-
Program Support for HCV	93 940	Maryland Department of Health	AD778PSH	10,804	-
Prevention Project Grant	93 959	Maryland Department of Health	MU611ADP	254,837	18,094
Integ of Sxl Hlth in Recove	93 959	Maryland Department of Health	AD678INT	59,767	-
Substance Abuse Prev - Covi	93 959	Maryland Department of Health	MU621COV	110,644	110,644
ARPA One Time Supplemental	93 959	Maryland Department of Health	MU002OFR	16,377	-
Treatment Block Grant - FF	93 959	Maryland Department of Health	AS213FED	661,101	19,950
Opioid Misuse Prevention	93 959	Maryland Department of Health	MU002OMP	85,648	26,840
Babies Born Healthy	93 994	Maryland Department of Health	FH607CHI	190,688	-
ARP Federal Funds	93 996	Maryland Department of Health	CH553CFT	1,075,250	-
Total Department of Health and Human Services				13,533,915	2,664,532

The accompanying notes are an integral part of this schedule.

ANNE ARUNDEL COUNTY, MARYLAND

**Schedule of Expenditures of Federal Awards
For the Year Ended June 30, 2022**

Federal Agency/ Grant Title	Federal Assistance Listing Number	Pass Through Agency	Federal/Pass Through Grant Number	Federal Expenditures	Amounts Passed Through to Subrecipients
Department of Homeland Security:					
Emergency Management Support	97 008	Maryland Emergency Management Agency	Unknown	\$ 17,902	\$ -
EMPG-State & Local Assistan	97 008	Maryland Emergency Management Agency	EMW-2020-SS-00010	7,632	-
EMPG-State & Local Assistan	97 008	Maryland Emergency Management Agency	EMW-2021-SS-00047	67,128	-
K-9 Bomb Squad	97 008	Maryland Emergency Management Agency	EMW-2018-SS-00023	637	-
K-9 Bomb Squad	97 008	Maryland Emergency Management Agency	EMW-2019-SS-00064	1,633	-
K-9 Bomb Squad	97 008	Maryland Emergency Management Agency	EMW-2020-SS-00010	42	-
State Homeland Security	97 008	Maryland Emergency Management Agency	EMW-2019-SS-00064	181,051	-
State Homeland Security	97 008	Maryland Emergency Management Agency	EMW-2020-SS-00010	43,537	-
State Homeland Security	97 008	Maryland Emergency Management Agency	EMW-2021-SS-00047	22,721	-
UASI - LE Training	97 008	Maryland Emergency Management Agency	EMW-2019-SS-00064	4,738	-
UASI Planning	97 008	Maryland Emergency Management Agency	EMW-2019-SS-00064	125,850	-
UASI-Ambo Bus	97 008	Maryland Emergency Management Agency	EMW-2018-SS-00023	4,995	-
UASI-CCTV	97 008	Maryland Emergency Management Agency	EMW-2019-SS-00064	33,632	-
UASI-CCTV	97 008	Maryland Emergency Management Agency	EMW-2020-SS-00010	11,890	-
UASI-HAZMAT	97 008	Maryland Emergency Management Agency	EMW-2019-SS-00064	11,471	-
UASI-HAZMAT	97 008	Maryland Emergency Management Agency	EMW-2020-SS-00010	38,786	-
UASI-Intelligence Equipment	97 008	Maryland Emergency Management Agency	EMW-2020-SS-00010	2,575	-
UASI-LETPA	97 008	Maryland Emergency Management Agency	EMW-2019-SS-00064	46,635	-
UASI-LETPA	97 008	Maryland Emergency Management Agency	EMW-2020-SS-00010	27,682	-
UASI-Police	97 008	Maryland Emergency Management Agency	EMW-2021-SS-00047	2,263	-
State Homeland Security Program	97 067	Maryland Emergency Management Agency	Unknown	12,315	-
State Homeland Security Program 18	97 067	Maryland Emergency Management Agency	EMW--2018-SS-00023	82,043	-
HMEP	97 067	Maryland Emergency Management Agency	Unknown	14,100	-
Staffing for Adequate Fire and Emergency Response	97 083	Maryland Emergency Management Agency	EMW-2018-FH-00513	2,017,970	-
Total Department of Homeland Security				<u>2,779,228</u>	<u>-</u>
Total Expenditures of Federal Awards				<u>\$ 88,748,982</u>	<u>\$ 48,757,028</u>

The accompanying notes are an integral part of this schedule.

ANNE ARUNDEL COUNTY, MARYLAND

Notes to the Schedule of Expenditures of Federal Awards For the Year Ended June 30, 2022

1. BASIS OF PRESENTATION

The accompanying Schedule of Expenditures of Federal Awards (the Schedule) includes the Federal grant activity of the primary government of Anne Arundel County, Maryland (the County), and is presented on the accrual basis of accounting. Federal awards of component units of the County reporting entity are not included in this Schedule.

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. Compliance testing of all requirements, as described in the Compliance Supplement, was performed for the grant programs noted below. These programs represent Federal award programs for fiscal year 2022 cash and non-cash expenditures to ensure coverage of at least 20% of Federally granted funds. Actual coverage is 63% of total cash and non-cash Federal award program expenditures.

Grant Title	Federal Assistance Listing Number	Federal Expenditures
Department of Treasury		
COVID-19 - Emergency Rental Assistance Funding (ERAP)	21.023	\$ 5,479,785
COVID-19 - American Rescue Plan Act Funds (US Treasury ARPA)	21.027	44,299,273
Department of Health and Human Services		
COVID 19 - Immunization Grant / Covid Mass Vaccinations / Immunization & Vaccines for Children	93.268	2,593,128
Medicaid Cluster	93.777, 93.778	3,919,739
		\$ 56,291,925

Expenditures of Federal awards are made for the purposes specified by the grantor and are subject to certain restrictions. Expenditures are also subject to audit by the relevant Federal agency. In the opinion of management, disallowed costs, if any, from such audits will not have a material effect on this Schedule or the financial position of the County.

2. INDIRECT COST

The County did not elect to use the 10-percent de minimis cost rate for indirect costs.

3. NONCASH ASSISTANCE

The County receives food commodities from the Federal government. During the year ended June 30, 2022, the fair market value of the commodities received was estimated at \$786,300 wholesale value. These commodities are delivered to the Anne Arundel County Food Bank, Inc., an independent organization, which is responsible for distributing the food to eligible County residents. This amount is not included in the Schedule.

ANNE ARUNDEL COUNTY, MARYLAND

Notes to the Schedule of Expenditures of Federal Awards For the Year Ended June 30, 2022

4. REVOLVING LOAN PROGRAM

The County participates in the Environmental Protection Agency's Capitalization Grants for State Revolving Funds loan program (Federal Assistance Listing Number 66.458). The amount due to the State of Maryland under this program as of June 30, 2021, was approximately \$42,787,477. Current year activity was a net decrease to the revolving loan program of approximately \$2,959,764, resulting in a balance due to the State of Maryland as of June 30, 2022 of approximately \$39,827,713.

5. MARYLAND STATE DEPARTMENT OF HEALTH

The Maryland State Department of Health pays expenses for employee salaries and employee benefits for certain county programs. The County records these amounts on the Schedule and in its basic financial statements to fully reflect the operations of these programs.

6. RECONCILIATION

Amounts reported in the accompanying Schedule do not agree with amounts reported on the County's Annual Comprehensive Financial Report (ACFR). The reconciling items between ACFR and the Schedule are as follows:

Grants and aid revenues per ACFR:	
Statement of Revenue, Expenditures and Changes in Fund Balances - Governmental Funds	\$ 159,018,376
Reconciling items:	
Non Federal grants	<u>(69,266,129)</u>
Total Expenditures of Federal Awards	<u>\$ 89,752,247</u>

ANNE ARUNDEL COUNTY, MARYLAND

**Schedule of Findings and Questioned Costs
For the Year Ended June 30, 2022**

Section I – Summary of Independent Public Accountant’s Results

Financial Statements

Type of Independent Public Accountants’ report issued:	Unmodified
Internal controls over financial reporting:	
Material weakness(es) identified?	No
Significant deficiencies?	None reported
Noncompliance material to financial statements?	No

Federal Awards

Type of Independent Public Accountants’ report issued on compliance for major program:	Unmodified
Internal controls over major program:	
Material weakness(es) identified?	Yes
Significant deficiencies?	None reported
Any audit findings disclosed that are required to be reported in accordance with Section 2 CFR 200.516(a) of the Uniform Guidance?	Yes

Identification of Major Programs:

<u>Grant Title</u>	<u>Federal Assistance Listing Number</u>	<u>Federal Expenditures</u>
Department of Treasury		
COVID-19 - Emergency Rental Assistance Funding (ERAP)	21.023	\$ 5,479,785
COVID-19 - American Rescue Plan Act Funds (US Treasury ARPA)	21.027	44,299,273
Department of Health and Human Services		
COVID 19 - Immunization Grant / Covid Mass Vaccinations / Immunization & Vaccines for Children	93.268	2,593,128
Medicaid Cluster	93.777, 93.778	3,919,739
		<u>\$ 56,291,925</u>
Threshold for disinguishing between Type A and B programs		\$ 2,662,469
Did the County qualify as a low risk auditee?		Yes

ANNE ARUNDEL COUNTY, MARYLAND

**Schedule of Findings and Questioned Costs
For the Year Ended June 30, 2022**

Section II - Financial Statement Findings

None noted.

ANNE ARUNDEL COUNTY, MARYLAND

Schedule of Findings and Questioned Costs For the Year Ended June 30, 2022

Section III - Federal Award Findings and Questioned Costs

Finding 2022-001

**U.S. Department of the Treasury
Assistance Listing Number 21.027 – COVID-19 - American Rescue Plan Act Funds (US
Treasury ARPA)
Compliance and Material Weakness over Subrecipient Monitoring
Repeat Findings: No**

Criteria:

A pass-through entity (PTE) must clearly identify to the subrecipient the award as a subaward at the time of subaward (or subsequent subaward modification) by providing the information described in 2 CFR section 200.332(a)(1); all requirements imposed by the PTE on the subrecipient so that the Federal award is used in accordance with Federal statutes, regulations, and the terms and conditions of the award (2 CFR section 200.332(a)(2)); and any additional requirements that the PTE imposes on the subrecipient in order for the PTE to meet its own responsibility for the Federal award (e.g., financial, performance, and special reports) (2 CFR section 200.332(a)(3)).

A PTE must also monitor the activities of the subrecipient as necessary to ensure that the subaward is used for authorized purposes, complies with the terms and conditions of the subaward, and achieves performance goals (2 CFR sections 200.332(d) through (f)).

Condition and Context:

For 2 out of 3 selections, the agreement with the subrecipient did not clearly identify the Federal assistance listing. Additionally, the agreement did not contain the information described in 2 CFR section 200.332(a).

For 3 out of 3 selections, the County was not able to provide documentation showing that the monitoring of the subrecipients was performed.

Cause:

The County did not inform its subrecipients of Federal requirements included in Uniform Guidance related to procedures required for subrecipient monitoring. The County also did not provide documentation showing the monitoring of subrecipients was performed.

Effect or Potential Effect:

The subrecipient may not be in compliance with Uniform Guidance, therefore causing the County to not be in compliance with Uniform Guidance.

ANNE ARUNDEL COUNTY, MARYLAND

**Schedule of Findings and Questioned Costs
For the Year Ended June 30, 2022**

Section III - Federal Award Findings and Questioned Costs (continued)

Finding 2022-001 (continued)

Questioned Costs:

Unknown.

Recommendation:

We recommend that the County prepare and maintain a written plan to ensure subrecipients are aware of the Uniform Guidance requirements. Additionally, we recommend the County performs the monitoring of the subrecipients and ensure the documentation is saved within the County.

Views of Responsible Officials:

Management agrees with the finding. Refer to the Corrective Action Plan Section of this report.

ANNE ARUNDEL COUNTY, MARYLAND

**Schedule of Findings and Questioned Costs
For the Year Ended June 30, 2022**

Section III - Federal Award Findings and Questioned Costs (continued)

Finding 2022-002

**U.S. Department of the Treasury
Assistance Listing Number 21.027 – COVID-19 - American Rescue Plan Act Funds (US
Treasury ARPA)
Compliance and Internal Controls Deficiency over Procurement
Repeat Findings: No**

Criteria:

In accordance with 2 CFR §200.303: The non-Federal entity must: (a) Establish and maintain effective internal controls 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.

Non-Federal entities other than states, including those operating Federal programs as subrecipients of states, must follow the procurement standards set out at 2 CFR sections 200.318 through 200.326. They must use their own documented procurement procedures, which reflect applicable state and local laws and regulations, provided that the procurements conform to applicable Federal statutes and the procurement requirements identified in 2 CFR Part 200. A non-Federal entity must conduct all procurement transactions in a manner providing full and open competition, in accordance with 2 CFR section 200.319

Condition and Context:

For 1 out of 4 selections, the County was not able to provide evidence they completed a formal bid process with full and open competition.

Cause:

The County was not able to provide evidence they followed the procurement policies, and that this procurement transaction was conducted in a manner providing full and open competition.

Effect or Potential Effect:

The County is not in compliance with the procurement requirement.

Questioned Costs:

Unknown.

Recommendation:

We recommend the County follows the County's procurement policy and keeps records of the procurement methods and rationales used to enter into contracts.

Views of Responsible Officials:

Management agrees with the finding. Refer to the Corrective Action Plan Section of this report.

ANNE ARUNDEL COUNTY, MARYLAND

**Schedule of Findings and Questioned Costs
For the Year Ended June 30, 2022**

Section IV – Prior Year Findings and Questioned Costs

Finding 2021-001

**U.S. Department of Treasury
Federal Assistance Listing Number 21.019 – Coronavirus Relief Funds
Compliance Deficiency over Subrecipient Monitoring
Repeat Findings: No**

Criteria:

A pass-through entity (PTE) must clearly identify to the subrecipient the award as a subaward at the time of subaward (or subsequent subaward modification) by providing the information described in 2 CFR section 200.331(a)(1); all requirements imposed by the PTE on the subrecipient so that the Federal award is used in accordance with Federal statutes, regulations, and the terms and conditions of the award (2 CFR section 200.331(a)(2)); and any additional requirements that the PTE imposes on the subrecipient in order for the PTE to meet its own responsibility for the Federal award (e.g., financial, performance, and special reports) (2 CFR section 200.331(a)(3)).

Condition and Context:

For 4 out of 8 selections, the agreement with the subrecipient did not clearly identify the Federal assistance listing. Additionally, the agreement did not contain the information described in 2 CFR section 200.331(a).

2022 Status:

Based on testing performed in 2022, the finding remains.

ANNE ARUNDEL COUNTY, MARYLAND

**Schedule of Findings and Questioned Costs
For the Year Ended June 30, 2022**

Section IV – Prior Year Findings and Questioned Costs (continued)

Finding 2021-002

**U.S. Department of Health and Human Services
Federal Assistance Listing Number 93.788 – Access Harm Reduction Grant/State Opioid
Rapid Response
Compliance Deficiency over Subrecipient Monitoring
Repeat Findings: No**

Criteria:

A pass-through entity (PTE) must clearly identify to the subrecipient the award as a subaward at the time of subaward (or subsequent subaward modification) by providing the information described in 2 CFR section 200.331(a)(1); all requirements imposed by the PTE on the subrecipient so that the Federal award is used in accordance with Federal statutes, regulations, and the terms and conditions of the award (2 CFR section 200.331(a)(2)); and any additional requirements that the PTE imposes on the subrecipient in order for the PTE to meet its own responsibility for the Federal award (e.g., financial, performance, and special reports) (2 CFR section 200.331(a)(3)).

Condition and Context:

For 1 out of 1 selection, the agreement with the subrecipient did not clearly identify the Federal assistance listing. Additionally, the agreement did not contain the information described in 2 CFR section 200.331(a).

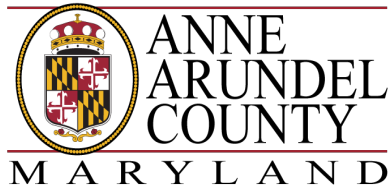
2022 Status:

Based on testing performed in 2022, the finding remains.

ANNE ARUNDEL COUNTY, MARYLAND

**Schedule of Findings and Questioned Costs
For the Year Ended June 30, 2022**

Section V – Corrective Action Plan



**ANNE ARUNDEL COUNTY, MARYLAND
CORRECTIVE ACTION PLAN
YEAR ENDED JUNE 30, 2022**

Anne Arundel County, Maryland respectfully submits the following corrective action plan for

the year ended June 30, 2022.

Audit period: July 1, 2021 – June 30, 2022

The findings from the schedule of findings and questioned costs are discussed below. The findings are numbered consistently with the numbers assigned in the schedule.

FINDINGS – FEDERAL AWARD PROGRAM AUDITS

2022-001: 21.027 – American Rescue Plan Act Funds (US Treasury ARPA)

- **Recommendation 1:** We recommend that the County prepare and maintain a written plan to ensure subrecipients are aware of the Uniform Guidance requirements.
- **Recommendation 2:** We recommend the County performs the monitoring of subrecipients and ensure the documentation is saved within the County.
- **Explanation of disagreement with audit finding:** There is no disagreement with the audit finding.
- **Corrective action taken in response to the finding, recommendations 1 and 2:** The Anne Arundel County Office of Finance will (1) create a written plan to ensure that subrecipients are aware of all the needed Uniform Guidance requirements; (2) lead the monitoring of subrecipients including record keeping; (3) manage the record keeping of subrecipient monitoring, in a specific area of access, including electronic, within the County.
- **Name of the contact person responsible for corrective actions 1 and 2:** LaChaundra Graham, Financial Reporting Manager – Grants.
- **Planned completion date for the corrective action plan:** June 30, 2023.

ANNE ARUNDEL COUNTY, MARYLAND

Schedule of Findings and Questioned Costs For the Year Ended June 30, 2022

2022-002: 21.027 – American Rescue Plan Act Funds (US Treasury ARPA)

- **Recommendation:** We recommend the County follows the County's procurement policy and keeps records of the procurement methods and rationales used to enter into contracts.
- **Explanation of disagreement with audit finding:** There is no disagreement with the audit finding.
- **Corrective action taken in response to the finding, recommendation:** The Anne Arundel County Purchasing Division will (1) follow the County's procurement policy; (2) ensure vendor selection rationales are justified and documented; and (3) manage the record keeping of procurement transactions.
- **Name of the contact person responsible for corrective action:** Iris Mapp, Procurement Officer, Anne Arundel County DSS.
- **Planned completion date for the corrective action plan:** June 30, 2023.

If the Department of the Treasury has questions regarding this plan, then please contact LaChaundra Graham, via phone at (410) 222-2383, or via email at fngrah00@aacounty.org.