

**ANNE ARUNDEL COUNTY, MARYLAND**

**REPORT ON SINGLE AUDIT**

**YEAR ENDED JUNE 30, 2017**

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

The Honorable County Executive and  
The Honorable Members of the County Council  
Anne Arundel County, 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 Anne Arundel County, Maryland (the County), as of and for the year ended June 30, 2017, 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 20, 2017. Our report includes a reference to other auditors who audited the financial statements of Tipton Airport Authority and the Anne Arundel Workforce Development Corporation as described in our report on the County's financial statements. The County's financial statements also include the Anne Arundel Community College, the Anne Arundel Board of Education and the Anne Arundel Economic Development Corporation which were separately audited by us. This report does not include the results of our and the other auditors' testing of internal controls over financial reporting or compliance and other matters for 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 that are reported on separately by us and the other auditors. The Anne Arundel County Community College Foundation (which is included in the financial statements of the Anne Arundel Community College) was not audited in accordance with *Government Audit Standards*.

**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) to determine the 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 Honorable County Executive and  
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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 may exist that have not been identified.

### **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 determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

### **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 result of that testing, and not to provide an opinion on the effectiveness of the County'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 County's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.



### **CliftonLarsonAllen LLP**

Baltimore, Maryland  
December 20, 2017

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

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

We have audited Anne Arundel County, Maryland's (the County) compliance with the types of compliance requirements described 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, 2017. The County's major federal programs are identified in the summary of auditors' results section of the accompanying schedule of findings and questioned costs.

The County's basic financial statements include the operations of Anne Arundel County Board of Education, the Anne Arundel County Community College, the Anne Arundel Economic Development Corporation, Tipton Airport Authority, and the Anne Arundel Workforce Development Corporation that have been excluded from the accompanying schedule of expenditures of federal awards because these component units engaged other auditors to perform an audit in accordance with Title 2 U.S. Code of Federal Regulation for Federal Awards, where applicable.

***Management's Responsibility***

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

***Auditors' Responsibility***

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

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

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

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

In our opinion, the County complied, in all material respects, with the types of compliance requirements referred to above that could have a direct and material effect on each of its major federal programs for the year ended June 30, 2017.

### ***Other Matters***

The results of our auditing procedures disclosed an instance of noncompliance, which is required to be reported in accordance with Uniform Guidance and which is described in the accompanying schedule of findings and questioned costs as item 2017-001, 2017-002, and 2017-003. Our opinion on each major federal program is not modified with respect to these matters.

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

### **Report on Internal Control Over Compliance**

Management of the County is responsible for establishing and maintaining effective internal control over compliance with the types of compliance requirements referred to above. In planning and performing our audit of compliance, we considered the County's internal control over compliance with the types of requirements that could have a direct and material effect on each major federal program to determine the auditing procedures that are appropriate in the circumstances for the purpose of expressing an opinion on compliance for each major federal program and to test and report on internal control over compliance in accordance with the Uniform Guidance, but not for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, we do not express an opinion on the effectiveness of the County's internal control over compliance.

*A deficiency in internal control over compliance* exists when the design or operation of a control over compliance does not allow management or employee, in the normal course of performing their assigned functions, to prevent, or detect and correct, noncompliance with a type of compliance requirement of a federal program on a timely basis. A *material weakness in internal control over compliance* is a deficiency, or a combination of deficiencies, in internal control over compliance, such that there is a reasonable possibility that material noncompliance with a type of compliance requirement of a federal program will not be prevented, or detected and corrected, on a timely basis. A *significant deficiency in internal control over compliance* is a deficiency, or a combination of deficiencies, in internal control over compliance with a type of compliance requirement of a federal program that is less severe than a material weakness in internal control over compliance, yet important enough to merit attention by those charged with governance.

Our consideration of internal control over compliance was for the limited purpose described in the preceding paragraph and was not designed to identify all deficiencies in internal control over compliance that might be material weaknesses or significant deficiencies and therefore, material weaknesses or significant deficiencies may exist that have not been identified. We did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses. However, we identified certain deficiencies in internal control over compliance, as described in the accompanying schedule of findings and questioned costs as items 2017-001, 2017-002 and 2017-003, that we consider to be significant deficiencies.

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

The County's responses to the internal control over compliance findings identified in our audit are described in the accompanying schedule of findings and questioned costs. The County's responses were not subjected to the auditing procedures applied in the audit of compliance and, accordingly, we express no opinion on the responses.

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 result 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 the County as of and for the year ended June 30, 2017, and the related notes to the financial statements, which collectively comprise the County's basic financial statements. We issued our report thereon dated December 20, 2017, which contained unmodified opinions on those financial statements. Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the basic financial statements. The accompanying schedule of expenditures of federal awards is presented for purposes of additional analysis as required by the Uniform Guidance and is not a required part of the basic financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. The information has been subjected to the auditing procedures applied in the audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the schedule of expenditures of federal awards is fairly stated in all material respects in relation to the basic financial statements as a whole.



**CliftonLarsonAllen LLP**

Baltimore, Maryland  
March 20, 2018

**ANNE ARUNDEL COUNTY, MARYLAND  
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS  
YEAR ENDED JUNE 30, 2017**

<b>Grant Title</b>	<b>CFDA Number</b>	<b>Entity Identifying Number</b>	<b>Passed Through to Subrecipients</b>	<b>Federal Expenditures</b>
<b>U.S. Corporation for National &amp; Community Service-</b>				
<b>Foster Grandparents Cluster:</b>				
Year ended December 31, 2016	94.011	15SFAMD001	\$ -	\$ 57,897
<b>Total Foster Grandparents Cluster</b>			<u>-</u>	<u>57,897</u>
<b>Total U.S. Corporation for National &amp; Community Service</b>			<u>-</u>	<u>57,897</u>
<b>Federal Emergency Management Agency-</b>				
Assistance to Firefighters	97.044	EMW-2015-FO-2360	-	400,543
<b>Total Federal Emergency Management Agency</b>			<u>-</u>	<u>400,543</u>
<b>U.S. Department of Housing &amp; Urban Development-</b>				
<b>Emergency Shelter Grants</b>				
2015-2016	14.231	E15-UC-24-0001	62,744	62,744
2016-2017	14.231	E16-UC-24-0010	89,163	89,163
<b>Total Emergency Shelter Grants</b>			151,907	151,907
<b>Community Development Block Grants Entitlement Grants Cluster:</b>				
2012-2013	14.218	B-12-UC-24-0010	2,637	2,637
2014-2015	14.218	B-14-UC-24-0010	50,332	50,332
2015-2016	14.218	B-15-UC-24-0010	200,467	200,467
2016-2017	14.218	B-16-UC-24-0010	1,116,048	1,116,048
<b>Total Community Development Block Grants Entitlement Grants Cluster</b>			1,369,484	1,369,484
<b>Supportive Housing Program (SHP):</b>				
Arundel House of Hope - Fouse Center	14.267	MD0109L3B031205	13,676	13,676
Mental Health Agency-SHOP Program	14.267	MD0105L3B031205	7,416	7,416
Anne Arundel Partnership	14.267	MD0107L3B031205	46,456	46,456
Arundel House of Hope - Safe Haven I	14.267	MD0110L3B031205	27,122	27,122
Arundel House of Hope - WISH Program	14.267	MD0108L3B031205	16,870	16,870
Housing First Project I	14.267	MD0257L3B031201	27,673	27,673
Housing First Project II	14.267	MD0271L3B031201	18,139	18,139
Annapolis Area Ministries - Anchor House	14.267	MD0106L3B031205	11,249	11,249
Mental Health Agency-Samaritan Housing Program	14.267	MD0104L3B031203	21,160	21,160
Housing Commission Permanent Housing	14.267	MD0113L3B031508	399,727	399,727
Mental Health Agency-SHOP Program	14.267	MD0105L3B031508	175,820	175,820
Arundel House of Hope - Community Housing	14.267	MD0238L3B031202	24,970	24,970



**ANNE ARUNDEL COUNTY, MARYLAND  
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS  
YEAR ENDED JUNE 30, 2017**

Grant Title	CFDA Number	Entity Identifying Number	Passed Through to Subrecipients	Federal Expenditures
<b>Supportive Housing Program (SHP) (cont):</b>				
Annapolis Area Ministries - Anchor House	14.267	MD0106L3B031205	\$ 11,403	\$ 11,403
Anne Arundel Partnership	14.267	MD0107L3B031508	441,052	441,052
Arundel House of Hope - Safe Haven I	14.267	MD0110L3B031508	28,119	28,119
Arundel House of Hope - WISH Program	14.267	MD0108L3B031508	39,390	39,390
Arundel House of Hope - Safe Haven II	14.267	MD0250L3B031506	60,528	60,528
Mental Health Agency-Samaritan Housing Program	14.267	MD0104L3B031506	35,640	35,640
Arundel House of Hope - Community Housing	14.267	MD0238L3B031505	33,932	33,932
Housing First Project I	14.267	MD0257L3B031504	36,791	36,791
Housing First Project II	14.267	MD0271L3B031504	99,906	99,906
CoC Planning Grant	14.267	MD0335L3B031500	42,000	42,000
Annapolis Area Ministries - Anchor House	14.267	MD0106L3B031508	17,551	17,551
Sarah's House 2022/2031	14.267	MD0111L3B031508	<u>100,696</u>	<u>100,696</u>
<b>Total Supportive Housing Program (SHP)</b>			1,737,286	1,737,286
<b>HOME Investment Partnership Program:</b>				
2015	14.239	HOME 864/60205	83,495	83,495
2016	14.239	HOME 865/60205	347,109	347,109
2017	14.239	HOME 866/60205	<u>486,954</u>	<u>486,954</u>
<b>Total HOME Investment Partnership Program</b>			<u>917,558</u>	<u>917,558</u>
<b>Total U.S. Department of Housing &amp; Urban Development - Direct Awards</b>			4,176,235	4,176,235
<b>U.S. Department of Housing &amp; Urban Development- Passed through Local Grants</b>				
<b>City of Baltimore</b>				
<b>HOPWA:</b>				
HOPWA 2014-2015	14.241	MDH14-F001	6,142	6,142
HOPWA 2015-2016	14.241	MDH15-F001	295,208	295,208
HOPWA 2016-2017	14.241	MDH16-F001	<u>107,098</u>	<u>107,098</u>
<b>Total HOPWA</b>			<u>408,448</u>	<u>408,448</u>
<b>Total U.S. Department of Housing &amp; Urban Development- Passed through Local Grants</b>			<u>408,448</u>	<u>408,448</u>
<b>Total U.S. Department of Housing &amp; Urban Development</b>			<u>4,584,683</u>	<u>4,584,683</u>
<b>U.S. Department of Health &amp; Human Services</b>				
Adult Drug Court Training Initiative	93.243	1H79TI025068-01	-	311,939
Drug Free Communities Support Program	93.276	5-H79-SP013459-10	-	23,156
Foster Care Court Improvement	93.586	S17CW0526P	-	8,193
SAMSHA Respond	93.104	1U79SM062450-01	<u>687,476</u>	<u>787,887</u>
<b>Total U.S. Department of Health &amp; Human Services - Direct Awards</b>			687,476	1,131,175

**ANNE ARUNDEL COUNTY, MARYLAND  
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS  
YEAR ENDED JUNE 30, 2017**

Grant Title	CFDA Number	Entity Identifying Number	Passed Through to Subrecipients	Federal Expenditures
<b>U.S. Department of Health and Human Services- Passed through from State</b>				
<b>Maryland State Department of Human Resources:</b>				
Child Support Enforcement 2016	93.563	CSEA/CRA-016-032	\$ -	\$ 147,538
Child Support Enforcement 2017	93.563	CSEA/CRA-017-032	-	419,785
<b>Total Child Support Enforcement</b>			-	567,323
<b>Total Maryland State Department of Human Resources</b>			-	567,323
<b>Maryland State Office on Aging:</b>				
Ombudsman / Elder Abuse Title VII	93.042	AAA-3-24-002 650917/02	-	33,194
Preventive Health Services III D	93.043	AAA-3-24-002 650617/02	-	25,862
<b>Aging Cluster</b>				
Senior Care Title III-B	93.044	AAA-3-24-002 650117/02	-	72,732
Legal Aid Bureau III B	93.044	AAA-3-24-002 650117/02	40,000	40,000
IIIB Telephone Reassurance	93.044	AAA-3-24-002 650117/02	-	8,094
<b>Total Title III B</b>			40,000	120,826
Nutrition IIIC-1	93.045	AAA-3-24-002 650217/02	-	491,279
Home Delivery of Meals Title III C	93.045	AAA-3-24-002 650317/02	-	257,338
			-	748,617
Nutrition Services Incentive	93.053	ST-6505-002 650517/02	-	93,382
<b>Aging Cluster Total</b>			40,000	962,825
Public Relations/Administration - IIIB	93.048	AAA-3-24-002 650117/02	-	242,057
National Family Care Giver III E	93.052	AAA-3-24-002 652017/02	-	176,650
Curb Abuse of Medicare & Medicaid	93.779	ST-6515-002	-	45,266
<b>Total Maryland State Office on Aging</b>			40,000	1,485,854
<b>Governor's Office of Crime Control and Prevention:</b>				
Children's Justice Act	93.643	MDSS-2017-0045	-	6,244
<b>Total Governor's Office of Crime Control and Prevention</b>			-	6,244
<b>Maryland State Dept. of Health and Mental Hygiene:</b>				
PHP: Planning & Readiness	93.069	CH809PHP	-	339,223
PHP: Cities Readiness Initiative	93.069	CH809PHP	-	84,202
PHP: Zika Supplemental	93.069	PR074PHP	-	68,259
<b>Total Public Health Emergency Preparedness</b>			-	491,684

**ANNE ARUNDEL COUNTY, MARYLAND  
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS  
YEAR ENDED JUNE 30, 2017**

Grant Title	CFDA Number	Entity Identifying Number	Through to Subrecipients	Federal Expenditures
<b>Maryland State Dept. of Health and Mental Hygiene (cont):</b>				
PHEP EBOLA Supplemental	93.074	PR050PHP	\$ -	\$ 10,678
Personal Responsibility Education Program	93.092	FHB76PRE	7,580	82,488
Perinatal Infant Oral Health	93.110	FHF81POH	-	13,000
MAT: Prescription Drug & Opioid Addiction	93.243	AS307MAT	-	165,560
Partnership for Success	93.243	MU333PFS	<u>105,000</u>	<u>152,616</u>
<b>Total Substance Abuse and Mental Health Services</b>			105,000	318,176
Immunization Service Delivery	93.268	CH358IMM	-	110,500
<b>Health Center Program Cluster</b>				
Detention Center Naloxone	93.527	AS397DCP	-	23,284
Overdose Education & Naloxone	93.527	AS310ODN	<u>-</u>	<u>51,984</u>
<b>Health Center Program Cluster Total</b>			-	75,268
CDC Breast & Cervical Cancer	93.752	FH425CBC	-	141,131
Blood Pressure Cuffs	93.758	FHF31BPC	-	2,392
Administrative Care Coordinator	93.767	MA007EPS	-	55,509
PWC Eligibility	93.767	MA281ACM	<u>-</u>	<u>117,039</u>
			-	172,548
<b>Medicaid Cluster</b>				
Expanded ACC	93.778	MA390HSP	-	67,900
Administrative Care Coordinator	93.778	MA007EPS	-	214,859
PWC Eligibility	93.778	MA281ACM	-	635,388
M/A General Transportation	93.778	MA344GTS	<u>-</u>	<u>1,318,507</u>
<b>Medicaid Cluster Total</b>			-	2,236,654
Ryan White B Support Services	93.917	AD421RWS	-	73,698
HIV Prevention Services	93.940	AD349PRV	-	90,718
Integration of Sexual Health in Recovery	93.959	AD678INT	-	51,020
Opioid Misuse Prevention 17	93.959	AS289OMP	-	82,637
Addictions Prevention	93.959	AS002SAS	33,000	295,317
Addictions Federal Treatment 17	93.959	AS213FED	192,348	1,455,543
Health Administrative Grant	93.959	AS344ADM	<u>-</u>	<u>293,321</u>
<b>Total Block Grant for Prevention and Treatment of Substance Abuse</b>			225,348	2,177,838

**ANNE ARUNDEL COUNTY, MARYLAND  
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS  
YEAR ENDED JUNE 30, 2017**

Grant Title	CFDA Number	Entity Identifying Number	Passed Through to Subrecipients	Federal Expenditures
<b>Maryland State Dept. of Health and Mental Hygiene (cont):</b>				
Sexually Transmitted Diseases	93.977	CH033STD	\$ -	\$ 41,787
Core Public Health Services	93.994	CH553CFT	-	304,942
<b>Total Maryland State Dept. of Health and Mental Hygiene</b>			<u>337,928</u>	<u>6,343,502</u>
<b>Total U.S. Department of Health and Human Services- Passed through from State</b>			377,928	8,402,923
<b>U.S. Department of Health and Human Services- Passed through Local Grants</b>				
<b>City of Baltimore</b>				
Ryan White I (Assoc Black Charities)	93.914	ABC-16-2403	-	180,141
Ryan White I (Assoc Black Charities)	93.914	ABC-17-2403	-	80,205
<b>Total Ryan White</b>			-	260,346
<b>TANF Cluster</b>				
<b>Friends of the Family</b>				
Maryland Family Network	93.558	MDFN-070615	-	27,000
<b>TANF Cluster Total</b>			-	27,000
<b>Mercy Hurst University</b>				
High Intensity Drug Trafficking Area	95.001	G16WB0004A	-	122,805
<b>Total U.S. Department of Health and Human Services- Passed through Local Grants</b>			-	410,151
<b>Total U.S. Department of Health and Human Services</b>			<u>1,065,404</u>	<u>9,944,249</u>
<b>U.S. Department of Justice-</b>				
Equitable Shared - Drug Enforcement Administration	16.000	MD 0020200	-	476,053
		2010-AP-BX-0135		
		2011-AP-BX-0424		
		2012-AP-BX-0523		
State Criminal Alien Assistance Program	16.606	2013-AP-BX-0677	-	60,707
		2014-AP-BX-0164		
		2015-AP-BX-0611		
Solving Cold Cases with DNA	16.560	2014-DN-DX-K071	-	32,980
Forensic Casework DNA Backlog 2014	16.743	2014-DN-BX-0068	-	9,645
Forensic Casework DNA Backlog 2015	16.743	2015-DN-BX-0069	-	93,898
Forensic Casework DNA Backlog 2016	16.743	2016-DN-BX-0113	-	20,564
<b>Total Forensic Casework DNA Backlog</b>			-	124,107

**ANNE ARUNDEL COUNTY, MARYLAND  
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS  
YEAR ENDED JUNE 30, 2017**

Grant Title	CFDA Number	Entity Identifying Number	Passed Through to Subrecipients	Federal Expenditures
<b>U.S. Department of Justice (cont)-</b>				
Byrne Memorial Justice Grant				
2013	16.738	2013-DJ-BX-0482	\$ -	\$ 10,081
2014	16.738	2014-DJ-BX-0524	-	28,448
2015	16.738	2015-DJ-BX-0380	-	7,094
2016	16.738	2016-DJ-BX-0955	-	112,838
<b>Total Byrne Memorial Justice Grant</b>			-	158,461
<b>Total US Department of Justice - Direct Awards</b>			-	852,308
<b>US Department of Justice: Passed through From State</b>				
<b>Governor's Office of Crime Control &amp; Prevention:</b>				
Disproportionate Minority Contact	16.540	JJAC-2015-1101	-	29,747
Paul Coverdell Forensic Science	16.560	CFSI-2015-0001	-	15,962
Victim Witness Notification Specialists	16.575	VOCA-2015-1642	-	23,175
Victim Witness Notification Specialists	16.575	VOCA-2016-0055	-	72,866
<b>Total Crime Victim Assistance</b>			-	96,041
DUI - Justice Assistance Grant	16.579	S17PS01X70 / S17MV02X70	-	140,196
LETS Training Grant	93.643	BJAG-2013-0069	-	3,623
Medication Assisted Treatment	16.738	RSAT-2013-0004	-	45,428
Medication Assisted Treatment Supplement	16.738	RSAT-2016-0001	-	25,547
<b>Total Edward Byrne Memorial Justice</b>			-	70,975
Danger Assessment Advocate	16.588	VAWA-2015-1974	-	2,908
Danger Assessment Advocate	16.588	VAWA-2016-0064	-	14,504
<b>Total Violence Against Women</b>			-	17,412
<b>Total US Department of Justice: Passed through From State</b>			-	373,956
<b>Total US Department of Justice</b>			-	1,226,264
<b>U.S. Department of Agriculture-</b>				
<b>Maryland State Health Department:</b>				
Women, Infants & Children	10.557	WI174WIC	-	1,314,466
Breast Feeding Peer Counselor	10.557	WIB34BPC	-	101,984
WIC Training & Temp Staffing	10.557	WI871TRN	-	448,413
<b>Total U.S. Department of Agriculture</b>			-	1,864,863

**ANNE ARUNDEL COUNTY, MARYLAND  
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS  
YEAR ENDED JUNE 30, 2017**

Grant Title	CFDA Number	Entity Identifying Number	Passed Through to Subrecipients	Federal Expenditures
<b>U.S. Department of Education-</b>				
<b>Maryland State Department of Education</b>				
Staff Development	45.310	LS-00-16-0021-16	\$ -	\$ 14,030
<b>Total U.S. Department of Education</b>			<u>-</u>	<u>14,030</u>
<b>U.S. Department of Homeland Security-</b>				
<b>Maryland State Emergency Management Agency-</b>				
Winter Storm Reimbursement 2016	97.036	FEMA-DR-4261	-	1,634,370
Water Facility Emergency Generators HMGP	97.039	FEMA-DR-4038-MD	-	870,494
Emergency Management Performance Program	97.042	EMW-2015-EP-00008-S01	-	201,580
State Homeland Security Program	97.067	EMW-2015-SS-00007-S01	-	157,464
State Homeland Security Program (Fire)	97.067	EMW-2015-SS-00007-S01	-	26,265
<b>Total State Homeland Security Program</b>			-	183,729
Emergency Management Support Program	97.008	EMW-2015-SS-00007-S01	-	153,837
UASI- Sheltering	97.008	EMW-2015-SS-00007-S01	-	2,106
UASI- MCCU Vehicle Maintenance	97.008	EMW-2015-SS-00007-S01	-	8,778
UASI- Incident Management Training	97.008	EMW-2015-SS-00007-S01	-	17,577
UASI- Hazardous Material Support	97.008	EMW-2015-SS-00007-S01	-	37,799
UASI- Closed Circuit Television	97.008	EMW-2014-SS-00007-S01	-	4,535
UASI- Ambulance Buses	97.008	EMW-2015-SS-00007-S01	-	22,563
UASI- Tactical Equipment	97.008	EMW-2015-SS-00007-S01	-	55,357
UASI- Tech Training WEB EOC	97.008	EMW-2015-SS-00007-S01	-	4,143
<b>Total Non-Profit Security Program</b>			-	306,695
<b>Total U.S. Department of Homeland Security</b>			-	3,196,868
<b>US Department of Labor-</b>				
<b>Maryland Department of Labor, Licensing &amp; Regulations</b>				
<b>WIOA Cluster</b>				
WIA Title 1 Grant: Youth	17.258	P00P64US011 P00P74AAPY16 P00P64AA031	828,632	828,632
WIA Title 1 Grant: Adult	17.259	P00P74AAPY16 P00P74AAFY17	703,753	703,753

**ANNE ARUNDEL COUNTY, MARYLAND  
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS  
YEAR ENDED JUNE 30, 2017**

Grant Title	CFDA Number	Entity Identifying Number	Passed Through to Subrecipients	Federal Expenditures
<b>Maryland Department of Labor, Licensing &amp; Regulations (cont)</b>				
		P00P64US011		
WIA Title 1 Grant: Dislocated Worker	17.278	P00P64AA031	\$ 861,217	\$ 861,217
		P00P74AAPY16		
		P00P74AAFY17		
<b>WIOA Cluster Total</b>			<u>2,393,602</u>	<u>2,393,602</u>
<b>Total US Department of Labor</b>			<u>2,393,602</u>	<u>2,393,602</u>
<b>US Department of Transportation-</b>				
<b>Highway Safety Cluster</b>				
<b>Maryland Department of Transportation:</b>				
2016 Community Traffic Safety	20.601	P-2016-022	-	19,561
2016 Community Traffic Safety	20.601	P-2017-018	-	53,811
<b>Highway Safety Cluster Total</b>			-	73,372
<b>Highway Planning and Construction Cluster</b>				
<b>State Highway Administration:</b>				
Chesterfield Road Bridge/Bacon Ridge Bridge	20.205	AA810ZN2	-	657,821
Sands Road Bridge Replacement	20.205	AA563ZMI	-	898,862
<b>Highway Planning and Construction Cluster (cont)</b>				
<b>Mass Transit Administration:</b>				
Historic Generals Highway Corridor	20.205	VTPC-2014-04	-	58,865
<b>Baltimore Metropolitan Council</b>				
UPWP Federal Transit Metro Planning 16	20.205	UPWP-070115	-	29,918
UPWP Federal Transit Metro Planning 17	20.205	UPWP-070116	-	59,440
<b>Highway Planning and Construction Cluster Total</b>			-	1,704,906
<b>Maryland Emergency Management Agency</b>				
Hazardous Materials Emergency Preparedness	20.703	HMP-0546-16-01-00	-	800
<b>Federal Transit Cluster</b>				
<b>Mass Transit Administration:</b>				
Federal Transit Formula	20.507	MD-95-CM16	-	132,765
<b>Federal Transit Cluster Total</b>			-	132,765
<b>Motor Vehicle Administration:</b>				
Parent Education: Prevent Underage Drinking	20.608	MVA GN-2017-017	-	11,890
Motor Carrier Assistance Program	20.218	MCD-MOU111416	-	5,115
<b>Total US Department of Transportation</b>			-	<u>1,928,848</u>
<b>Total Federal Expenditures</b>			<u>\$ 8,043,689</u>	<u>\$ 25,611,847</u>

**ANNE ARUNDEL COUNTY, MARYLAND**  
**NOTES TO SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS**  
**YEAR ENDED JUNE 30, 2017**

**NOTE 1 BASIS OF PRESENTATION**

The County reporting entity is defined in Note 1 to the County's basic financial statements. All federal awards received directly from federal agencies as well as federal awards passed through other State and local governmental agencies and nonprofit organizations are included in the accompanying schedule. The accompanying schedule is presented using 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.

Expenditures presented represent only the federally funded portions of the grant programs. Expenditure of federal award grant funds 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 the Schedule or on the financial position of the County. Compliance testing of all applicable compliance requirements, as described in Title 2 U. S. Code of Federal Regulations Part 200, was performed for all major programs.

Federal awards, if any, of the Anne Arundel County Retirement and Pension System, the Anne Arundel Other Post Employment Plan Trust, the Anne Arundel County Board of Education, the Anne Arundel Community College, the Public Library of Annapolis and Anne Arundel County, the Anne Arundel Economic Development Corporation, Inc., the Tipton Airport Authority, and the Anne Arundel Workforce Development Corporation, component units, are not included in the schedule.

**NOTE 2 FISCAL PERIOD AUDITED**

Single audit testing procedures were performed for transactions occurring during the fiscal year ended June 30, 2017.

**NOTE 3 CATEGORIZATION OF EXPENDITURES**

The categorization of expenditures by program included in the Schedule of Expenditures of Federal Awards is based on the Catalog of Federal Domestic Assistance (CFDA). Changes in the categorization of expenditures occur based on revisions to the CFDA, which are issued in June and December of each year. In accordance with the County's policy, the Schedule of Expenditures of Federal Awards for the year ended June 30, 2017, reflects CFDA changes issued through June 2017.



**ANNE ARUNDEL COUNTY, MARYLAND**  
**NOTES TO SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS**  
**YEAR ENDED JUNE 30, 2017**

**NOTE 4   INDIRECT COSTS**

The County did not elect to use the 10% de Minimis cost rate for indirect costs.

**NOTE 5   NONCASH ASSISTANCE**

The County receives food commodities from the Federal Government. During the year ended June 30, 2017, the fair market value of the commodities received was estimated at \$197,559 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 of Expenditures of Federal Awards.

**NOTE 6   REVOLVING LOAN PROGRAM**

The County participates in the Environmental Protection Agency's Capitalization Grants for State Revolving Funds loan program (federal catalog number 66.458). The amount due to the State of Maryland under this program as of year ended June 30, 2016, was approximately \$57,272,236 and current year activity was a net decrease to the revolving loan program of approximately \$1,344,497 resulting in a balance due to the State of Maryland as of June 30, 2017 of approximately \$55,927,739.

**NOTE 7   MARYLAND STATE DEPARTMENT OF HEALTH AND MENTAL HYGIENE**

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

**NOTE 8   DISASTER GRANTS – PUBLIC ASSISTANCE**

Expenditures of \$1,634,370 reported for Disaster Grants – Public Assistance (CFDA #97.036) were incurred in a prior year. Due to the timing of the project worksheet approval, they have been included in the 2017 Schedule of Expenditures of Federal Awards.

**ANNE ARUNDEL COUNTY, MARYLAND  
SCHEDULE OF FINDINGS AND QUESTIONED COSTS  
JUNE 30, 2017**

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

**Financial Statements**

**Type of auditor’s report issued:** Unmodified

Internal control over financial reporting:

- Material weakness(es) identified? \_\_\_\_\_yes      X   no
- Significant deficiency(ies) identified that are not considered to be material weaknesses? \_\_\_\_\_yes      X   no
- Noncompliance material to financial statements noted? \_\_\_\_\_yes      X   no

**Federal Awards**

Internal control over major programs:

- Material weakness(es) identified? \_\_\_\_\_yes      X   no
- Significant deficiency(ies) identified that are not considered to be material weakness(es)?   X   yes    \_\_\_\_\_no

**Type of auditor’s report issued on compliance for major programs:** Unmodified

Any audit findings disclosed that are required to be reported in accordance with 2 CFR 510 (a)? \_\_\_\_\_X\_\_\_\_\_yes    \_\_\_\_\_no

**Identification of major programs:**

<u><b>CFDA Number(s)</b></u>	<u><b>Name of Federal Program or Cluster</b></u>
14.218	Community Development Block Grant
14.239	HOME Investment Partnership Program
17.258, .259, .278	Workforce Investment Act Cluster
93.044, .045, .053	Aging Cluster
93.069	Local Prevention Initiatives
93.104	SAMHSA
93.959	Block Grants for Prevention and Treatment of Substance Abuse
97.036	Winter Storm Reimbursement
97.039	Water Facility Emergency Generators HMGP

Dollar threshold used to distinguish between type A and type B programs:   \$ 768,355  

Auditee qualified as low-risk auditee? \_\_\_\_\_yes      X   no

**ANNE ARUNDEL COUNTY, MARYLAND  
SCHEDULE OF FINDINGS AND QUESTIONED COSTS  
JUNE 30, 2017**

**Section II. – Financial Statement Findings**

None were reported.

**ANNE ARUNDEL COUNTY, MARYLAND  
SCHEDULE OF FINDINGS AND QUESTIONED COSTS  
JUNE 30, 2017**

**Section III. – Federal Award Findings and Questioned Costs**

**Finding Reference:** 2017-001  
**Federal Agency:** U.S. Department of Health and Human Services  
**Federal Program:** 93.104 – Substance Abuse and Mental Health Services Administration – Grant #1U79SM062450-01  
**Compliance Requirement:** Subrecipient Monitoring  
**Type of Finding:** Significant Deficiency, Non-compliance  
**Grant Year:** 2017

***Condition/Context***

The County did not include all required information into subaward agreements. Neither of the 2 sub-awards tested contained the required information as noted below in 2 CFR part 200.331.

***Criteria***

2 CFR part 200.331 require that all pass-through entities must ensure that every sub-award is clearly identified to the subrecipient as a sub-award and includes the following information at the time of the sub-award and if any of these data elements change, include the changes in subsequent sub-award modification. When some of this information is not available, the pass-through entity must provide the best information available to describe the Federal award and sub-award. Required information includes: (1) Federal Award Identification (i) subrecipient name; (ii) subrecipient's unique entity identifier; (iii) Federal Award Identification Number (FAIN); (iv) Federal Award Date of award of award to the recipient by the Federal agency (v) sub-award period of performance start and end date; (vi) amount of Federal funds obligated by this action by the pass-through entity to the subrecipient; (vii) total amount of federal funds obligated to the subrecipient by the pass-through entity including the current obligations; (viii) total amount of the federal award committed to the subrecipient by the pass-through entity; (ix) federal award project description, as required to be responsive to the Federal Funding Accountability and Transparency Act (FFATA); (x) name of federal awarding agency, pass-through entity, and contact information for awarding official of the pass-through entity; (xi) CFDA number and name; (xii) identification of whether the award is R&D; and (xiii) indirect cost rate for the Federal award.

***Cause***

The County does not have effective controls in place to ensure sub-awards contain all required information.

***Effect***

The sub-awards did not contained all the required information. Therefore, it was not in compliance with 2 CFR 200.331(a).

***Questioned Costs***

None.

***Recommendation***

We recommend that the County review and enhance their current procedures for creating sub-award contracts to ensure all requirements found in 2 CFR section 200.331(a) are present.

**ANNE ARUNDEL COUNTY, MARYLAND**  
**SCHEDULE OF FINDINGS AND QUESTIONED COSTS**  
**JUNE 30, 2017**

***Views of the Responsible Officials and Corrective Action Plan***

Management agrees to enhance current procedures over the creation of Federal sub-award contracts. The two sub-award contracts identified by the auditor will be amended to include the missing elements required by 2 CFR 200.331(a). All future sub-awards of Federal funds will be reviewed prior to execution to ensure all requirements found in 2 CFR section 200.331(a) are present in the language.

**ANNE ARUNDEL COUNTY, MARYLAND**  
**SCHEDULE OF FINDINGS AND QUESTIONED COSTS**  
**JUNE 30, 2017**

**Finding Reference:** 2017-002  
**Federal Agency:** U.S. Department of Health and Human Services  
**Federal Program:** 93.044, .045, .053 – Aging Cluster – Grant #AAA-3-24-002  
93.959 – Block Grant for Prevention and Treatment of Substance Abuse  
– Grant #AS289OMP  
**Compliance Requirement:** Allowable Costs  
**Type of Finding:** Significant Deficiency, Non-Compliance  
**Grant Year:** 2017

***Condition/Context***

The County was unable to provide complete supporting documentation for amounts charged to grants. 1 out of 18 of the Aging Cluster disbursements did not have adequate support for the entire amount charged to the grant. The County recorded a journal entry to the grant for \$2,900, of which \$45 was not supported by underlying documentation. Additionally, 1 out of 40 of the Block Grant for Prevention and Treatment of Substance Abuse disbursement did not have adequate support. The County miscalculated a mileage reimbursement resulting in an overcharge to the grant of \$28.19

***Criteria***

2 CFR part 200.62 require that a non-Federal entity must implement a process designed to provide reasonable assurance regarding the achievement of the following objectives for Federal awards: (a) transactions are properly recorded and accounted for, in order to: (1) permit the preparation of reliable financial statements and Federal reports; (2) maintain accountability over assets; and (3) demonstrate compliance with Federal statutes, regulations, and the terms and conditions of the Federal award; (b) transactions are executed in compliance with: (1) Federal statutes, regulations, and the terms and conditions of the Federal award that could have a direct and material effect on a Federal program; and (2) any other Federal statutes and regulations that are identified in the compliance supplement; and (c) funds, property, and other assets are safeguarded against loss from unauthorized use or disposition.

***Cause***

The County's supervisory review of supporting documentation was not adequate to ensure all supporting documentation was obtained.

***Effect***

The County could not support all amounts charged to the grant.

***Questioned Costs***

Not determined.

***Recommendation***

We recommend that the County review and enhance procedures for maintaining documentation of all Federal expenditures.

***Views of the Responsible Officials and Corrective Action Plan***

Management agrees to review and enhance procedures for obtaining and validating documentation of all Federal expenditures. Personnel involved in the two discrepancies noted by the auditor have been counseled and general training will be provide to all Federal grant handlers to assure they understand the Federal and County retention rules over obtaining and validating documentation of federal expenditures for audit purposes.

**ANNE ARUNDEL COUNTY, MARYLAND**  
**SCHEDULE OF FINDINGS AND QUESTIONED COSTS**  
**JUNE 30, 2017**

**Finding Reference:** **2017-003**  
**Federal Agency:** U.S. Department of Homeland Security and U.S. Department of Health and Human Services  
**Federal Program:** 97.036 – Disaster Grants – Public Assistance – Grant #FEMA-4261-DR-MD  
93.104 – Substance Abuse and Mental Health Services Administration – Grant #1U79SM062450-01  
93.959 – Block Grant for Prevention and Treatment of Substance Abuse – Grant #AS213FED  
**Compliance Requirement:** Reporting  
**Type of Finding:** Significant Deficiency in Internal Control, Non-compliance  
**Grant Year:** 2017

***Condition/Context***

The County's schedule of expenditures of federal awards did not accurately identify all FY 2017 federal expenditures as required by Uniform Guidance. The County did not include accurate program expenditures for three federal programs (97.036, 93.104, and 93.959). The final SEFA was corrected to include these program expenditures.

***Criteria***

2 CFR part 200.303 requires that non-Federal entities receiving Federal awards (i.e., auditee management) establish and maintain internal control designed to reasonably ensure compliance with Federal laws, regulations, and program compliance requirements. Internal Control-Integrated Framework, published by the Committee of Sponsoring Organizations of the Treadway Commission, provides a framework for organizations to design, implement, and evaluate control that will facilitate compliance with the requirements of Federal laws, regulations, and program compliance requirements.

In addition, 2 CFR Subpart D 200.302 (1) and 200.303 (a) stipulates that the auditee must identify, in its accounts, all Federal awards received and expended and the Federal programs under which they were received. Federal programs and award identification shall include, as applicable, the CFDA title and number, Federal award identification number and year, name of Federal agency, and name of the pass-through entity; establish and maintain effective internal control over Federal award that provides reasonable assurance that the auditee is managing Federal awards in compliance with Federal statutes, regulation, and the terms and conditions of the Federal award. These internal controls should be in compliance with guidance in "Standards for Internal Control in the Federal Government" issued by the Controller General of the United State and the "Internal Control Integrated Framework", issued by the Committee on Sponsoring Organizations of the Treadway Commission (COSO).

***Cause***

The County does not have effective internal controls in place for identifying and accruing program expenditures in enough time to allow proper reporting on the respective year's SEFA.

***Effect***

The SEFA contained incomplete expenditure amounts. Therefore, it was not in compliance with 2 CFR Subpart D 200.302 (1) and 200.303 (a). The County's program expenditures may be disallowed if the expenditures are not reported within the allowable period of availability.

**ANNE ARUNDEL COUNTY, MARYLAND**  
**SCHEDULE OF FINDINGS AND QUESTIONED COSTS**  
**JUNE 30, 2017**

***Questioned Costs***

None.

***Recommendation***

We recommend that the County review current procedures for creating the SEFA to ensure that all federal programs and related expenditures incurred and/or paid during the audit period are properly identified.

***Views of the Responsible Officials and Corrective Action Plan***

Management agrees to review the current procedures for creating the SEFA to ensure all Federal program expenditures are included on the SEFA. Existing procedures will be amended to ensure all Federal programs and related expenditures incurred or paid during the audit period are properly identified and included. Grant managers will be trained to ensure those procedures are properly followed to ensure creation of an accurate SEFA.



**ANNE ARUNDEL COUNTY, MARYLAND  
SCHEDULE OF PRIOR YEAR FINDINGS  
JUNE 30, 2017**

**2016-001**

**OPEB Contribution**

**Current Status:** Fully corrected. The corrective measures have been put into place.

**2016-002**

**Accounting for Construction in Process**

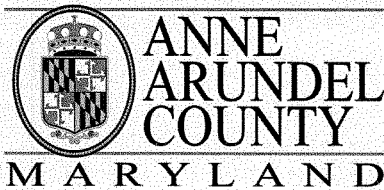
**Current Status:** Fully corrected. The corrective measures have been put into place.

**2016-003**

**Federal Agency:** U.S Department of Transportation; U.S. Department of Justice  
**Federal Program:** 20.205 – Highway Planning and Construction – Grant #AA563ZMI  
16.738 – Edward Byrne Memorial Justice – Grant #BJAG-2013-1081  
16.588 – Violence against Women – Grant #VAWA-2014-1874;  
VAWA-2015-1974

**Compliance Requirement** - Reporting

**Current Status:** Partially corrected. See current year finding 2017-003.



**ANNE ARUNDEL COUNTY, MARYLAND  
CORRECTIVE ACTION PLAN  
YEAR ENDED JUNE 30, 2017**

Anne Arundel County, Maryland respectfully submits the following corrective action plan for the year ended June 30, 2017.

Audit period: July 1, 2016 – June 30, 2017

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—FINANCIAL STATEMENT AUDIT**

None were reported.

**FINDINGS—FEDERAL AWARD PROGRAMS AUDITS**

**U.S. DEPARTMENT OF HEALTH AND HUMAN SERVICES**

2017-001 Substance Abuse and Mental Health Services Administration – CFDA No. 93.104

Recommendation: We recommend that the County review and enhance their current procedures for creating sub-award contracts to ensure all requirements found in 2 CFR section 200.331(a) are present.

Explanation of disagreement with audit finding: There is no disagreement with the audit finding.

Action taken in response to finding: Management agrees to enhance current procedures over the creation of Federal sub-award contracts. The two sub-award contracts identified by the auditor will be amended to include the missing elements required by 2 CFR 200.331(a). All future sub-awards of Federal funds will be reviewed prior to execution to ensure all requirements found in 2 CFR section 200.331(a) are present in the language.

Name(s) of the contact person(s) responsible for corrective action: Michael Beard, Allison Holstrom

Planned completion date for corrective action plan: June 30, 2018.

**U.S. DEPARTMENT OF HEALTH AND HUMAN SERVICES**

2017-002 Aging Cluster – CFDA No. 93.044, .045, .0453  
Block Grant for Prevention and Treatment of Substance Abuse – CFDA No. 93.959

Recommendation: We recommend that the County review and enhance procedures for maintaining documentation of all Federal expenditures.

Explanation of disagreement with audit finding: There is no disagreement with the audit finding.

Action taken in response to finding: Management agrees to review and enhance procedures for obtaining and validating documentation of all Federal expenditures.

**ANNE ARUNDEL COUNTY, MARYLAND  
CORRECTIVE ACTION PLAN  
YEAR ENDED JUNE 30, 2017**

Personnel involved in the two discrepancies noted by the auditor have been counseled and general training will be provide to all Federal grant handlers to assure they understand the Federal and County retention rules over obtaining and validating documentation of federal expenditures for audit purposes.

Name(s) of the contact person(s) responsible for corrective action: Michael Beard

Planned completion date for corrective action plan: June 30, 2018.

**U.S. DEPARTMENT OF HOMELAND SECURITY AND U.S. DEPARTMENT OF HEALTH AND HUMAN SERVICES**

2017-003      Disaster Grants – Public Assistance – CFDA No. 97.036  
Substance Abuse and Mental Health Services Administration – CFDA No. 93.104  
Block Grant for Prevention and Treatment of Substance Abuse – CFDA No. 93.959

Recommendation: We recommend that the County review current procedures for creating the SEFA to ensure that all federal programs and related expenditures incurred and/or paid during the audit period are properly identified.

Explanation of disagreement with audit finding: There is no disagreement with the audit finding.

Action taken in response to finding: Management agrees to review the current procedures for creating the SEFA to ensure all Federal program expenditures are included on the SEFA. Existing procedures will be amended to ensure all Federal programs and related expenditures incurred or paid during the audit period are properly identified and included. Grant managers will be trained to ensure those procedures are properly followed to ensure creation of an accurate SEFA.

Name(s) of the contact person(s) responsible for corrective action: Michael Beard

Planned completion date for corrective action plan: June 30, 2018.

If there are any has questions regarding this plan, please call Michael Beard at 410-222-2366.