

ANNE ARUNDEL COUNTY, MARYLAND
REPORT ON SINGLE AUDIT
YEAR ENDED JUNE 30, 2020



WEALTH ADVISORY | OUTSOURCING
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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, 2020, 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 17, 2020. Our report includes a reference to other auditors who audited the financial statements of Tipton Airport Authority 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, the Anne Arundel Workforce Development Corporation, 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 Community College Foundation (which is included in the financial statements of the Anne Arundel County Community College) was not audited in accordance with *Government Auditing 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) as a basis for designing audit procedures that are appropriate in the circumstances for the purpose of expressing our opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the County's internal control. Accordingly, we do not express an opinion on the effectiveness of the County's internal control.

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

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 County's financial statements will not be prevented, or detected and corrected on a timely basis. A *significant deficiency* is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness yet important enough to merit attention by those charged with governance.

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies and therefore, material weaknesses or significant deficiencies may exist that have not been identified. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. We did identify certain deficiencies in internal control, described in the schedule of findings and questioned costs as item 2020-001 that we consider to be a significant deficiency.

Compliance and Other Matters

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

County's Response to Findings

The County's response to the finding 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 the financial statements and, accordingly, we express no opinion on it.

Purpose of this Report

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the 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 17, 2020



**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 and
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, 2020. 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 the 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 programs.

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 the Uniform Guidance require that we plan and perform the audit to obtain reasonable assurance about whether noncompliance with the types of compliance requirements referred to above that could have a direct and material effect on a major federal program occurred. An audit includes examining, on a test basis, evidence about 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, 2020.

Other Matters

The results of our auditing procedures disclosed an instance of noncompliance, which is required to be reported in accordance with the Uniform Guidance and which is described in the accompanying schedule of findings and questioned costs as item 2020-002. Our opinion on each major federal program is not modified with respect to this matter.

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

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

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

Our consideration of internal control over compliance was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control over compliance that might be material weaknesses or significant deficiencies. We did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses. However, we did identify a deficiency in internal control over compliance, described in the accompanying schedule of findings and questioned costs as item 2020-002, which we consider to be a significant deficiency.

The County's response to the internal control over compliance finding 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.

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, 2020, and the related notes to the financial statements, which collectively comprise the County's basic financial statements. We issued our report thereon dated December 17, 2020, which contained unmodified opinions on those financial statements. Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the basic financial statements. The accompanying schedule of expenditures of federal awards is presented for purposes of additional analysis as required by the Uniform Guidance and is not a required part of the basic financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. The information has been subjected to the auditing procedures applied in the audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the schedule of expenditures of federal awards is fairly stated, in all material respects, in relation to the basic financial statements as a whole.



CliftonLarsonAllen LLP

Baltimore, Maryland
August 11, 2021

**ANNE ARUNDEL COUNTY, MARYLAND
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
YEAR ENDED JUNE 30, 2020**

Grant Title	Federal CFDA Number	Pass-through Agency	Pass-Through Identifying Number	Federal Expenditures	Total Expenditures per Federal Federal CFDA Number	Passed Through to Subrecipients
Department of Agriculture:						
Women, Infants & Children	10.557	Maryland State Health Department:	WI174WIC	\$ 1,117,719		\$ -
Breast Feeding Peer Counselor	10.557	Maryland State Health Department:	WIB34BPC	73,374		-
WIC Training & Temp Staffing	10.557	Maryland State Health Department:	WI871TRN	387,868		-
Total Department of Agriculture				1,578,961	1,578,961	-
United States Census:						
Census Outreach Grant	11.016	Maryland Department of Planning	USC-MDP-AAC	30,736		12,200
Total United States Census				30,736	30,736	12,200
Department of Housing & Urban Development:						
Community Development Block Grant - CV CARES	14.218	None	B-20-UW-24-0010	46,425		46,425
Community Development Block Grant 2016-2017	14.218	None	B-16-UC-24-0010	6,676		6,676
Community Development Block Grant 2017-2018	14.218	None	B-17-UC-24-0010	101,332		101,332
Community Development Block Grant 2018-2019	14.218	None	B-18-UC-24-0010	700,866		700,866
Community Development Block Grant 2019-2020	14.218	None	B-19-UC-24-0010	1,970,632		1,970,632
					2,825,931	2,825,930
Emergency Shelter Grant - CV CARES	14.231	None	E-20-UW-24-0010	10,885		10,885
Emergency Shelter Grant 2018-2019	14.231	None	E-18-UC-24-0010	96,136		96,136
Emergency Shelter Grant 2019-2020	14.231	None	E-19-UC-24-0010	85,069		85,069
					192,090	192,090
HOME Investment Partnership Program 2016	14.239	None	M-15-UC-24-0200	7,923		7,923
HOME Investment Partnership Program 2018	14.239	None	M-17-UC-24-0200	275,800		275,800
HOME Investment Partnership Program 2019	14.239	None	M-18-UC-24-0200	367,306		367,306
HOME Investment Partnership Program 2020	14.239	None	M-19-UC-24-0200	44,850		44,850
					695,879	695,879
Housing Opportunities for People With Aids 2017-2018	14.241	City of Baltimore	MDH17-F001	226,594		226,594
Housing Opportunities for People With Aids 2018-2019	14.241	City of Baltimore	MDH18-F001	131,600		131,600
Housing Opportunities for People With Aids 2018-2019	14.241	City of Baltimore	MDH19-F001	2,903		2,903
					361,097	361,097
Supportive Housing Program (SHP):						
Mental Health Agency-SHOP Program	14.267	None	MD0105L3B031710	8,281		8,281
Anne Arundel Partnership	14.267	None	MD0107L3B031710	18,971		18,971
Arundel House of Hope - Safe Haven I	14.267	None	MD0110L3B031710	8,822		8,822
Arundel House of Hope - WISH Program	14.267	None	MD0250L3B031708	14,113		14,113
Mental Health Agency-Samaritan Housing Program	14.267	None	MD0104L3B031708	24,974		24,974
Arundel House of Hope - Community Housing	14.267	None	MD0238L3B031707	17,607		17,607
Housing First Project I	14.267	None	MD0257L3B031706	30,823		30,823
Housing First Project II	14.267	None	MD0271L3B031706	24,449		24,449
Rapid Re-Housing for Families Program	14.267	None	MD0363L3B031701	39,285		39,285
Mental Health Agency-SHOP Consolidated Program	14.267	None	MD0362L3B031802	225,976		225,976
Anne Arundel Partnership for Housing Consolidated	14.267	None	MD0113L3B031811	900,065		900,065
Arundel House of Hope - Safe Haven Consolidated	14.267	None	MD0250L3B031809	125,740		125,740
Housing First Consolidated	14.267	None	MD0271L3B031807	141,416		141,416
Arundel House of Hope - Community Housing Consolidated	14.267	None	MD0238L3B031808	75,037		75,037
Rapid Re-Housing for Families Program	14.267	None	MD0363L3B031802	123,849		123,849

See accompanying Notes to Schedule of Expenditures of Federal Awards.

**ANNE ARUNDEL COUNTY, MARYLAND
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS (CONTINUED)
YEAR ENDED JUNE 30, 2020**

Grant Title	Federal CFDA Number	Pass-through Agency	Pass-Through Identifying Number	Federal Expenditures	Total Expenditures per Federal Federal CFDA Number	Passed Through to Subrecipients
COC Planning Grant	14.267	None	MD0415L3B031800	70,000		70,000
Total Department of Housing and Urban Development:				5,924,406	1,849,409	1,849,409
Department of Justice:						
US Marshal Support Funding	16.000	None	2020-USMS-0001	14,387	14,387	-
Community Based Violence Prevention Program	16.123	None	2017-MJ-MU-K003	225,779	225,779	32,500
Victim Witness Notification Specialists	16.575	Governor's Office of Crime Control & Prevention	VOCA-2017-0039	39,022		-
Victim Witness Notification Specialists	16.575	Governor's Office of Crime Control & Prevention		87,237		-
					126,259	-
DUI - Justice Assistance Grant	16.579	Governor's Office of Crime Control & Prevention	M20-0020-X69	137,501		-
					137,501	-
Danger Assessment Advocate	16.588	Governor's Office of Crime Control & Prevention	VAWA-2017-0057	15,075		-
Danger Assessment Advocate	16.588	Governor's Office of Crime Control & Prevention	VAWA-2018-0014	6,077		-
					21,152	-
State Criminal Alien Assistance Program	16.606	None	2015-AP-BX-0611	47,837		-
State Criminal Alien Assistance Program	16.606	None	2016-AP-BX-0687	49,832		-
					97,669	-
BJAG Technology Enhancements 16	16.738	Governor's Office of Crime Control & Prevention	2016-MJ-BX-0441	14,025		-
BJAG Technology Enhancements 15	16.738	Governor's Office of Crime Control & Prevention	2015-MJ-BX-1074	3,390		-
Restorative Practices	16.738	Governor's Office of Crime Control & Prevention	BJAG-2016-0050	48,818		-
Byrne Memorial Justice Grant 2018	16.738	None	2018-DJ-BX-0218	33,514		-
Byrne Memorial Justice Grant 2017	16.738	None	2017-DJ-BX-0551	16,387		-
					116,134	-
Forensic Casework DNA Backlog 2019	16.741	None	2019-DN-BX-0067	48,470		-
Forensic Casework DNA Backlog 2018	16.741	None	2018-DN-BX-0053	139,257		-
Forensic Casework DNA Backlog 2017	16.741	None	2017-DN-BX-0009	27,778		-
					215,505	-
Paul Coverdell Forensic Science 19	16.742	Governor's Office of Crime Control & Prevention	2019-CD-BX-0039	20,537		-
Paul Coverdell Forensic Science 18	16.742	Governor's Office of Crime Control & Prevention	2018-CD-BX-0030	11,237		-
					31,774	-
Equitable Shared - Department of Justice	16.922	None	MD 0020200	459,718		-
Total Department of Justice				1,445,879	459,718	32,500

See accompanying Notes to Schedule of Expenditures of Federal Awards.

ANNE ARUNDEL COUNTY, MARYLAND
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS (CONTINUED)
YEAR ENDED JUNE 30, 2020

Grant Title	Federal CFDA Number	Pass-through Agency	Pass-Through Identifying Number	Federal Expenditures	Total Expenditures per Federal Federal CFDA Number	Passed Through to Subrecipients
Department of Labor						
WIA Title 1 Grant: Youth	17.258	Maryland Department of Labor, Licensing & Regulation	P00P84AAPY18	344,175		344,175
WIA Title 1 Grant: Youth	17.258	Maryland Department of Labor, Licensing & Regulation	P06-AA-PY19	711,657		711,657
					1,055,832	1,055,832
WIA Title 1 Grant: Adult	17.259	Maryland Department of Labor, Licensing & Regulation	P06-AA-PY19	126,956		126,956
WIA Title 1 Grant: Adult	17.259	Maryland Department of Labor, Licensing & Regulation	P06-AA-FY20	671,869		671,869
					798,825	798,825
WIA Title 1 Grant: Dislocated Worker	17.278	Maryland Department of Labor, Licensing & Regulation	P06-AA-PY19	111,209		111,209
WIA Title 1 Grant: Dislocated Worker	17.278	Maryland Department of Labor, Licensing & Regulation	P06-AA-FY20	75,293		75,293
					186,502	186,502
Total Department of Labor				2,041,159	2,041,159	2,041,159
Department of Transportation						
Broadneck Peninsula Trail	20.205	Maryland State Highway Administration	SAFETEA-LUHPP	1,301,805		-
					1,301,805	-
Motor Carrier Assistance Program	20.218	Maryland Motor Vehicle Administration	SHA-MCSAP-2020	11,066		-
Motor Carrier Assistance Program	20.218	Maryland Motor Vehicle Administration	SHA-MCSAP-2019	2,226		-
					13,292	-
UPWP Federal Transit Metro Planning 14	20.505	Baltimore Metropolitan Council	UPWP-07014	17,823		-
					17,823	-
Federal Transit Formula	20.507	Maryland Mass Transit Administration	ZD0107	150,140		1,000
					150,140	1,000
2020 Community Traffic Safety	20.600	Maryland Department of Transportation	LE-AACPD-2020	39,348		-
2019 Community Traffic Safety	20.600	Maryland Department of Transportation	LE-AACPD-2019	10,736		-
					50,084	-
Hazardous Materials Emergency Preparedness	20.703	Maryland Emergency Management Agency	HM-HMP-0546-16-01-00	17,551		-
					17,551	-
Total Department of Transportation				1,550,695	1,550,695	1,000
Department of the Treasury						
Treasury Executive Office for Asset Forfeiture (TEOAF)	21.016	None	AAO-MOU-TEOAF	14,802		-
					14,802	-
Covid Relief Funds (US Treasury CARES)	21.019	None	SLT0184	41,631,378		16,874,600
					41,631,378	16,874,600
Total Department of the Treasury				41,646,180	41,646,180	16,874,600
National Foundation on Arts and the Humanities						
Staff Development Grant	45.310	Maryland State Department of Education	519102	15,000		-
MLA 2019 Conference Grant	45.310	Maryland State Department of Education	519502	3,025		-
					18,025	-
Total National Foundation on Arts and the Humanities				18,025	18,025	-

See accompanying Notes to Schedule of Expenditures of Federal Awards.

ANNE ARUNDEL COUNTY, MARYLAND
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS (CONTINUED)
YEAR ENDED JUNE 30, 2020

Grant Title	Federal CFDA Number	Pass-through Agency	Pass-Through Identifying Number	Federal Expenditures	Total Expenditures per Federal Federal CFDA Number	Passed Through to Subrecipients
Department of Health and Human Services						
Covid-19 Title VII Funding	93.042	Maryland State Office on Aging	2001MDOASS 620520/02	5,060		-
Ombudsman Title VII	93.042	Maryland State Office on Aging	1901MDOAOM 650917/02	35,828		-
					40,888	-
Preventive Health Services III D	93.043	Maryland State Office on Aging	1901MDOAPH 650619/02	38,627		-
					38,627	-
Supportive Services III-B	93.044	Maryland State Office on Aging	1901MDOASS 650119/02	51,397		-
Covid-19 III B Funding	93.044	Maryland State Office on Aging		9,010		-
Legal Aid Bureau III B	93.044	Maryland State Office on Aging	1901MDOASS 650119/02	40,000		40,000
Public Relations/Administration - III B	93.044	Maryland State Office on Aging	1901MDOASS 650119/02	437,373		-
III B Ombudsman	93.044	Maryland State Office on Aging	2001MDOASS 652120/02	752		-
III B Telephone Reassurance	93.044	Maryland State Office on Aging	1901MDOASS 650119/02	9,269		-
					547,801	40,000
Nutrition III C-1	93.045	Maryland State Office on Aging	1901MDOACM 650219/02	611,829		-
Covid-19 III C Home Delivered Meals	93.045	Maryland State Office on Aging	2001MDHDC2 652420/02	101,450		-
Covid-19 III C Congregate Meals	93.045	Maryland State Office on Aging	2001MDCMC2 652220/02	202,899		-
Covid-19 III C Nutrition HDC	93.045	Maryland State Office on Aging	2001MDHDC3 654620/02	425,310		-
Home Delivery of Meals Title III C	93.045	Maryland State Office on Aging	1901MDOAHD 650319/02	310,217		-
					1,651,705	-
National Family Care Giver III E	93.052	Maryland State Office on Aging	1901MDOANS 652019/02	273,799		-
					273,799	-
Nutrition Services Incentive	93.053	Maryland State Office on Aging	1901MDOANS 650519/02	153,955		-
					153,955	-
PHO Emergency Preparedness	93.069	Maryland Department of Health	CH809PHP	449,902		-
PHP: Cities Readiness Initiative	93.069	Maryland Department of Health	CH809PHP	88,308		-
					538,210	-
Centers for Medicare/Medicaid Services 20 (MIPPA)	93.071	Maryland State Office on Aging	ST-653820	11,462		-
Centers for Medicare/Medicaid Services 19 (MIPPA)	93.071	Maryland State Office on Aging	ST-653819	8,538		-
					20,000	-
Personal Responsibility Education Program	93.092	Maryland Department of Health	FHB76PRE	38,024		-
					38,024	-
SAMSHA Respond	93.104	None	1U79SM062450-01	575,660		554,120
					575,660	554,120
Tuberculosis Control	93.116	Maryland Department of Health	CH391TBC	12,911		-
					12,911	-
MAT: Prescription Drug & Opioid Addiction	93.243	Maryland Department of Health	AS307MAT	282,393		-
Partnership for Success	93.243	Maryland Department of Health	MU333PFS	274,044		180,398
MD Opioid Academic Detailing Pilot Project	93.243	Maryland Department of Health	PH001OAD	14,191		-
SBIRT	93.243	Mosaic Group, Inc.	MG-SBIRT-2019	7,849		-
					578,477	180,398

See accompanying Notes to Schedule of Expenditures of Federal Awards.

**ANNE ARUNDEL COUNTY, MARYLAND
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS (CONTINUED)
YEAR ENDED JUNE 30, 2020**

Grant Title	Federal CFDA Number	Pass-through Agency	Pass-Through Identifying Number	Federal Expenditures	Total Expenditures per Federal Federal CFDA Number	Passed Through to Subrecipients
Department of Health and Human Services, continued						
Immunization Service Delivery	93.268	Maryland Department of Health	CH358IMM	103,500	103,500	-
Improving Hepatitis B & C Care Cascades	93.270	Maryland Department of Health	AD753HBC	6,400	6,400	-
Senior Health Insurance Program (SHIP)	93.324	Maryland State Office on Aging	2001MDHDC 651520/02	37,824	37,824	-
Public Health Crisis Response	93.354	Maryland Department of Health	CH01COV	69,213	69,213	-
CARES Act Provider Relief Fund	93.498	None	HHS-28038850779	185,333	185,333	-
Maryland Family Network	93.558	Friends of the Family, Inc.	MFN-2019-AFSC	30,000	30,000	-
Child Support Enforcement 2020	93.563	Maryland Department of Human Resources	CSEA/CRA-20-032	155,346		-
Child Support Enforcement 2019	93.563	Maryland Department of Human Resources	CSEA/CRA-19-032	51,990	207,336	-
Foster Care Court Improvement Program	93.586	Maryland Judiciary	G20CW0126P	7,400	7,400	-
Administrative Care Coordinator PWC Eligibility	93.767	Maryland Department of Health	MA007EPS	249,103		-
	93.767	Maryland Department of Health	MA281ACM	687,844	936,948	-
M/A General Transportation	93.778	Maryland Department of Health	MA344GTS	3,297,513	3,297,513	-
Access Harm Reduction Grant	93.788	Maryland Department of Health	AD783AHR	198,111		-
Maryland State Opioid Response	93.788	Maryland Department of Health	BH225SUP	67,030		-
State Opioid Rapid Response	93.788	Maryland Department of Health	BH201SOR	2,335,236	2,600,376	819,459
CDC Breast & Cervical Cancer	93.898	Maryland Department of Health	FH425CBC	96,362	96,362	-
Ryan White I (Assoc Black Charities)	93.914	City of Baltimore	ABC-19-2403	96,360	96,360	-
Ryan White B Support Services	93.917	Maryland Department of Health	AD421RWS	401,290	401,290	-
Sexually Transmitted Diseases Program Support for HCV	93.940	Maryland Department of Health	CH033STD	171,184		-
HIV Prevention Services	93.940	Maryland Department of Health	AD778PSH	6,940		-
	93.940	Maryland Department of Health	AD349PRV	104,219	282,343	-
Integration of Sexual Health in Recovery	93.959	Maryland Department of Health	AD678INT	30,815		-
Opioid Misuse Prevention Program	93.959	Maryland Department of Health	MU002OMP	79,856		-
Addictions Prevention	93.959	Maryland Department of Health	MU611ADP	296,301		8,207
Addictions Federal Treatment	93.959	Maryland Department of Health	AS213FED	1,177,912		-
HIV Testing in Behavioral Health	93.959	Maryland Department of Health	AD718TBH	11,307	1,596,191	8,207

See accompanying Notes to Schedule of Expenditures of Federal Awards.

ANNE ARUNDEL COUNTY, MARYLAND
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS (CONTINUED)
YEAR ENDED JUNE 30, 2020

Grant Title	Federal CFDA Number	Pass-through Agency	Pass-Through Identifying Number	Federal Expenditures	Total Expenditures per Federal Federal CFDA Number	Passed Through to Subrecipients
Department of Health and Human Services, continued						
Babies Born Healthy Initiative	93.994	Maryland Department of Health	FHA46BBH	78,478		-
Core Public Health Services	93.994	Maryland Department of Health	CH553CFT	68,369		-
					146,847	-
Total Department of Health and Human Services				14,571,292	14,571,292	1,602,184
Executive Office of the President						
High Intensity Drug Trafficking Area	95.001	Mercy Hurst University	G19WB0004A	42,384		-
					42,384	-
Total Executive Office of the President				42,384	42,384	-
Department of Homeland Security						
Emergency Management Support Program	97.008	Maryland Emergency Management Agency	EMW-2015-SS-00007	97,834		-
K-9 Bomb Squad 17	97.008	Maryland Emergency Management Agency	EMW-2017-SS-00019	6,283		-
K-9 Bomb Squad 18	97.008	Maryland Emergency Management Agency	EMW-2018-SS-0023	7,769		-
UASI- Planners 17	97.008	Maryland Emergency Management Agency	EMW-2017-SS-00019	20,807		-
UASI- Planners 18	97.008	Maryland Emergency Management Agency	EMW-2018-SS-0023	47,420		-
UASI- Planners 19	97.008	Maryland Emergency Management Agency	EMW-2019-SS-00064	6,355		-
UASI- MCCU Vehicle Maintenance	97.008	Maryland Emergency Management Agency	EMW-2017-SS-00018	5,885		-
UASI- Hazardous Material Support 17	97.008	Maryland Emergency Management Agency	EMW-2017-SS-00019	12,663		-
UASI- Hazardous Material Support 18	97.008	Maryland Emergency Management Agency	EMW-2018-SS-0023	14,672		-
UASI- Hazardous Material Support 19	97.008	Maryland Emergency Management Agency	EMW-2019-SS-00064	2,101		-
UASI- LETPA 17	97.008	Maryland Emergency Management Agency	EMW-2017-SS-00018	26,064		-
UASI- LETPA 18	97.008	Maryland Emergency Management Agency	EMW-2018-SS-0023	34,744		-
UASI- Intelligence Equipment	97.008	Maryland Emergency Management Agency	EMW-2017-SS-00019	17,761		-
UASI- Intelligence Equipment	97.008	Maryland Emergency Management Agency	EMW-2018-SS-0023	5,729		-
UASI- Closed Circuit Television	97.008	Maryland Emergency Management Agency	EMW-2017-SS-00018	32,229		-
UASI- Closed Circuit Television	97.008	Maryland Emergency Management Agency	EMW-2018-SS-0023	3,158		-
UASI- Ambulance Buses 17	97.008	Maryland Emergency Management Agency	EMW-2017-SS-00019	5,797		-
UASI- Ambulance Buses 18	97.008	Maryland Emergency Management Agency	EMW-2018-SS-0023	5,844		-
UASI- LE Training	97.008	Maryland Emergency Management Agency	EMW-2018-SS-0023	757		-
					353,871	-
Water Facility Emergency Generators	97.039	Maryland Emergency Management Agency	FEMA-DR-4038-MD	24,315		-
Housing Elevation - HMGP	97.039	Maryland Emergency Management Agency	HMGP-2254 Lake Drive	43,312		39,900
					67,627	39,900
EMPG-State & Local Assistance	97.042	Maryland Emergency Management Agency	EMW-2019-EP-00004	144,843		-
					144,843	-
Assistance to Firefighters	97.044	None	EMW-2017-FO-05647	20,050		-
					20,050	-
State Homeland Security Program 19	97.067	Maryland Emergency Management Agency	EMW--2018-SS-00023	12,155		-
State Homeland Security Program 18	97.067	Maryland Emergency Management Agency	EMW--2018-SS-00023	122,448		-
State Homeland Security Program 17	97.067	Maryland Emergency Management Agency	EMW--2017-SS-00019	4,060		-
State Homeland Security Program 16	97.067	Maryland Emergency Management Agency	EMW--2016-SS-00008	2,888		-
UASI-MCCU Vehicle Maintenance	97.067	Maryland Emergency Management Agency	EMW--2018-SS-00023	469		-
MIESS Emergency Support	97.067	Maryland Institute for Emergency Medical Services	SHSGP-AAC-001	15,542		-
					157,562	-
Staffing for Adequate Fire and Emergency response	97.083	None	EMW-2018-FH-00513	680,510		-
					680,510	-
Total Department of Homeland Security				1,424,462	1,424,462	39,900
Total - All grants				70,274,180	70,274,180	26,527,948

See accompanying Notes to Schedule of Expenditures of Federal Awards.

ANNE ARUNDEL COUNTY, MARYLAND
NOTES TO SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
YEAR ENDED JUNE 30, 2020

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. Expenditures 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 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, 2020, reflects CFDA changes issued through June 2020.

NOTE 3 INDIRECT COSTS

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

ANNE ARUNDEL COUNTY, MARYLAND
NOTES TO SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS (CONTINUED)
YEAR ENDED JUNE 30, 2020

NOTE 4 NONCASH ASSISTANCE

The County receives food commodities from the federal government. During the year ended June 30, 2020, the fair market value of the commodities received was estimated at \$642,034 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 5 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, 2019, was approximately \$51,932,996. Current year activity was a net decrease to the revolving loan program of approximately \$4,536,425, resulting in a balance due to the state of Maryland as of June 30, 2020 of approximately \$47,396,571.

NOTE 6 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.

**ANNE ARUNDEL COUNTY, MARYLAND
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
JUNE 30, 2020**

Section I – Summary of Auditors’ Results

Financial Statements

1. Type of auditors’ report issued: Unmodified
2. Internal control over financial reporting:
- Material weakness(es) identified? _____ yes x no
 - Significant deficiency(ies) identified that are not considered to be material weakness(es)? x yes _____ none reported
3. Noncompliance material to financial statements noted? _____ yes x no

Federal Awards

1. Internal control over major federal programs:
- Material weakness(es) identified? _____ yes x no
 - Significant deficiency(ies) identified that are not considered to be material weakness(es)? x yes _____ none reported
2. Type of auditors’ report issued on compliance for major federal programs: Unmodified
3. Any audit findings disclosed that are required to be reported in accordance with 2 CFR 200.516 (a)? x yes _____ no

Identification of Major Federal Programs

CFDA Number(s)	Name of Federal Program or Cluster
14.218	CDBG Entitlement Grants Cluster
21.019	Coronavirus Relief Funds
93.044, 93.045, 93.053	Aging Cluster

- Dollar threshold used to distinguish between Type A and Type B programs: \$ 2,108,225
- Auditee qualified as low-risk auditee? x yes _____ no

ANNE ARUNDEL COUNTY, MARYLAND
SCHEDULE OF FINDINGS AND QUESTIONED COSTS (CONTINUED)
JUNE 30, 2020

Section II – Financial Statement Findings

Finding Reference: 2020-001
Preparation of the Schedule of Expenditures of Federal Award(SEFA)

Criteria

The Schedule of Expenditures of Federal Awards (SEFA), while not a part of the basic financial statements, is audited in relation to the basic financial statements, in accordance with the requirements of the Uniform Guidance in conjunction with the basis of accounting.

2 CFR part 200.502 states that the determination of when a Federal award is expended must be based on when the activity related to the Federal award occurs. Generally, the activity pertains to events that require the non-Federal entity to comply with Federal statutes, regulations, and the terms and conditions of Federal awards, such as: expenditure/expense transactions, and the receipt or use of program income.

Condition/Context

In the process of obtaining the County's federal expenditures and reconciliations to the general ledger by grant we noted that the amounts were inaccurately reported. The SEFA prepared by the County improperly included program income as a reduction of the total expenditure amount. Expenditures reported on the SEFA were understated by \$138,106.

Cause

The County did not have effective controls in place for identifying and reporting program expenditures and program income.

Effect

The SEFA was not prepared in accordance with OMB requirements and expenditures reported on the SEFA were understated by \$138,106.

Questioned Costs

Not determined.

Recommendation

We recommend that the County enhance its reporting, management review procedures, and communication with the pass-through agency to ensure the accuracy of the expenses and program income being reported on the SEFA. As part of these procedures, we recommend that the County reconcile grant expenditures reported to those tracked by each program manager to assure each grant within a program is accurately reported.

Views of the Responsible Officials

There were no disagreements with the audit finding.

**ANNE ARUNDEL COUNTY, MARYLAND
SCHEDULE OF FINDINGS AND QUESTIONED COSTS (CONTINUED)
JUNE 30, 2020**

Section III – Findings and Questioned Costs – Major Federal Programs

Finding Reference: **2020-002**
Federal Agency: U.S. Department of Treasury
Federal Program: Coronavirus Relief Funds
CFDA Number: 21.019
Compliance Requirement: Allowable Activities/Costs
Type of Finding: Significant Deficiency – Internal Control, Noncompliance
Prior Year Finding: No

Criteria

2 CFR part 200.403 states that except where otherwise authorized by statute, costs must meet the following general criteria in order to be allowable under Federal awards:

- a) Be necessary and reasonable for the performance of the Federal award and be allocable thereto under these principles.
- b) Be consistent with policies and procedures that apply uniformly to both federally financed and other activities of the non-Federal entity.
- c) Be accorded consistent treatment.
- d) Be determined in accordance with generally accepted accounting principles (GAAP), except, for state and local governments and Indian tribes only, as otherwise provided for in this part.
- e) Not be included as a cost or used to meet cost sharing or matching requirements of any other federally-financed program in either the current or a prior period. See also §200.306(b).
- f) Be adequately documented.

Condition/Context

We identified charges in the amount of \$1,015,000 that were encumbered but not incurred as of year-end.

Cause

The County did not have effective controls in place for identifying and reporting program expenditures for proper reporting.

Effect

The County improperly included unallowable expenditures for the total expenditures reported for the program.

Questioned Costs

\$1,015,000

Recommendation

We recommend that the County enhance its review to ensure the accuracy of the expenses being reported on the SEFA.

Views of the Responsible Officials

There were no disagreements with the audit finding.



**ANNE ARUNDEL COUNTY, MARYLAND
SUMMARY SCHEDULE OF PRIOR AUDIT FINDINGS
YEAR ENDED JUNE 30, 2019**

Anne Arundel County, Maryland respectfully submits the following summary schedule of the prior audit findings for the year ended June 30, 2019.

Audit period: 07/01/18 – 06/30/19

The findings from the prior audit's schedule of findings and questioned costs are discussed below. The findings are numbered consistently with the numbers assigned in the prior year.

FINDINGS—FINANCIAL STATEMENT AUDIT

There were no financial statement findings in the prior year.

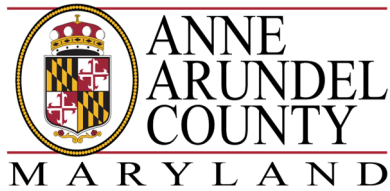
FINDINGS— FEDERAL AWARD PROGRAMS AUDITS

2019 – 001

Condition: The SEFA preparation by the County did not accurately identify the proper fiscal year 2019 federal expenditures related to this capital project grant as required by Uniform Guidance. Expenditures reporting on the SEFA were overstated by \$421,357.

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

If the U.S. Department of Transportation has questions regarding this schedule, please call Michael Beard at (410) 222-2366.



**ANNE ARUNDEL COUNTY, MARYLAND
CORRECTIVE ACTION PLAN
YEAR ENDED JUNE 30, 2020**

Anne Arundel County, Maryland respectfully submits the following corrective action plan for the year ended June 30, 2020.

Audit period: July 1, 2019 – June 30, 2020.

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

2020-001 SEFA Reporting

Recommendation: We recommend that the County enhance its reporting, management review procedures, and communication with the pass-through agency to ensure the accuracy of the expenses being reported on the SEFA. As part of these procedures, we recommend that the County reconcile grant expenditures reported to those tracked by each program manager to assure each grant within a program is accurately reported.

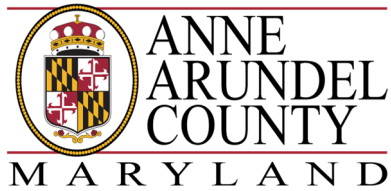
Explanation of disagreement with audit finding: There is no disagreement with the audit finding.

Action taken in response to finding: This finding resulted from the inclusion of expenditures funded with County-generated program revenues in the total Federal expenditures presented on the SEFA. These excess expenditures were removed from the final SEFA so that it now correctly states the expenditure amounts. The County has modified its procedures to consult with program managers and ensure that only the federally funded expenditures are presented on future SEFAs and will follow these new procedures when preparing the fiscal year 2021 SEFA.

Name(s) of the contact person(s) responsible for corrective action: Michael Beard, Financial Reporting Manager.

Planned completion date for corrective action plan: December 31, 2021.

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



**ANNE ARUNDEL COUNTY, MARYLAND
CORRECTIVE ACTION PLAN
YEAR ENDED JUNE 30, 2020**

FINDINGS—FEDERAL AWARD PROGRAMS AUDITS

U.S. Department of Treasury

2020-002 Coronavirus Relief Fund – CFDA No. 21.019

Recommendation: We recommend that the County enhance its reporting, management review procedures, and communication with the pass-through agency to ensure the accuracy of the expenses being reported on the SEFA. As part of these procedures, we recommend that the County reconcile grant expenditures reported to those tracked by each program manager to assure each grant within a program is accurately reported.

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

Action taken in response to finding: This finding results from a large personal protection equipment (PPE) order that was only partially shipped to the County. \$1,015,000 of expenditures was held in a payable account after the remaining PPE shipment was canceled. After audit detection, the payable was canceled, the fiscal year 2020 SEFA was corrected, and the \$1,015,000 of funds reverted back to the Coronavirus Relief Funds for future use. The June 30, 2021 filing with the United States Treasury reported the impact of this correction. The County reviewed other fiscal year 2020 PPE payables and noted no other instances of unshipped items. The County will review all final payables to assure that no other instances of unbilled payables exist prior to filing the final Coronavirus Relief Fund report with the United States Treasury after December 31, 2021.

Name(s) of the contact person(s) responsible for corrective action: Michael Beard, Financial Reporting Manager.

Planned completion date for corrective action plan: December 31, 2021

If the U.S. Department of the Treasury has questions regarding this plan, please call Michael Beard at (410) 222-2366.