

ANNE ARUNDEL COUNTY, MARYLAND

**Schedule of Expenditures of Federal Awards Together with
Reports of Independent Public Accountants**

For the Year Ended June 30, 2024

ANNE ARUNDEL COUNTY, MARYLAND

**Schedule of Expenditures of Federal Awards Together with
Reports of Independent Public Accountants**

JUNE 30, 2024

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REPORT OF INDEPENDENT PUBLIC ACCOUNTANTS

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

Report on the Audit of the Financial Statements

Opinion

We have audited the financial statements of the governmental activities, the business-type activities, the aggregate discretely presented component units, each major fund, and the aggregate remaining fund information of Anne Arundel County, Maryland (the County), as of and for the year ended June 30, 2024, and the related notes to the financial statements, which collectively comprise the County’s basic financial statements as listed in the table of contents.

In our opinion, based on our audit and the reports of the other auditors, the accompanying financial statements present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, the aggregate discretely presented component units, each major fund, and the aggregate remaining fund information of the County, as of June 30, 2024, and the respective changes in financial position and, where applicable, cash flows thereof and the respective budgetary comparison for the general and grants special revenue funds for the year then ended in accordance with accounting principles generally accepted in the United States of America.

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

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

	Percentage of Opinion Unit		
	Total Assets	Total Liabilities	Total Operating Revenues
Component units			
Major			
Board of Education	88.6%	94.1%	89.7%
Community College	9.6%	3.3%	7.8%
Non-Major			
Economic Development	0.3%	0.5%	0.2%
Tipton Airport	0.5%	0.1%	0.1%
Workforce Development	0.2%	0.4%	0.5%
Total Percentage of Component Units	<u>99.2%</u>	<u>98.4%</u>	<u>98.3%</u>
Fiduciary Funds:			
Pension Trust Fund	<u>80.3%</u>	<u>95.4%</u>	<u>69.8%</u>

Basis for Opinion

We conducted our audit in accordance with auditing standards generally accepted in the United States of America (GAAS). Our responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Financial Statements* section of our report. We are required to be independent of the County and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Responsibilities of Management for the Financial Statements

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

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

Auditor's Responsibilities for the Audit of the Financial Statements

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

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

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal controls relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the County's internal controls. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.

- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about the County's ability to continue as a going concern for a reasonable period of time.

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

Required Supplementary Information

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

Supplementary Information

Our audit was conducted for the purpose of forming an opinion on the financial statements that collectively comprise the County's basic financial statements. The combining fund statements, budgetary statements, other supporting schedules, and schedule of expenditures of Federal awards, as required by Title 2 U.S. Code of Federal Regulations Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* are presented for purposes of additional analysis and are not a required part of the basic financial statements.

The combining fund statements, budgetary statements, other supporting schedules, and schedule of expenditures of Federal awards are the responsibility of management and were derived from and relate directly to the underlying accounting and other records used to prepare the basic financial statements. The information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling the information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the combining fund statements, budgetary statements, and other supporting schedules are fairly stated, in all material respects, in relation to the basic financial statements as a whole.

Other Information

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

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated December 20, 2024 on our consideration of the County's internal controls over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal controls over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of internal controls over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the County's internal controls over financial reporting and compliance.

Owings Mills, Maryland
December 20, 2024





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

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

We have audited, in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of the governmental activities, the business-type activities, the aggregate discretely presented component units, each major fund, and the aggregate remaining fund information of Anne Arundel County, Maryland (the County) as of and for the year ended June 30, 2024, 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, 2024.

Our report includes a reference to other auditors who audited the financial statements of Anne Arundel County Board of Education, Anne Arundel Community College, Anne Arundel Economic Development Corporation, Tipton Airport Authority, and Anne Arundel Workforce Development Corporation, as described in our report on the County's financial statements. This report does not include the results of the other auditors' testing of internal controls over financial reporting or compliance and other matters that are reported on separately by those auditors.

Report on Internal Controls over Financial Reporting

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

A *deficiency in internal controls* exists when the design or operation of a control does not allow management or employees in the normal course of performing their assigned functions, to prevent, or detect and correct misstatements on a timely basis. A *material weakness* is a deficiency, or a combination of deficiencies, in internal controls, such that there is a reasonable possibility that a material misstatement of the entity's financial statements will not be prevented, or detected and corrected on a timely basis. A *significant deficiency* is a deficiency, or a combination of deficiencies, in internal controls that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

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



Report on Compliance and Other Matters

As part of obtaining reasonable assurance about whether the County’s financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the financial statements. However, providing an opinion on compliance with those provisions was not an objective of our audit and, accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

Purpose of this Report

The purpose of this report is solely to describe the scope of our testing of internal controls and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the entity’s internal controls or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the entity’s internal controls and compliance. Accordingly, this communication is not suitable for any other purpose.

Owings Mills, Maryland
December 20, 2024

SBC + Company, LLC



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

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

Report on Compliance for Each Major Federal Program

Opinion on Each Major Federal Program

We have audited Anne Arundel County, Maryland's (the County) compliance with the types of compliance requirements identified as subject to audit in the U.S. Office of Management and Budget (OMB) *Compliance Supplement* that could have a direct and material effect on each of the County's major Federal programs for the year ended June 30, 2024. The County's major Federal programs are identified in the summary of independent public accountant's results section of the accompanying schedule of findings and questioned costs.

The County's basic financial statements include the operations of the Anne Arundel County Board of Education, Anne Arundel Community College, the Anne Arundel Economic Development Corporation, Tipton Airport Authority, and Anne Arundel Workforce Development Corporation, which received Federal awards that are not included in the accompanying schedule of expenditures of Federal awards for the year ended June 30, 2024. Our audit, described below, did not include the operations of these entities because other auditors were engaged to perform separate audits in accordance with the Uniform Guidance.

In our opinion, the County complied, in all material respects, with the compliance requirements referred to above that could have a direct and material effect on each of its major Federal programs for the year ended June 30, 2024.

Basis for Opinion on Each Major Federal Program

We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America (GAAS); the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States (*Government Auditing Standards*); and the audit requirements of Title 2 U.S. Code of Federal Regulations Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance). Our responsibilities under those standards and the Uniform Guidance are further described in the *Auditor's Responsibilities for the Audit of Compliance* section of our report.

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

Responsibilities of Management for Compliance

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

Auditor's Responsibilities for the Audit of Compliance

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

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

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material noncompliance, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the County's compliance with the compliance requirements referred to above and performing such other procedures as we considered necessary in the circumstances.
- Obtain an understanding of the County's internal controls over compliance relevant to the audit in order to design audit procedures that are appropriate in the circumstances and to test and report on internal control over compliance in accordance with the Uniform Guidance, but not for the purpose of expressing an opinion on the effectiveness of the County's internal controls over compliance. Accordingly, no such opinion is expressed.

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

Other Matters

The results of our auditing procedures disclosed instances of noncompliance which are required to be reported in accordance with the Uniform Guidance and which are described in the accompanying schedule of findings and questioned costs as items 2024-001, 2024-002, 2024-003, 2024-004 and 2024-005. Our opinion on each major Federal program is not modified with respect to these matters.

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

Report on Internal Controls over Compliance

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

A *deficiency in internal controls over compliance* exists when the design or operation of a control over compliance does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, noncompliance with a type of compliance requirement of a Federal program on a timely basis. A *material weakness in internal controls over compliance* is a deficiency, or a combination of deficiencies, in internal controls 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 controls over compliance* is a deficiency, or a combination of deficiencies, in internal controls over compliance with a type of compliance requirement of a Federal program that is less severe than a material weakness in internal controls over compliance, yet important enough to merit attention by those charged with governance. We consider the deficiencies in internal controls over compliance described in the accompanying schedule of findings and questioned costs as items 2024-001, 2024-002, 2024-003 and 2024-004, to be significant deficiencies.

Our audit was not designed for the purpose of expressing an opinion on the effectiveness of internal controls over compliance. Accordingly, no such opinion is expressed. *Government Auditing Standards* requires the auditor to perform limited procedures on the County's response to the internal controls over compliance findings identified in our compliance audit described in the accompanying schedule of findings and questioned costs. The County's response was not subjected to the other auditing procedures applied in the audit of compliance and, accordingly, we express no opinion on the response.

The purpose of this report on internal controls over compliance is solely to describe the scope of our testing of internal controls over compliance and the results of that testing based on the requirements of the Uniform Guidance. Accordingly, this report is not suitable for any other purpose.

Owings Mills, Maryland
March 28, 2025



ANNE ARUNDEL COUNTY, MARYLAND

Schedule of Expenditures of Federal Awards For the Year Ended June 30, 2024

Federal Agency/Grant Title/Cluster	Federal Assistance Listing Number	Pass Through Agency	Federal/Pass Through Grant Number	Federal Expenditures	Amounts Passed Through to Subrecipients
Department of Agriculture:					
Breastfeeding Peer Counselor	10.557	Maryland State Health Department	WIB34BPC	\$ 46,826	\$ -
WIC Training & Temp Staffing 2023	10.557	Maryland State Health Department	WI871TRN	6,986	-
WIC Training & Temp Staffing	10.557	Maryland State Health Department	WI871TRN	233,709	-
Women, Infants & Children	10.557	Maryland State Health Department	WII74WIC	1,417,758	-
Total Department of Agriculture				1,705,279	-
Department of Housing and Urban Development:					
<i>CDBG - Entitlement Grants Cluster:</i>					
Community Development Block Grant	14.218	None	B-17-UC-24-0010	7,721	7,721
Community Development Block Grant	14.218	None	B-18-UC-24-0010	2,382	2,382
Community Development Block Grant	14.218	None	B-19-UC-24-0010	6,418	6,418
Community Development Block Grant	14.218	None	B-20-UC-24-0010	452,543	452,543
Community Development Block Grant	14.218	None	B-20-UC-24-0010	221,682	221,682
Community Development Block Grant	14.218	None	B-21-UC-24-0010	91,940	91,940
Community Development Block Grant	14.218	None	B-21-UC-24-0010	150,002	150,002
Community Development Block Grant	14.218	None	B-23UC-24-0010	571,614	571,614
Community Development Block Grant	14.218	None	B-23UC-24-0010	1,611,297	1,611,297
<i>Total CDBG - Entitlement Grants Cluster</i>				3,115,599	3,115,599
COVID-19 - Emergency Shelter Grant - CVII CARES	14.231	None	E-20-UW-24-0010	109,797	109,797
Emergency Shelter Grant	14.231	None	ERAE0281	65,987	65,987
Emergency Rental Assistance	14.231	None	E-24-UW-24-0010	138,493	138,493
HOME Investment Partnership Program 2019	14.239	None	M-18-UC-24-0200	2,890	2,890
HOME Investment Partnership Program 2020	14.239	None	M-19-UC-24-0200	57,983	57,983
HOME Investment Partnership Program 2021	14.239	None	M-20-UC-24-0200	430,045	430,045
HOME Investment Partnership Program 2022	14.239	None	M-21-UP-24-0200	419,317	419,317
HOME Investment Partnership Program 2023	14.239	None	M-22-UC-24-0200	678,442	678,442
HOME Investment Partnership Program 2024	14.239	None	M-23-UC-24-0200	644,154	644,154
COC Program 2023	14.267	None	Various	339,086	339,086
COC Program 2024	14.267	None	Various	1,785,535	1,785,535
Total Department of Housing and Urban Development				7,787,328	7,787,328
Department of Justice:					
Victims of Crime Assistance	16.575	Governor's Office of Crime Control & Prevention	VOCA-2023-0021	93,449	-
DUI - Justice Assistance Grant	16.579	Governor's Office of Crime Control & Prevention	M24-0006-X69	84,699	-
State Criminal Alien Assistance Program 2020	16.606	None	2020-AP-BX-0947	110,709	-
State Criminal Alien Assistance Program 2021	16.606	None	15PBJA-20-RR-00260-SCAA	75,200	-
State Criminal Alien Assistance Program 2022	16.606	None	15PBJA-22-RR-05396-SCAA	95,522	-
Edward Byrne Memorial Justice 2018	16.738	None	2018-DJ-BX-0218	114	-
Edward Byrne Memorial Justice 2019	16.738	None	2019-DJ-BX-0938	37,716	23,875
Edward Byrne Memorial Justice 2020	16.738	None	2020-DJ-BX-0358	13,001	-
Edward Byrne Memorial Justice 2021	16.738	None	15-BJA-21-GG-01550-JAGX	48,702	-
Edward Byrne Memorial Justice 2022	16.738	None	15-BJA-22-GG-01550-JAGX	530	-
Anne Arundel VS Care Team	16.738	Governor's Office of Crime Control & Prevention	BJAG-2021-0023	47,847	-
BJAG Fresh Start	16.738	None	15PIDP-23-GG-00370-BRND	174,819	-
BJAG State Grant	16.738	Governor's Office of Crime Control & Prevention	BJAG-2021-	30,000	-
Danger Assessment Advocate	16.738	Governor's Office of Crime Control & Prevention	VAWA-2021-0021	5,019	-
Danger Assessment Advocate	16.738	Governor's Office of Crime Control & Prevention	VAWA-2023-	21,116	-

The accompanying notes are an integral part of this schedule.

ANNE ARUNDEL COUNTY, MARYLAND

**Schedule of Expenditures of Federal Awards
For the Year Ended June 30, 2024**

Federal Agency/Grant Title/Cluster	Federal Assistance Listing Number	Pass Through Agency	Federal/Pass Through Grant Number	Federal Expenditures	Amounts Passed Through to Subrecipients
Department of Justice: (continued)					
Paul Coverdell Forensic Science	16.742	Governor's Office of Crime Control & Prevention	CFSI-2022-0001	\$ 14,301	\$ -
Forensic Casework DNA Backlog 2021	16.743	Governor's Office of Crime Control & Prevention	2021-DN-BX-0125	11,301	-
Forensic Casework DNA Backlog 2022	16.825	Governor's Office of Crime Control & Prevention	2022-DN-BX-0125	220,917	-
Forensic Casework DNA Backlog 2023	16.825	Governor's Office of Crime Control & Prevention	2023-DN-BX-0125	97,081	-
Federal Prosecution Grant	16.825	Governor's Office of Crime Control & Prevention	15PBJA-22-GG-03881-SMTP	6,694	-
Equitable Shared - Department of Justice	16.922	None	MD 0020200	831,999	-
Total Department of Justice				2,020,736	23,875
Department of Labor:					
<i>WIOA Cluster:</i>					
WIA Title 1 Grant: Youth	17.258	Maryland Department of Labor, Licensing & Regulation	P-46-AA-PY23	522,705	522,705
WIA Title 1 Grant: Youth	17.258	Maryland Department of Labor, Licensing & Regulation	P-36-AA-PY22	59,832	59,832
Youthworks	17.259	Maryland Department of Labor, Licensing & Regulation	P-46-AA-PY24	180,434	180,434
WIA Title 1 Grant: Adult	17.259	Maryland Department of Labor, Licensing & Regulation	P-46-AA-FY24	686,448	686,448
WIA Title 1 Grant: Adult	17.278	Maryland Department of Labor, Licensing & Regulation	P-46-AA-FY23	623,842	623,842
WIA Title 1 Grant: Adult	17.278	Maryland Department of Labor, Licensing & Regulation	P-36-AA-PY22	67,555	67,555
<i>Total WIOA Cluster</i>				<u>2,140,816</u>	<u>2,140,816</u>
Total Department of Labor				2,140,816	2,140,816
Department of Transportation:					
Federal Transit Formula	20.505	Baltimore Metropolitan Council	UPWP-07020	23,765	-
Federal Transit Formula	20.505	Baltimore Metropolitan Council	UPWP-07021	3,135	-
<i>FMCSA Cluster:</i>					
Motor Carrier Assistance Program 2023	20.218	Maryland Motor Vehicle Administration	SHA-MCSAP-2023	1,356	-
Motor Carrier Assistance Program 2024	20.218	Maryland Motor Vehicle Administration	SHA-MCSAP-2024	6,646	-
<i>Total FMCSA Cluster</i>				<u>8,002</u>	<u>-</u>
<i>Federal Transit Cluster:</i>					
Covid-19 Transportation	20.507	Maryland Mass Transit Administration	AA17CARES07O2020	139,615	-
MD Transit Admin-Rideshare	20.507	Maryland Mass Transit Administration	AA17CMAQ2020/2021	13,933	-
MD Transit Admin-Rideshare	20.507	Maryland Mass Transit Administration	AA17CMAQ2020/2021	27,798	-
MD Transit Admin-Rideshare	20.507	Maryland Mass Transit Administration	AA17CMAQ2023	4,614	-
MD Transit Admin-Rideshare	20.507	Maryland Mass Transit Administration	AA17CMAQ2024	100,161	-
ARPA Transportation Funds - COVID-19	20.507	Maryland Mass Transit Administration	AA17ARPA07O2022	379,755	-
MTA Capital Award	20.526	Maryland Mass Transit Administration	Unknown	110,077	110,077
<i>Total Federal Transit Cluster</i>				<u>775,953</u>	<u>110,077</u>
<i>Highway Safety Cluster:</i>					
Community Traffic Safety	20.600	Maryland Department of Transportation	LE-AACPD-2023	13,609	-
Community Traffic Safety	20.600	Maryland Department of Transportation	LE-AACPD-2024	37,923	-
<i>Total Highway Safety Cluster</i>				<u>51,532</u>	<u>-</u>
Total Department of Transportation				862,387	110,077

The accompanying notes are an integral part of this schedule.

ANNE ARUNDEL COUNTY, MARYLAND

**Schedule of Expenditures of Federal Awards
For the Year Ended June 30, 2024**

Federal Agency/Grant Title/Cluster	Federal Assistance Listing Number	Pass Through Agency	Federal/Pass Through Grant Number	Federal Expenditures	Amounts Passed Through to Subrecipients
Department of the Treasury:					
Secret Service Task Force	21.016	None	AACO-MOU-TEOAF	\$ 1,996	\$ -
Secret Service Task Force	21.016	None	AACO-MOU-TEOAF	5,523	-
Connected Devices - COVID-19	21.027	MD Dept of Housing and Community Development	Unknown	23,243	-
American Rescue Plan Act Funds (US Treasury ARPA) - COVID-19	21.027	None	SLT-0698	13,005,602	3,467,275
LATCF Grant Funds	21.032	None	N/A	46,772	-
Total Department of the Treasury				13,083,136	3,467,275
Small Business Administration					
Inclusive Ventures Program	59.059	None	SBAHQ23I0140	1,650,000	1,650,000
Total Small Business Administration				1,650,000	1,650,000
Department of Health and Human Services:					
Title VI Ombudsman	93.042	Maryland State Office of Aging	650723/02	9,479	-
Title VI Ombudsman	93.042	Maryland State Office of Aging	650724/02	12,998	-
Title VII Elder Abuse Prevention	93.042	Maryland State Office of Aging	650923/02	1,235	-
Title VII Elder Abuse Prevention	93.042	Maryland State Office of Aging	650924/02	3,104	-
ARPA Title III-D Preventive Health - COVID-19	93.043	Maryland State Office of Aging	655521/02	35,517	-
Title III-D Preventive Health	93.043	Maryland State Office of Aging	650623/02	5,244	-
Title III-D Preventive Health	93.043	Maryland State Office of Aging	650624/02	33	-
<i>Aging Cluster:</i>					
Title IIIB Public Relations/Admin	93.044	Maryland State Office of Aging	650123/02	182,154	-
Title IIIB Public Relations/Admin	93.044	Maryland State Office of Aging	650124/02	171,753	-
Title IIIB Ombudsman	93.044	Maryland State Office of Aging	652124/02	14,350	-
ARPA - OAA Senior Nutrition - COVID-19	93.045	Maryland State Office of Aging	655421/02	272,678	-
ARPA - Home Delivered Meals - COVID-19	93.045	Maryland State Office of Aging	655821/02	284,666	-
IIIC-1 Nutrition	93.045	Maryland State Office of Aging	650223/02	372,378	-
IIIC-1 Nutrition	93.045	Maryland State Office of Aging	650224/02	201,944	-
Title III-C Home Delivered Meals	93.045	Maryland State Office of Aging	650323/02	294,646	-
Title III-C Home Delivered Meals	93.045	Maryland State Office of Aging	650324/02	102,237	-
<i>Total Aging Cluster</i>				1,896,806	-
Nutrition Services Incentive	93.052	Maryland State Office of Aging	650523/02	100,866	-
Nutrition Services Incentive	93.052	Maryland State Office of Aging	650524/02	55,833	-
ARPA - ARPA - Grandparent Assist - COVID-19	93.052	Maryland State Office of Aging	655621/02	125,982	-
National Family Caregiver	93.052	Maryland State Office of Aging	652023/02	101,661	-
National Family Caregiver	93.052	Maryland State Office of Aging	652024/02	154,160	-
Public Health Emergency Preparedness	93.069	Maryland Department of Health	CH809PHP	478,827	-
Cities Readiness Initiative (CRI)	93.069	Maryland Department of Health	CH809PHP	129,631	-
MIPPA PA1 SHIPS	93.071	Maryland State Office of Aging	653724/02	1,837	-
MIPPA PA2 AAA	93.071	Maryland State Office of Aging	653823/02	2,098	-
MIPPA PA2 AAA	93.071	Maryland State Office of Aging	653824/02	5,342	-
MIPPA PA3 ADRC	93.071	Maryland State Office of Aging	653923/02	1,864	-
MIPPA PA3 ADRC	93.071	Maryland State Office of Aging	653924/02	6,396	-
Tuberculosis Control	93.116	Maryland Department of Health	CH391TBC	15,370	-
Immunization-HEP-IAP,HEP-B	93.268	Maryland Department of Health	CH358IMM	150,436	-
Public Health Emergency Preparedness 2022	93.283	Maryland Department of Health	CH809PHP	93	-
CDC Crisis Cooperative-2024	93.354	Maryland Department of Health	PH002CRW	221,842	-
Oral Health Sealants	93.366	Maryland Department of Health	FHC59SEA	4,881	-

The accompanying notes are an integral part of this schedule.

ANNE ARUNDEL COUNTY, MARYLAND

**Schedule of Expenditures of Federal Awards
For the Year Ended June 30, 2024**

Federal Agency/Grant Title/Cluster	Federal Assistance Listing Number	Pass Through Agency	Federal/Pass Through Grant Number	Federal Expenditures	Amounts Passed Through to Subrecipients
Department of Health and Human Services: (continued)					
CDC Disparities Grant	93.391	Maryland Department of Health	CDC02HRU	\$ 286,245	\$ -
NACCHO Grant	93.421	National Assoc of City County Health Officials	2023-112002	29,389	-
NACCHO PAVE Grant	93.421	National Assoc of City County Health Officials	2023-112002	34,395	-
Maryland Family Network	93.558	Friends of the Family, Inc.	MFN-2024-AFSC	(121,272)	-
Child Support Enforcement	93.563	Maryland Department of Health	CSEA/CRA-22-032	(110,603)	-
Childhood Lead Poisoning Prevention	93.767	Maryland Department of Health	CHC88ECM	245,805	-
Administrative Care Coordination 2023	93.767	Maryland Department of Health	MA007EPS	100	-
Administrative Care Coordination	93.767	Maryland Department of Health	MA007EPS	47,245	-
PWC Eligibility	93.767	Maryland Department of Health	MA281ACM	415,558	-
<i>Medicaid Cluster:</i>					
Administrative Care Coordination	93.778	Maryland Department of Health	MA007EPS	236,225	-
PWC Eligibility	93.778	Maryland Department of Health	MA007EPS	623,338	-
State Health Insurance Program (SHIP)	93.778	Maryland Department of Health	651524/02	42,424	-
General Transportation Grant 2022	93.778	Maryland Department of Health	MA344GTS	1,537	-
General Transportation Grant 2023	93.778	Maryland Department of Health	MA344GTS	1,185,239	-
<i>Total Medicaid Cluster</i>				2,088,763	-
State Opioid Response (SOR) II	93.788	Maryland Department of Health	BH248SOR	30,429	-
State Opioid Response (SOR) II	93.788	Maryland Department of Health	BH002SOR	488,677	-
State Opioid Response (SOR) III	93.788	Maryland Department of Health	BH002SOR	2,045,433	-
Access Harm Reduction Grant	93.788	Maryland Department of Health	AD783AHR	478,638	-
CDC Breast & Cervical Cancer Diagnosis 2023	93.898	Maryland Department of Health	FH425CBC	41,096	-
CDC Breast & Cervical Cancer Diagnosis	93.898	Maryland Department of Health	FHA46BBH	278,191	-
ABC Ryan White I	93.914	Associated Black Charities	ABC-22-2407	82,314	-
ABC Ryan White I	93.914	Associated Black Charities	ABC-23-2408	38,956	-
Ryan White B Flex Health Support Services	93.917	Maryland Department of Health	AD838FLX	336,588	-
Ryan White B Support Services	93.917	Maryland Department of Health	AD421RWS	108,470	-
HIV Prevention Services	93.940	Maryland Department of Health	AD349PRV	93,326	-
Sexually Transmitted Disease	93.940	Maryland Department of Health	CH033STD	117,485	-
ARPA One Time Supplemental Funding - COVID-19	93.959	Maryland Department of Health	MU002OFR	46,389	-
Integ of Sexual Health in Recovery	93.959	Maryland Department of Health	AD678INT	52,960	-
Substance Abuse Treatment Services	93.959	Maryland Department of Health	BH001SRT	9,329	-
Opioid Misuse Prevention Program	93.959	Maryland Department of Health	MU002OMP	63,513	19,615
Hub & Spoke	93.959	Maryland Department of Health	BH021SAR	291,132	156,913
Federal Fund Block Grant Substance Use Services 2023	93.959	Maryland Department of Health	AS213FED	5,902	-

The accompanying notes are an integral part of this schedule.

ANNE ARUNDEL COUNTY, MARYLAND

**Schedule of Expenditures of Federal Awards
For the Year Ended June 30, 2024**

<u>Federal Agency/Grant Title/Cluster</u>	<u>Federal Assistance Listing Number</u>	<u>Pass Through Agency</u>	<u>Federal/Pass Through Grant Number</u>	<u>Federal Expenditures</u>	<u>Amounts Passed Through to Subrecipients</u>
Department of Health and Human Services: (continued)					
Federal Fund Block Grant Substance Use Services	93.959	Maryland Department of Health	AS213FED	\$ 753,849	\$ -
Substance Abuse Prevention	93.959	Maryland Department of Health	MU611ADP	295,678	-
Strengthening MD Public Hlth Infrastructure	93.967	Maryland Department of Health	AS002PHI	55,052	-
Sexually Transmitted Disease	93.977	Maryland Department of Health	MA007EPS	86,463	-
Title V Child Health Services	93.994	Maryland Department of Health	FH607CHI	441,175	-
Total Department of Health and Human Services				12,678,205	176,528
Department of Homeland Security:					
UASI Planning	97.008	Maryland Emergency Management Agency	EMW-2019-SS-00064	3,011	-
UASI Planning	97.008	Maryland Emergency Management Agency	EMW-2020-SS-00010	41,961	-
EMPG-State & Local Assistant	97.008	Maryland Emergency Management Agency	EMW-2021-SS-00047	1,123	-
EMPG-State & Local Assistant	97.008	Maryland Emergency Management Agency	EMW-2022-SS-000009	134,604	-
State Homeland Security	97.008	Maryland Emergency Management Agency	EMW-2020-SS-00010	38,743	-
State Homeland Security	97.008	Maryland Emergency Management Agency	EMW-2021-SS-00047	168,367	-
State Homeland Security	97.008	Maryland Emergency Management Agency	EMW-2022-SS-000009	89,676	-
State Homeland Security	97.008	Maryland Emergency Management Agency	EMW-2023-SS-00011	45,812	-
UASI-HAZMAT	97.008	Maryland Emergency Management Agency	EMW-2020-SS-00010	122	-
UASI-LETPA	97.008	Maryland Emergency Management Agency	EMW-2020-SS-00010	1,209	-
UASI-CCTV	97.008	Maryland Emergency Management Agency	EMW-2020-SS-00010	20,182	-
UASI-Ambo Bus	97.008	Maryland Emergency Management Agency	EMW-2020-SS-00010	17,098	-
UASI - LE Training	97.008	Maryland Emergency Management Agency	EMW-2020-SS-00010	4,618	-
UASI-Fire	97.008	Maryland Emergency Management Agency	EMW-2021-SS-00047	58,419	-
UASI-Fire	97.008	Maryland Emergency Management Agency	EMW-2022-SS-000009	701	-
UASI-Police	97.008	Maryland Emergency Management Agency	EMW-2021-SS-00047	92,922	-
UASI-Police	97.008	Maryland Emergency Management Agency	EMW-2022-SS-000009	47,552	-
UASI-Police	97.008	Maryland Emergency Management Agency	EMW-2023-SS-00011	46,607	-
UASI-OEM	97.008	Maryland Emergency Management Agency	EMW-2021-SS-00047	224,100	-
UASI-OEM	97.008	Maryland Emergency Management Agency	EMW-2022-SS-000009	9,961	-
EFSP_ARPA-R	97.024	Maryland Governor's Office	Unknown	45,000	-
Rodway Vulnerability Study	97.047	Maryland Department of Planning	EMP-2020-BR-005-0002	52,924	-
HMEP	97.093	Maryland Emergency Management Agency	19-GA8837-17F	5,182	-
HMEP	97.093	Maryland Emergency Management Agency	693JK32240008HNEP	18,736	-
Total Department of Homeland Security				1,168,630	-
Total Expenditures of Federal Awards				\$ 43,096,517	\$ 15,355,899

The accompanying notes are an integral part of this schedule.

ANNE ARUNDEL COUNTY, MARYLAND

Notes to the Schedule of Expenditures of Federal Awards For the Year Ended June 30, 2024

1. BASIS OF PRESENTATION

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

The information in this Schedule is presented in accordance with the requirements of Title 2 U.S. Code of Federal Regulations part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance). Compliance testing of all requirements, as described in the Compliance Supplement, was Therefore, some amounts presented in this Schedule may differ from amounts presented in, or used in, the preparation of the basic financial statements. performed for the grant programs noted below. These programs represent Federal award programs for fiscal year 2024 cash and non-cash expenditures to ensure coverage of at least 40% of Federally granted funds. Actual coverage is 60% of total cash and non-cash Federal award program expenditures.

<u>Grant Title</u>	<u>Federal Assistance Listing Number</u>	<u>Federal Expenditures</u>
Home Investment Partnership Program	14.239	\$ 2,232,831
COC Program	14.267	2,124,621
WIOA Cluster	17.258, 17.259, 17.278	2,140,816
American Rescue Plan Act Funds (US Treasury ARPA), Connected Devices - COVID-19	21.027	13,028,845
Inclusive Ventures Program	59.059	1,650,000
State Opioid Response (SOR), Access Harm Reduction Grant	93.788	3,043,177
ARPA One Time Supplemental Funding - COVID-19, Integ of Sexual Health in Recovery, Substance Abuse Treatment Services, Opioid Misuse Prevention Program, Hub & Spoke, Federal Fund Block Grant Substance Use	93.959	1,518,752
		<u>\$ 25,739,042</u>

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

2. INDIRECT COST

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

3. NONCASH ASSISTANCE

The County receives food commodities from the Federal government. During the year ended June 30, 2024, the fair market value of the commodities received was estimated at \$815,379 wholesale value. These commodities are delivered to the Anne Arundel County Food Bank, Inc., an independent organization, which is responsible for distributing the food to eligible County residents. This amount is not included in the Schedule.

ANNE ARUNDEL COUNTY, MARYLAND

**Notes to the Schedule of Expenditures of Federal Awards
For the Year Ended June 30, 2024**

4. REVOLVING LOAN PROGRAM

The County participates in the Environmental Protection Agency's Capitalization Grants for State Revolving Funds loan program (Federal Assistance Listing Number 66.458). The amount due to the State of Maryland under this program as of June 30, 2023 was approximately \$35,980,952. Current year activity was a net decrease to the revolving loan program of approximately \$4,026,831 resulting in a balance due to the State of Maryland as of June 30, 2024 of approximately \$31,954,121.

5. MARYLAND STATE DEPARTMENT OF HEALTH

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

6. RECONCILIATION

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

Grants and aid revenues per ACFR:	
Statement of Revenue, Expenditures and Changes in Fund Balances - Governmental Funds	\$ 105,209,086
Reconciling items:	
Non Federal grants	<u>(62,112,569)</u>
Total Expenditures of Federal Awards	<u>\$ 43,096,517</u>

ANNE ARUNDEL COUNTY, MARYLAND

**Schedule of Findings and Questioned Costs
For the Year Ended June 30, 2024**

Section I – Summary of Independent Public Accountant’s Results

Financial Statements

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

Federal Awards

Type of Independent Public Accountants’ reports issued on compliance for major program:	Unmodified
Internal controls over major program:	
Material weakness(es) identified?	No
Significant deficiencies?	Yes
Any audit findings disclosed that are required to be reported in accordance with Section 2 CFR 200.516(a) of the Uniform Guidance?	Yes

Identification of Major Programs:

Grant Title	Federal Assistance Listing Number	Federal Expenditures
Home Investment Partnership Program	14.239	\$ 2,232,831
COC Program	14.267	2,124,621
WIOA Cluster	17.258, 17.259, 17.278	2,140,816
American Rescue Plan Act Funds (US Treasury ARPA), Connected Devices - COVID-19	21.027	13,028,845
Inclusive Ventures Program	59.059	1,650,000
State Opioid Response (SOR), Access Harm Reduction Grant	93.788	3,043,177
ARPA One Time Supplemental Funding - COVID-19, Integ of Sexual Health in Recovery, Substance Abuse Treatment Services, Opioid Misuse Prevention Program, Hub & Spoke, Federal Fund Block Grant Substance Use	93.959	1,518,752
		\$ 25,739,042
Threshold for distinguishing between Type A and B programs		\$ 1,292,896
Did the County qualify as a low risk auditee?		No

ANNE ARUNDEL COUNTY, MARYLAND

**Schedule of Findings and Questioned Costs
For the Year Ended June 30, 2024**

Section II - Financial Statement Findings

None noted.

ANNE ARUNDEL COUNTY, MARYLAND

**Schedule of Findings and Questioned Costs
For the Year Ended June 30, 2024**

Section III - Federal Award Findings and Questioned Costs

Finding 2024-001

**U.S. Department of Housing and Urban Development
Assistance Listing Number 14.239 – Home Investment Partnership Program
Significant Deficiency over Subrecipient Monitoring
Repeat Finding: No**

Criteria:

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

Condition and Context:

For 1 out of 1 selection, the agreement with the subrecipient did not clearly identify the Federal assistance listing.

Cause:

The County did not inform its subrecipients of Federal requirements included in Uniform Guidance related to procedures required for subrecipient monitoring.

Effect or Potential Effect:

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

Questioned Costs:

Unknown.

Recommendation:

We recommend that the County prepare and maintain a written plan to ensure subrecipients are aware of the Uniform Guidance requirements.

Views of Responsible Officials:

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

ANNE ARUNDEL COUNTY, MARYLAND

**Schedule of Findings and Questioned Costs
For the Year Ended June 30, 2024**

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

Finding 2024-002

U.S. Department of the Treasury

Assistance Listing Number 21.027 – COVID-19 - American Rescue Plan Act Funds (US Treasury ARPA)

Significant Deficiency over Subrecipient Monitoring

Repeat Finding: Yes, 2023-003

Criteria:

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

Condition and Context:

For 2 out of 3 selections, the agreement with the subrecipient did not clearly identify the Federal assistance listing.

Effect or Potential Effect:

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

Questioned Costs:

Unknown.

Recommendation:

We recommend that the County prepare and maintain a written plan to ensure subrecipients are aware of the Uniform Guidance requirements.

Views of Responsible Officials:

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

ANNE ARUNDEL COUNTY, MARYLAND

**Schedule of Findings and Questioned Costs
For the Year Ended June 30, 2024**

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

Finding 2024-003

Small Business Administration

Assistance Listing Number 59.059– Inclusive Venture Program

Significant Deficiency over Subrecipient Monitoring

Repeat Finding: No

Criteria:

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

Condition and Context:

For 1 out of 1 selection, the agreement with the subrecipient did not clearly identify the Federal assistance listing.

Effect or Potential Effect:

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

Questioned Costs:

Unknown.

Recommendation:

We recommend that the County prepare and maintain a written plan to ensure subrecipients are aware of the Uniform Guidance requirements.

Views of Responsible Officials:

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

ANNE ARUNDEL COUNTY, MARYLAND

**Schedule of Findings and Questioned Costs
For the Year Ended June 30, 2024**

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

Finding 2024-004

**U.S. Department of the Health and Human Services
Assistance Listing Number 93.959 – Block Grants for Substance Use Prevention, Treatment, And
Recovery Services
Significant Deficiency over Subrecipient Monitoring
Repeat Finding: No**

Criteria:

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

Condition and Context:

For 2 out of 2 selections, the agreement with the subrecipient did not clearly identify the Federal assistance listing.

Cause:

The County did not inform its subrecipients of Federal requirements included in Uniform Guidance related to procedures required for subrecipient monitoring.

Effect or Potential Effect:

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

Questioned Costs:

Unknown.

Recommendation:

We recommend that the County prepare and maintain a written plan to ensure subrecipients are aware of the Uniform Guidance requirements.

Views of Responsible Officials:

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

ANNE ARUNDEL COUNTY, MARYLAND

**Schedule of Findings and Questioned Costs
For the Year Ended June 30, 2024**

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

Finding 2024-005

**U.S. Department of the Health and Human Services
Assistance Listing Number 93.959 – Block Grants for Substance Use Prevention, Treatment, And
Recovery Services
Noncompliance over Activities Allowed or Unallowed and Allowable Costs/Cost Principles
Repeat Finding: No**

Criteria:

In accordance with 2 CFR §200.303: The non-Federal entity must: (a) Establish and maintain effective internal control over the Federal award that provides reasonable assurance that the non-Federal entity is managing the Federal award in compliance with Federal statutes, regulations, and the terms and conditions of the Federal award.

Condition and Context:

For 3 out of 40 selections, the County was unable to provide copies of the invoices selected to support the expense paid with grant funds.

Cause:

The County did not implement the controls in place to ensure all the invoices are retained properly.

Effect or Potential Effect:

The County may not be in compliance with Uniform Guidance.

Questioned Costs:

\$2,315.84

Recommendation:

We recommend that the County implement improvements to its policies and procedures to ensure documents are retained in accordance with its retention policy.

Views of Responsible Officials:

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

ANNE ARUNDEL COUNTY, MARYLAND

**Schedule of Findings and Questioned Costs
For the Year Ended June 30, 2024**

Section IV – Prior Year Findings and Questioned Costs

Finding 2023-001

**U.S. Department of Labor
Assistance Listing Numbers 17.258, 17.259, 17.278 – WIOA Cluster
Material Weakness over Subrecipient Monitoring
Repeat Finding: No**

Criteria:

A pass-through entity (PTE) must clearly identify to the subrecipient the award as a subaward at the time of subaward (or subsequent subaward modification) by providing the information described in 2 CFR section 200.331(a)(1); all requirements imposed by the PTE on the subrecipient so that the Federal award is used in accordance with Federal statutes, regulations, and the terms and conditions of the award (2 CFR section 200.331(a)(2)); and any additional requirements that the PTE imposes on the subrecipient in order for the PTE to meet its own responsibility for the Federal award (e.g., financial, performance, and special reports) (2 CFR section 200.331(a)(3)). A PTE must also evaluate each subrecipient's risk of noncompliance for purposes of determining the appropriate subrecipient monitoring related to the subaward (2 CFR section 200.332(b)), and monitor the activities of the subrecipient as necessary to ensure that the subaward is used for authorized purposes, complies with the terms and conditions of the subaward, and achieves performance goals (2 CFR sections 200.332(d) through (f)).

Condition and Context:

The County did not conduct adequate monitoring of its subrecipient during the year ended June 30, 2023. The County passes 100% of WIOA Cluster funds to one subrecipient, and risk assessment or monitoring activities (site visits, financial reviews, or programmatic assessments) were not conducted to provide assurance of compliance with Federal regulations.

2024 Status:

Finding has been resolved.

ANNE ARUNDEL COUNTY, MARYLAND

**Schedule of Findings and Questioned Costs
For the Year Ended June 30, 2024**

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

Finding 2023-002

**U.S. Department of the Housing and Urban Development
Assistance Listing Number 14.218 – CDBG – Entitlement Grants Cluster
Non-compliance over Reporting
Repeat Finding: No**

Criteria:

Under the requirements of the Federal Funding Accountability and Transparency Act (Pub. L. No. 109-282), as amended by Section 6202 of Pub. L. No. 110-252, hereafter referred as the “Transparency Act” that are codified in 2 CFR Part 170, recipients (i.e., direct recipients) of grants or cooperative agreements are required to report first-tier subawards of \$30,000 or more to the Federal Funding Accountability and Transparency Act Subaward Reporting System (FSRS).

Condition and Context:

The County is a direct recipient of CDBG Entitlement Grants Cluster funds from the Department of Housing and Urban Development. Additionally, the County provided first-tier subawards greater than \$30,000.

2024 Status:

Finding has been resolved.

ANNE ARUNDEL COUNTY, MARYLAND

**Schedule of Findings and Questioned Costs
For the Year Ended June 30, 2024**

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

Finding 2023-003

U.S. Department of the Treasury

Federal Assistance Listing Number 21.027 – Covid-19 – American Rescue Plan Acts Funds (U.S. Treasury ARPA)

Non-compliance over Subrecipient Monitoring

Repeat Finding: Yes, 2022-001

Criteria:

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

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

Condition and Context:

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

2024 Status:

Finding remains as stated. See Finding 2024-002.

ANNE ARUNDEL COUNTY, MARYLAND

**Schedule of Findings and Questioned Costs
For the Year Ended June 30, 2024**

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

Finding 2023-004

**U.S. Department of the Transportation
Assistance Listing Number 20.205 WB&A Trail (highway Planning and Construction)
Non-compliance over Special Tests – Quality Assurance Program, Value Engineering, and
Utilities
Repeat Finding: No**

Criteria:

A State DOT or Local Public Agency (LPA) must have a quality assurance (QA) program, approved by Federal Highway Administration (FHWA), for construction projects on the National Highway System (NHS) to ensure that materials and workmanship conform to approved plans and specifications (23 CFR sections 637.201, 637.205, 637.207, and 637.209).

Recipients are required to establish a value engineering (VE) program and ensure that a VE analysis is performed on all applicable projects. The program should include procedures to approve or reject recommendations and for monitoring to ensure that resulting, approved recommendations are incorporated into the plans, specifications, and estimate (23 USC 106(e); 23 CFR Part 627).

Recipients are required to develop policies and procedures pertaining to the use, accommodation and/or relocation of public and private utility facilities on highway rights-of way using federal highway funds. Recipients are required to develop, maintain, and obtain FHWA approval of their Utility Accommodation Policy (UAP) (23 CFR section 645.215).

Condition and Context:

Management was unable to provide support documenting the County’s compliance with quality assurance program, value engineering, and utilities special tests for the year ended June 30, 2024.

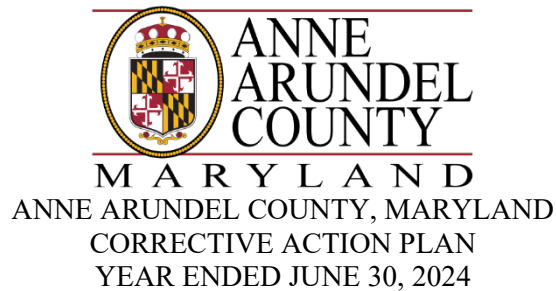
2024 Status:

Finding remains as stated as the County did not provide audit evidence that it complied with the specific requirements.

ANNE ARUNDEL COUNTY, MARYLAND

Schedule of Findings and Questioned Costs For the Year Ended June 30, 2024

Section V – Corrective Action Plan



Anne Arundel County, Maryland respectfully submits the following corrective action plan for the year ended June 30, 2024.

Audit period: July 1, 2023 – June 30, 2024

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

FINDINGS – FEDERAL AWARD PROGRAM AUDITS

2024-001: 14.239 – HOME Investment Partnership Program

- **Recommendation:** We recommend that the County prepare and maintain a written plan to ensure subrecipients are aware of the Uniform Guidance requirements.
- **Explanation of disagreement with audit finding:** There is no disagreement and management agrees with the finding.
- **Corrective action taken in response to finding:** The County Office of Finance has developed a plan that includes a Grant Cover Form that has a line to provide the Assisted Listing (AL) number, if applicable. The form is included with the Grant Application during the Grant approval process. The Grant Cover Form will be reviewed and any AL numbers listed will be placed on the agreements that include subrecipient awards.
- **Name of the contact person responsible for corrective action:** Kevin McMahon, Office of Finance, Caren Bortz, Office of the County Executive and Jason Fetterman, Office of Law.
- **Planned completion date for the corrective action plan:** June 30, 2025.

2024-002: 21.027 – COVID-19 – American rescue Plan Act Funds (US Treasury ARPA)

- **Recommendation:** We recommend that the County prepare and maintain a written plan to ensure subrecipients are aware of the Uniform Guidance requirements.
- **Explanation of disagreement with audit finding:** There is no disagreement and management agrees with the finding.
- **Corrective action taken in response to finding:** The County Office of Finance has developed a plan that includes a Grant Cover Form that has a line to provide the Assisted Listing (AL) number, if applicable. The form is included with the Grant Application during the Grant approval process. The Grant Cover Form will be reviewed and any AL numbers listed will be placed on the agreements that include subrecipient awards.

ANNE ARUNDEL COUNTY, MARYLAND

Schedule of Findings and Questioned Costs For the Year Ended June 30, 2024

- **Name of the contact person responsible for corrective action:** Kevin McMahon, Office of Finance, Caren Bortz, Office of the County Executive and Jason Fetterman, Office of Law.
- **Planned completion date for the corrective action plan:** June 30, 2025.

2024-003: 59.059 – Inclusive Ventures Programs

- **Recommendation:** We recommend that the County prepare and maintain a written plan to ensure subrecipients are aware of the Uniform Guidance requirements.
- **Explanation of disagreement with audit finding:** There is no disagreement and management agrees with the finding.
- **Corrective action taken in response to finding:** The County Office of Finance has developed a plan that includes a Grant Cover Form that has a line to provide the Assisted Listing (AL) number, if applicable. The form is included with the Grant Application during the Grant approval process. The Grant Cover Form will be reviewed and any AL numbers listed will be placed on the agreements that include subrecipient awards.
- **Name of the contact person responsible for corrective action:** Kevin McMahon, Office of Finance, Caren Bortz, Office of the County Executive and Jason Fetterman, Office of Law.
- **Planned completion date for the corrective action plan:** June 30, 2025.

2024-004: 93.959 – Substance Use Prevention, Treatment, and Recovery Services

- **Recommendation:** We recommend that the County prepare and maintain a written plan to ensure subrecipients are aware of the Uniform Guidance requirements.
- **Explanation of disagreement with audit finding:** There is no disagreement and management agrees with the finding.
- **Corrective action taken in response to finding:** The County Office of Finance has developed a plan that includes a Grant Cover Form that has a line to provide the Assisted Listing (AL) number, if applicable. The form is included with the Grant Application during the Grant approval process. The Grant Cover Form will be reviewed and any AL numbers listed will be placed on the agreements that include subrecipient awards.
- **Name of the contact person responsible for corrective action:** Kevin McMahon, Office of Finance, Caren Bortz, Office of the County Executive and Jason Fetterman, Office of Law.
- **Planned completion date for the corrective action plan:** June 30, 2025.

2024-005: 93.959 – Substance Use Prevention, Treatment, and Recovery Services

- **Recommendation:** We recommend that the County implement improvements to its policies and procedures to ensure documents are retained in accordance with its retention policy.
- **Explanation of disagreement with audit finding:** There is no disagreement and management agrees with the finding.
- **Corrective action taken in response to finding:** The County's Procurement Card Administrator (PCA) will meet with the cardholders and their approvers. The PCA will review the requirement of providing supporting documentation for all procurement card transactions and remind the approvers that they should not approve any transaction that does not have the proper documentation.

ANNE ARUNDEL COUNTY, MARYLAND

Schedule of Findings and Questioned Costs For the Year Ended June 30, 2024

- **Name of the contact person responsible for corrective action:** Jennifer Petterson-Helmecki, Procurement Card Administrator.
- **Planned completion date for the corrective action plan:** June 30, 2025.

If the Department of the Treasury has questions regarding this plan, then please contact Kevin McMahon at (410)222-2380, or via email at fmmcma22@aacounty.org.