



**CHARLES COUNTY, MARYLAND**

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

**For the Year Ended June 30, 2013**



**SB & COMPANY, LLC**  
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**JUNE 30, 2013**

**CONTENTS**

<b>REPORT OF INDEPENDENT PUBLIC ACCOUNTANTS</b>	1
<b>REPORT OF INDEPENDENT PUBLIC ACCOUNTANTS ON INTERNAL CONTROL OVER FINANCIAL REPORTING AND ON COMPLIANCE AND OTHER MATTERS BASED ON AN AUDIT OF FINANCIAL STATEMENTS PERFORMED IN ACCORDANCE WITH <i>GOVERNMENT AUDITING STANDARDS</i></b>	4
<b>REPORT OF INDEPENDENT PUBLIC ACCOUNTANTS ON COMPLIANCE FOR EACH MAJOR FEDERAL PROGRAM AND ON INTERNAL CONTROL OVER COMPLIANCE IN ACCORDANCE WITH OMB CIRCULAR A-133</b>	6
<b>SUPPLEMENTAL SCHEDULES</b>	
Schedule of Expenditures of Federal Awards	9
Notes to the Schedule of Expenditures of Federal Awards	15
Schedule of Findings and Questioned Costs	17
Schedule of Prior Year Audit Findings and Questioned Costs	19



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## **REPORT OF INDEPENDENT PUBLIC ACCOUNTANTS**

The County Commissioners of Charles County  
La Plata, Maryland

### **Report on the Financial Statements**

We have audited the accompanying 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 Commissioners of Charles County, Maryland (the County), as of and for the year ended June 30, 2013, and the related notes to the financial statements, which collectively comprise the County's basic financial statements.

### ***Management's Responsibility for the Financial Statements***

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

### ***Auditor's Responsibility***

Our responsibility is to express opinions on these financial statements based on our audit. We did not audit the financial statements of the Board of Education of Charles County, Maryland, or the Board of Library Trustees for Charles County, Maryland. Those financial statements were audited by other auditors whose reports thereon have been furnished to us, and our opinion, insofar as it relates to the amounts included for those entities, are based on the reports of the other auditors. We conducted our audit 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. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements 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 entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.



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We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

### ***Opinions***

In our opinion, based on our audit and the reports of the other auditors, the financial statements referred to above 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, 2013 and the respective changes in financial position and, where applicable, cash flows thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

### ***Other Matters***

#### ***Required Supplementary Information***

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis, and the required supplemental schedules of funding progress and schedules of employer contributions for the Pension Trust Funds and Other Post Employment Benefits (OPEB) Trust be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

#### ***Supplementary Information***

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the County's basic financial statements. The schedule of revenues, expenditures, and changes in fund balance budget to actual – general fund, as required by the Government Accounting Standards Board, combining and individual fund statements, and the Schedule of Expenditures of Federal Awards, as required by the U.S. Office of Management and Budget Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations*, are presented for purposes of additional analysis and are not a required part of the basic financial statements.



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The accompanying combining and individual fund statements, the schedule of revenues, expenditures, and changes in fund balance budget to actual – general fund, and the Schedule of Expenditures of Federal Awards are 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. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the accompanying combining and individual fund statements and budgetary comparison schedules are fairly stated in all material respects in relation to the basic financial statements as a whole.

**Other Reporting Required by *Government Auditing Standards***

In accordance with *Government Auditing Standards*, we have also issued our report dated October 30, 2013, on our consideration of the County's internal control 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 to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on internal control 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 control over financial reporting and compliance.

*SB & Company, LLC*

Hunt Valley, Maryland  
October 30, 2013



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

The County Commissioners of Charles County  
La Plata, 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 County Commissioners of Charles County, Maryland (the County) as of and for the year ended June 30, 2013, and the related notes to the financial statements, which collectively comprise the County's basic financial statements, and have issued our report thereon dated October 30, 2013.

**Internal Control over Financial Reporting**

Management of the County is responsible for establishing and maintaining effective internal control over financial reporting. In planning and performing our audit of the financial statements, we considered the County's internal control over financial reporting (internal control) to determine the audit procedures that are appropriate in the circumstances for the purpose of expressing our opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the County's internal control. Accordingly, we do not express an opinion on the effectiveness of the County's internal control.

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

Our consideration of internal control over financial reporting 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 financial reporting that might be material weaknesses or significant deficiencies. Given these limitations, during our audit we did not identify any deficiencies in internal control over financial reporting that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.



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## **Compliance and Other Matters**

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

## **Purpose of this Report**

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

*SB & Company, LLC*

Hunt Valley, Maryland  
October 30, 2013



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**REPORT OF INDEPENDENT PUBLIC ACCOUNTANTS ON COMPLIANCE  
FOR EACH MAJOR FEDERAL PROGRAM AND ON INTERNAL CONTROL  
OVER COMPLIANCE IN ACCORDANCE WITH OMB CIRCULAR A-133**

The County Commissioners of Charles County  
La Plata, Maryland

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

We have audited the County Commissioners of Charles County, Maryland (the County) compliance with the types of compliance requirements described in the U.S. Office of Management and Budget (OMB) Circular A-133 *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, 2013. The County's major Federal programs are identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs.

***Management's Responsibility***

Management is responsible for compliance with the requirements of laws, regulations, contracts, and grants applicable to its Federal programs.

***Auditor's 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 OMB Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations*. Those standards and OMB Circular A-133 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.

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.





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### ***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, 2013.

### **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 as a basis for designing 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 OMB Circular A-133, 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 combination of deficiencies in internal control over compliance, such that there is a reasonable possibility that material noncompliance with a type of compliance requirement of a Federal program will not be prevented, or detected and corrected on a timely basis. *A significant deficiency in internal control over compliance* is a deficiency, or a combination of deficiencies, in internal control over compliance with a type of compliance requirement of a Federal program that is less severe than a material weakness in internal control over compliance, yet important enough to merit attention by those charged with governance.

Our consideration of internal control over compliance was for the limited purpose described in the 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, material weaknesses may exist that have not been identified.



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The purpose of this report on internal control over compliance is solely to describe the scope of our testing of internal control over compliance and the results of that testing based on the requirements of OMB Circular A-133. Accordingly, this report is not suitable for any other purpose.

*SB & Company, LLC*

Hunt Valley, Maryland  
October 30, 2013

**CHARLES COUNTY, MARYLAND**

**Schedule of Expenditures of Federal Awards  
For the Year Ended June 30, 2013**

<u>Federal Grantor/Pass Through Grantor/Program or Cluster Title</u>	<u>Federal CFDA Number</u>	<u>Grantor's/ Passthrough Number</u>	<u>Grant Period</u>	<u>Federal Expenditures</u>
<b>U.S. Department of Housing &amp; Urban Development</b>				
Section 8 Housing Choice Voucher Program	14.871	MD024VO	07/01/12 - 06/30/13	\$ 8,105,405
Section 8 Housing Choice Voucher Program	14.871	MD024AF	07/01/12 - 06/30/13	666,351
Pass-through MD Dept of Housing and Community Development				
Community Development Block Grant	14.228	MD-12-CD-26	06/23/11 - 06/30/13	150,000
Emergency Solutions Grant	14.231	12ESG09-2011-B	08/01/12 - 07/31/14	16,818
Emergency Solutions Grant	14.231	13ESG09-2012	10/01/12 - 09/30/14	26,072
<b>Total U.S. Department of Housing &amp; Urban Development</b>				<u>8,964,646</u>
<b>U.S. Department of Agriculture</b>				
Pass-through MD Dept. of Education				
Child & Adult Care Food Program	10.558	DCS (341100)	10/01/12 - 09/30/13	3,515
Child & Adult Care Food Program	10.558	DCS (341100)	10/01/11 - 09/30/12	974
Pass-through MD Dept. of Human Resources				
Emergency Food Assistance Program (Food Commodities)	10.569	OGM/FNS 12-009	10/01/11-09/30/13	8,000
<b>Total U.S. Department of Agriculture</b>				<u>12,489</u>
<b>U.S. Department of Justice</b>				
Joint Law Enforcement Operations (JLEO)	16.111	JLEO-130069	10/09/12 - 09/30/13	3,063
Joint Law Enforcement Operations (JLEO)	16.111	JLEO-120069	10/04/11 - 09/30/12	1,008
National Institute of Justice Research, Evaluation, & Development				
Project Grants	16.560	2012-DN-BX-K030	10/01/12 - 03/31/14	80,683
Drug Court Discretionary Grant Program: Family Recovery Court	16.585	2010-DC-BX-0101	10/01/10 - 09/30/14	111,231
State Criminal Alien Assistance Program	16.606	2012-AP-BX-0505	Information Period 7/1/10 - 6/30/11 for calculating award	10,623
State Criminal Alien Assistance Program	16.606	2011-AP-BX-0414	Information Period 7/1/09 - 6/30/10 for calculating award	538
Bulletproof Vest Partnership Program FFY2012 BFVP	16.607	None	04/01/12 - 8/31/14 or until all available 2012 award funds have been requested.	1,849
Bulletproof Vest Partnership Program FFY2011 BFVP	16.607	None	04/01/11 - 8/31/13 or until all available 2011 award funds have been requested.	3,600

The accompanying notes are an integral part of this schedule.

# CHARLES COUNTY, MARYLAND

## Schedule of Expenditures of Federal Awards For the Year Ended June 30, 2013

Federal Grantor/Pass Through Grantor/Program or Cluster Title	Federal CFDA Number	Grantor's/ Passthrough Number	Grant Period	Federal Expenditures
<b>U.S. Department of Justice (continued)</b>				
The Edward J. Byrne Memorial Justice Assistance Grant: Local Solicitation CCSO Equipment Upgrade & Drug Court Support Program	16.738	2011-DJ-BX-2677	10/01/10 - 09/30/14	\$ 32,728
The Edward J. Byrne Memorial Justice Assistance Grant: Officer Safety, Equipment Upgrade & Drug Court Support Program	16.738	2012-DJ-BX-1205	10/01/11 - 09/30/15	19,779
The Edward J. Byrne Memorial Justice Assistance Grant: CCSO Enhancing Training & Serving Extraditions	16.738	2009-DJ-BX-0366	10/01/08 - 09/30/12	7,098
The Edward J. Byrne Memorial Justice Assistance Grant: Video Conferencing Equipment & Drug Court	16.738	2010-DJ-BX-0225	10/01/09 - 09/30/13	1,399
Byrne Justice Assistance Grant Local Solicitation American Recovery & Reinvestment Act (ARRA) of 2009 (Public Law 1115): Intelligence Specialist Proposal	16.804	2009-SB-B9-0158	03/01/09 - 08/31/13	90,922
Equitable Sharing Program	16.922	Various	Two years from receipt	80,945
Washington Division Office Task Force (Group 48)	16.Unknown	None	10/01/12 - 09/30/13	10,828
Washington Division Office Task Force (Group 36)	16.Unknown	None	10/01/11 - 09/30/12	6,997
Washington Division Office Task Force (Group 36)	16.Unknown	None	10/01/12 - 09/30/13	17,057
Organized Crime Drug Enforcement Task Forces Program (OCDETF)	16.Unknown	MA-DC-165	10/01/11 - 09/30/12	6,206
Organized Crime Drug Enforcement Task Forces Program (OCDETF)	16.Unknown	MA-DC-165	10/01/12 - 09/30/13	16,458
Organized Crime Drug Enforcement Task Forces Program (OCDETF)	16.Unknown	MA-MD-530	10/01/12 - 09/30/13	30,592
Pass-through the Governor's Office				
Juvenile Accountability Block Grants	16.523	JABG-2010-1016	07/01/11 - 09/30/12	2,937
Juvenile Accountability Block Grants	16.523	JINT-2010-1001	07/01/11 - 09/30/12	1,289
The Edward J. Byrne Memorial Justice Assistance Grant: JDC	16.738	BJAG-2010-1014	10/01/12 - 09/30/13	20,341
The Edward J. Byrne Memorial Justice Assistance Grant: Child First Training Course LETS	16.738	BJAG-2010-1119	10/01/12 - 03/31/13	980
The Edward J. Byrne Memorial Justice Assistance Grant: Successful Executive Leadership Training LETS	16.738	BJNT-2010-1006	01/01/13 - 03/30/13	1,652
ARRA - Edward Byrne Memorial Justice Assistance Grant (JAG) Program/ Grants to States & Territories: Domestic Violence Coordinator Program	16.803	BJRA-2009-1182	10/01/11 - 12/31/12	22,579
Pass-through the GOCCP through the Cal Ripken Sr. Foundation				
Juvenile Mentoring Program - Badges for Baseball	16.726	2012-FED-MSM-B4B-MD-3	10/01/11 - 10/31/12	98
Juvenile Mentoring Program - Badges for Baseball	16.726	2012-FED-MSM-B4B-MD-3	10/01/12 - 10/31/13	9,910
Pass-through County Commissioners for St. Mary's County				
Criminal and Juvenile Justice and Mental Health Collaboration Program	16.745	2010-MO-BX-0014	10/01/10 - 09/30/13	2,427
<b>Total U.S. Department of Justice</b>				595,816

The accompanying notes are an integral part of this schedule.

**CHARLES COUNTY, MARYLAND**

**Schedule of Expenditures of Federal Awards  
For the Year Ended June 30, 2013**

Federal Grantor/Pass Through Grantor/Program or Cluster Title	Federal CFDA Number	Grantor's/ Passthrough Number	Grant Period	Federal Expenditures
<b>U. S. Department of Transportation:</b>				
Pass through the MD Department of Transportation				
National Motor Carrier Safety Assistance Program (MCSAP)	20.218	MCSAP Program Charles Co.	10/01/11 - 09/30/13	\$ 5,101
Federal Transit Formula Grants / Urbanized Area Formula Program	20.507	MD-90-0101	07/1/05 - 6/30/14	5,501
Federal Transit Formula Grants / Urbanized Area Formula Program	20.507	MD-90-0125	07/1/09 - 6/30/14	250,197
Federal Transit Capital Investment Grants (ARRA)	20.507	MD-96-X001	04/01/09 - 09/15/13	22,135
Federal Transit Formula Grants / Urbanized Area Formula Program	20.507	CH045307C2012	07/01/11 - 06/30/15	172,015
Federal Transit Formula Grants / Urbanized Area Formula Program	20.507	CH045307C2013	07/01/12 - 06/30/16	541,168
Federal Transit Formula Grants / Urbanized Area Formula Program - Section 5307	20.507	CH04530702013, Line Item 30.09.01	07/01/12 - 06/30/13	1,879,051
Formula Grants for Rural Areas – Section 5311	20.509	CH045311O2013, Line Item 30.09.01	07/01/12 - 06/30/13	76,085
State & Community Highway Safety Program	20.600	Project 12-164	10/01/11 - 09/30/12	36,274
State & Community Highway Safety Program	20.600	Project 13-023	10/01/12 - 09/30/13	24,289
Pass through MD Emergency Mgmt. Agency				
Interagency Hazardous Materials Public Sector Training & Planning Grants	20.703	HM-HMP-0307-12-01	10/01/12 - 09/30/13	<u>10,510</u>
<b>Total U.S. Department of Transportation</b>				<u>3,022,325</u>
<b>U.S. Environmental Protection Agency:</b>				
Pass through MD Department of the Environment				
State Clean Diesel Grant Program (ARRA)	66.040	PO#U00P2401028	04/27/12 - 09/30/12	47,029
Congressionally Mandated Projects	66.202	XP-96300301-1	12/07/10 - 12/31/14	<u>46,742</u>
<b>Total U.S. Environmental Protection Agency</b>				<u>93,771</u>
<b>U.S. Department of Energy:</b>				
Energy Efficiency & Conservation Block Grants (EECBG) (ARRA)	81.128	DE-SC0003420	12/21/09 - 12/20/12	<u>48,156</u>
<b>Total U.S. Department of Energy</b>				<u>48,156</u>

The accompanying notes are an integral part of this schedule.

**CHARLES COUNTY, MARYLAND**

**Schedule of Expenditures of Federal Awards  
For the Year Ended June 30, 2013**

Federal Grantor/Pass Through Grantor/Program or Cluster Title	Federal CFDA Number	Grantor's/ Passthrough Number	Grant Period	Federal Expenditures
<b>U.S. Dept. of Health &amp; Human Services</b>				
Health Care & Other Facilities	93.887	C76HF21207-01-02	09/01/10 - 08/31/13	\$ 247,500
Substance Abuse & Mental Health Services Projects of Regional & National Significance	93.243	1H79TI024212-01	09/30/12 - 09/29/15	100,923
Pass through MD Department of Aging				
Special Programs for the Aging Title VII, Chapter 2 Long Term Care Ombudsman Services for Older Individuals	93.042	AAA-3-24-008	10/01/11 - 09/30/12	1,564
Special Programs for the Aging Title VII, Chapter 2 Long Term Care Ombudsman Services for Older Individuals	93.042	AAA-3-24-008	10/01/12 - 09/30/13	5,446
Special Programs for the Aging Title III, Part D Disease Prevention & Health Promotion Services	93.043	AAA-3-24-008	10/01/11 - 09/30/12	8,325
Special Programs for the Aging Title III, Part D Disease Prevention & Health Promotion Services	93.043	AAA-3-24-008	10/01/12 - 09/30/13	675
Special Programs for the Aging Title III, Part B Grants for Supportive Services & Senior Centers	93.044	AAA-3-24-008	10/01/11 - 09/30/12	31,706
Special Programs for the Aging Title III, Part B Grants for Supportive Services & Senior Centers	93.044	AAA-3-24-008	10/01/12 - 09/30/13	60,385
Special Programs for the Aging Title III, Part C Nutrition Services - C1	93.045	AAA-3-24-008	10/01/12 - 09/30/13	46,341
Special Programs for the Aging Title III, Part C Nutrition Services - C2	93.045	AAA-3-24-008	10/01/12 - 09/30/13	55,844
Special Programs for the Aging Title III, Part C Nutrition Services - C1	93.045	AAA-3-24-008	10/01/11 - 09/30/12	41,841
Special Programs for the Aging Title III, Part C Nutrition Services - C2	93.045	AAA-3-24-008	10/01/11 - 09/30/12	9,892
Special Programs For the Aging Title IV & Title II Discretionary Projects: Health Care Fraud Program Expansion & SMP Capacity Building Grants	93.048	ST-2514-008	09/30/12 - 09/29/13	5,774
Special Programs For the Aging Title IV & Title II Discretionary Projects: Health Care Fraud Program Expansion & SMP Capacity Building Grants	93.048	ST-2516-008	06/01/12 - 05/31/13	4,908
Special Programs For the Aging Title IV & Title II Discretionary Projects: Health Care Fraud Program Expansion & SMP Capacity Building Grants	93.048	ST-2514-008	10/01/11 - 09/30/12	1,539
National Family Caregiver Support, Title III, Part E	93.052	AAA-3-24-008	10/01/12 - 09/30/13	23,665
National Family Caregiver Support, Title III, Part E	93.052	AAA-3-24-008	10/01/11 - 09/30/12	11,986
Nutrition Services Incentive Program	93.053	ST-2505-008	10/01/11 - 09/30/12	632
Nutrition Services Incentive Program	93.053	ST-2505-008	10/01/11 - 09/30/12	3,579
Nutrition Services Incentive Program	93.053	ST-2505-008	10/01/12 - 09/30/13	1,673
Nutrition Services Incentive Program	93.053	ST-2505-008	10/01/12 - 09/30/13	20,133

The accompanying notes are an integral part of this schedule.

**CHARLES COUNTY, MARYLAND**

**Schedule of Expenditures of Federal Awards  
For the Year Ended June 30, 2013**

<u>Federal Grantor/Pass Through Grantor/Program or Cluster Title</u>	<u>Federal CFDA Number</u>	<u>Grantor's/ Passthrough Number</u>	<u>Grant Period</u>	<u>Federal Expenditures</u>
<b>U.S. Dept. of Health &amp; Human Services (continued)</b>				
Pass through MD Department of Human Resources / Charles County Department of Social Services				
Promoting Safe & Stable Families	93.556	CHA/FACS/13-011	07/01/12 - 06/30/13	\$ 98,576
Child Support Enforcement	93.563	CSEA/CRA-13-042	10/01/12 - 09/30/13	325,858
Child Support Enforcement	93.563	CSEA/CRA-12-042	10/01/11 - 09/30/12	101,077
Child Support Enforcement	93.563	CSEA/CRA-13-012	10/01/12 - 09/30/13	268,240
Child Support Enforcement	93.563	CSEA/CRA-12-012	10/01/11 - 09/30/12	79,795
Child Support Enforcement	93.563	CSEA/CRA-13-037	10/01/12 - 09/30/13	101,210
Child Support Enforcement	93.563	CSEA/CRA-12-037	10/01/11 - 09/30/12	34,038
Child Support Enforcement - Incentive Funds FY 09	93.563	Sheriff's Office	04/01/11 - 03/31/13	2,274
Child Support Enforcement - Incentive Funds FY 09	93.563	Masters	04/01/11 - 03/31/13	2,099
Child Support Enforcement - Incentive Funds FY 09	93.563	State Attorney Office	04/01/11 - 03/31/13	8,570
Pass through State of Maryland, Administrative Office of the Courts State Court Improvement Program				
	93.586	CIPCW-02	10/01/11 - 09/30/12	1,960
Pass-through MD Department of Education ARRA - Head Start				
	93.708	135101	12/01/12 - 08/31/13	3,000
Pass through MD Department of Health & Mental Hygiene Pass through the MD Institute for Emergency Medical Services Systems (MIEMSS) National Bioterrorism Hospital Preparedness Program				
	93.889	BT10-005	signature date to 06/30/13	<u>33,242</u>
<b>Total U.S. Dept. of Health &amp; Human Services</b>				<u>1,744,269</u>
<b>Centers for Medicare &amp; Medicaid Services</b>				
Pass-through MD Dept. of Aging Centers for Medicare & Medicaid Services (CMS) Research, Demonstrations & Evaluations: Money Follows the Person Rebalancing Demonstration				
	93.779	None	07/01/12 - 06/30/13	5,788
Centers for Medicare & Medicaid Services (CMS) Research, Demonstrations & Evaluations: Senior Health Insurance Program				
	93.779	ST-2515-008	04/01/12 - 03/31/13	14,670
Centers for Medicare & Medicaid Services (CMS) Research, Demonstrations & Evaluations: MD Access Point				
	93.779	None	07/01/12 - 06/30/13	129,288
Centers for Medicare & Medicaid Services (CMS) Research, Demonstrations & Evaluations: MIPPA				
	93.779	ST-2510-008	10/01/11 - 09/30/12	<u>4,279</u>
<b>Total Centers for Medicare &amp; Medicaid Services</b>				<u>154,025</u>

The accompanying notes are an integral part of this schedule.

**CHARLES COUNTY, MARYLAND**

**Schedule of Expenditures of Federal Awards  
For the Year Ended June 30, 2013**

<u>Federal Grantor/Pass Through Grantor/Program or Cluster Title</u>	<u>Federal CFDA Number</u>	<u>Grantor's/ Passthrough Number</u>	<u>Grant Period</u>	<u>Federal Expenditures</u>
<b>Department of Homeland Security</b>				
Port Security Grant Program	97.056	2010-PU-T0-0064	06/01/10 - 05/31/13	\$ 284,422
Pass-through MD Emergency Mgmt. Agency				
Disaster Grants - Public Assistance (Presidentially Declared Disasters)	97.036	Hurricane Sandy - October 26, 2012 to November 04, 2012, FEMA-4091-DR-MD	FY2013 or until funding completed	112,548
Disaster Grants - Public Assistance (Presidentially Declared Disasters)	97.036	Hurricane Irene - August 24, 2011 to September 5, 2011 FEMA-4034- DR-MD	FY2012 or until funding completed	7,124
Disaster Grants - Public Assistance (Presidentially Declared Disasters)	97.036	Tropical Storm Lee - September 6, 2011 to September 9, 2011 FEMA- 4038-DR-MD	FY2012 or until funding completed	151,910
Disaster Grants - Public Assistance (Presidentially Declared Disasters)	97.036	Maryland Severe Storms & Straight-line Winds - Derecho, FEMA-4075-DR-MD	FY2013 or until funding completed	172,894
Emergency Mgmt. Performance Grant - FFY11	97.042	EMW-2011-EP-00005-S01 (MEMA GMS# 11-GA-8843-05)	10/01/10 - 07/31/12	43,262
Emergency Mgmt. Performance Grant - FFY12	97.042	EMW-2012-EP-00005-S01 (MEMA GMS# 12-SR-8843-01)	06/01/12 - 02/28/14	45,774
Pre-Disaster Mitigation	97.047	FEMA Project ID# LPDM-PL-03- MD-2008-007	04/30/10 - 04/30/13	5,488
Citizens-Community Resilience Innovation Challenge	97.053	2010-SS-TO-0025 (MEMA GMS# 10-SR 8843-02)	08/01/10 - 04/30/13	4,366
Port Security Grant Program	97.056	2009-PU-T9-K003 (MEMA GMS# 09-SR 8843-09)	06/01/09 - 05/31/13	31,673
Port Security Grant Program	97.056	EMW-2011-PU-K00002-S01	09/01/11 - 08/31/14	17,143
Homeland Security Grant Program FFY11 – SHSG	97.073	EMW-2011-SS-00044-S01-SHS (MEMA GMS# 11-SR-8843-02)	11/01/11 - 05/31/14	39,125
Homeland Security Grant Program FFY11 – SHSG Planner	97.073	EMW-2011-SS-00044-S01-SHS (MEMA GMS# 11-SR-8843-02)	11/01/11 - 05/31/14	35,652
Homeland Security Grant Program FFY10 – SHSG	97.073	2010-SS-TO-0025 (MEMA GMS# 10-SR 8843-03)	08/01/10 - 04/30/13	19,301
Homeland Security Grant Program FFY10 – SHSG Planner	97.073	2010-SS-TO-0025 (MEMA GMS# 10-SR 8843-03)	08/01/10 - 04/30/13	65,042
Homeland Security Grant Program FFY12 – SHSG	97.073	EMW-2012-SS-00044-S01-SHS (MEMA GMS# 12-SR-8843-02)	09/01/12 - 05/31/14	39,140
<b>Total Department of Homeland Security</b>				<u>1,074,864</u>
<b>TOTAL</b>				<u>\$ 15,710,361</u>

The accompanying notes are an integral part of this schedule.



# CHARLES COUNTY, MARYLAND

## Notes to the Schedule of Expenditures of Federal Awards For the Year Ended June 30, 2013

### 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

All Federal grant operations of the County Commissioners of Charles County, Maryland (the County) are included in the scope of the Office of Management and Budget (OMB) Circular A-133 audit (the Single Audit). The Single Audit was performed in accordance with the provisions of the OMB Circular A-133 Compliance Supplement. Compliance testing of all requirements, as described in the Compliance Supplement, was performed for the major grant programs noted below. The programs on the schedule of expenditures of Federal awards represent all Federal award programs and other grants with fiscal year 2013 cash or non-cash expenditure activities. We have evaluated the Federal financial assistance programs of the County for the year ended June 30, 2013, and have selected major programs listed below for testing. Our coverage for testing was 26% of all Federal expenditures. The major programs tested are listed below.

<u>Major Program</u>	<u>CFDA Number</u>	<u>Federal Expenditures</u>
Community Development Block Grants	14.228	\$ 150,000
The Edward J. Byrne Memorial Justice Assistance Grant Cluster	16.738, 16.803, 16.804	197,478
Federal Transit	20.507	2,870,067
Health Care and Other Facilities	93.887	247,500
Disaster Grants- Public Assistance (Presidentially Declared Disasters)	97.036	444,477
Homeland Security Program FY11- SHSG	97.073	198,260
		<u>\$ 4,107,782</u>

### 2. BASIS OF PRESENTATION

The schedule of expenditures of Federal awards has been accounted for on the accrual basis of accounting.

### 3. SUBRECIPIENTS

The County provided Federal awards to subrecipients as follows:

<u>Program</u>	<u>CFDA Number</u>	<u>Amount Provided</u>
Emergency Food Assistance Program (Food Commodities)	10.569	\$ 8,000
Emergency Shelter Grant	14.231	42,890
Health Care and Other Facilities	93.887	247,500
National Bioterrorism Hospital Preparedness Program	93.889	24,045
		<u>\$ 322,435</u>

**CHARLES COUNTY, MARYLAND**

**Notes to the Schedule of Expenditures of Federal Awards  
For the Year Ended June 30, 2013**

**4. LOANS OUTSTANDING**

The County administers low-income housing loan programs under the Community Development Block Grant Program. The County had the following loan balance outstanding as of June 30, 2013:

<b>Program</b>	<b>CFDA Number</b>	<b>Federal Expenditures</b>
Community Development Block Grant	14.228	\$ 939,954

**CHARLES COUNTY, MARYLAND**

**Schedule of Findings and Questioned Costs  
For the Year Ended June 30, 2013**

**Section I - Summary of Independent Public Accountants' Results**

**Financial Statements**

Type of Independent Public Accountants' report issued	Unmodified
Internal control over financial reporting:	
Material weakness identified?	No
Significant deficiency identified?	None reported
Noncompliance material to the financial statements noted?	No

**Federal Awards**

Type of Independent Public Accountants' report issued on compliance for major programs	Unmodified
Internal control over major programs:	
Material weakness identified?	No
Significant deficiency identified?	None reported
Audit findings disclosed that are required to be reported in accordance with section 510(a) of OMB Circular A-133?	No

**CHARLES COUNTY, MARYLAND**

**Schedule of Findings and Questioned Costs  
For the Year Ended June 30, 2013**

**Identification of Major Programs tested:**

<u>Major Program</u>	<u>CFDA Number</u>	<u>Federal Expenditures</u>
Community Development Block Grants	14.228	\$ 150,000
The Edward J. Byrne Memorial Justice Assistance Grant Cluster	16.738, 16.803, 16.804	197,478
Federal Transit	20.507	2,870,067
Health Care and Other Facilities	93.887	247,500
Disaster Grants- Public Assistance (Presidentially Declared Disasters)	97.036	444,477
Homeland Security Program FY11- SHSG	97.073	198,260
		<u>\$ 4,107,782</u>
Threshold for distinguishing between Type A and B programs		\$ 471,311
Did the County qualify as a low risk auditee?		Yes

**Section II – Financial Statement Findings**

None noted.

**Section III - Federal Award Findings**

None noted.

**CHARLES COUNTY, MARYLAND**

**Schedule of Prior Year Audit Findings and Questioned Costs  
For the Year Ended June 30, 2013**

No Prior Year Findings.