

**THE COUNTY COMMISSIONERS OF
CHARLES COUNTY, MARYLAND
La Plata, Maryland**

**REPORT ON SINGLE AUDIT
June 30, 2008**

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**Independent Auditor's Report on Internal Control Over Financial
Reporting and on Compliance and Other Matters Based on an Audit of Financial
Statements Performed in Accordance with *Government Auditing Standards***

The County Commissioners
of Charles County
Charles County, Maryland

We have audited the financial statements of the governmental activities, the business-type activities, the aggregate discretely presented component units, each major fund, and the aggregate remaining fund information of the County Commissioners of Charles County, Maryland (the County) as of and for the year ended June 30, 2008, which collectively comprise the County's basic financial statements and have issued our report thereon dated November 28, 2008. We did not audit the financial statements of the Board of Library Trustees for Charles County. The financial statements of the Board of Library Trustees for Charles County were audited by other auditors whose report thereon have been furnished to us, and our opinions, insofar as they relate to the amounts included for the County, is based solely on the reports of 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.

Internal Control Over Financial Reporting

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

A control deficiency 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 misstatements on a timely basis. A significant deficiency is a control deficiency, or combination of control deficiencies, that adversely affects the entity's ability to initiate, authorize, record, process, or report financial data reliably in accordance with generally accepted accounting principles such that there is more than a remote likelihood that a misstatement of the entity's financial statements that is more than inconsequential will not be prevented or detected by the entity's internal control.

A material weakness is a significant deficiency, or combination of significant deficiencies, that results in more than a remote likelihood that a material misstatement of the financial statements will not be prevented or detected by the entity's internal control.

Our consideration of the internal control over financial reporting was for the limited purpose described in the first paragraph of this section and would not necessarily identify all deficiencies in the internal control that might be significant deficiencies or material weaknesses. We did not identify any deficiencies in internal control over financial reporting that we consider to be material weaknesses, as defined above. We also noted certain matters that we reported to the County's management in a separate letter dated November 28, 2008.

Compliance and Other Matters

As part of obtaining reasonable assurance about whether the County's financial statements are free of 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 did not disclose instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

This report is intended solely for the information and use of the County Commissioners of Charles County, management and federal awarding agencies and pass-through entities and is not intended to be and should not be used by anyone other than these specified parties.

Clifton Gundersen LLP

Calverton, Maryland
November 28, 2008

**Independent Auditor's Report on Compliance With Requirements Applicable
to Each Major Program and on Internal Control Over Compliance and Schedule of
Expenditures of Federal Awards in Accordance With OMB Circular A-133**

The County Commissioners
of Charles County
Charles County, Maryland

Compliance

We have audited the compliance of the County Commissioners of Charles County, Maryland (the County) with the types of compliance requirements described in the *U.S. Office of Management and Budget (OMB) Circular A-133 Compliance Supplement* that are applicable to each of its major federal programs for the year ended June 30, 2008. 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. Compliance with the requirements of laws, regulations, contracts, and grants applicable to each of its major federal programs is the responsibility of the County's management. Our responsibility is to express an opinion on the County's compliance based on our audit.

The County's basic financial statements include the operations of the Board of Library Trustees for Charles County and the Board of Education of Charles County, component units, which received federal awards which are not included in the Schedule of Federal Awards for the year ended June 30, 2008. We were separately engaged to perform and have separately reported on the results of our audit of the Board of Education of Charles County in accordance with OMB Circular A-133. Our audit described below does not include the operations of the component units, Board of Library Trustees for Charles County and the Board of Education of Charles County. The Board of Library Trustees for Charles County was audited by other auditors and we audited and separately reported on the activities of the Board of Education of Charles County.

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. Our audit does not provide a legal determination of the County's compliance with those requirements.

In our opinion, the County complied, in all material respects, with the requirements referred to above that are applicable to each of its major federal programs for the year ended June 30, 2008.

Internal Control Over Compliance

The management of the County is responsible for establishing and maintaining effective internal control over compliance with the requirements of laws, regulations, contracts, and grants applicable to federal programs. In planning and performing our audit, we considered the County's internal control over compliance with the requirements that could have a direct and material effect on a major federal program in order to determine our auditing procedures for the purpose of expressing our opinion on compliance, 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 control deficiency in an entity's internal control over compliance 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 noncompliance with a type of compliance requirement of a federal program on a timely basis. A significant deficiency is a control deficiency, or combination of control deficiencies, that adversely affects the entity's ability to administer a federal program such that there is more than a remote likelihood that noncompliance with a type of compliance requirement of a federal program that is more than inconsequential will not be prevented or detected by the entity's internal control.

A material weakness is a significant deficiency, or combination of significant deficiencies, that results in more than a remote likelihood that material noncompliance with a type of compliance requirement of a federal program will not be prevented or detected by the entity's internal control.

Our consideration of internal control over compliance was for the limited purpose described in the first paragraph of this section and would not necessarily identify all deficiencies in internal control that might be significant deficiencies or material weaknesses. We did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses as described above.

Schedule of Expenditures of Federal Awards

We have audited the financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the County Commissioners of Charles County, Maryland as of and for the year ended June 30, 2008, and have issued our report thereon dated November 28, 2008. The Board of Library Trustees for Charles County and the Board of Education of Charles County, component units, which received federal awards which are not included in the Schedule of Federal Awards for the year ended June 30, 2008. We were separately engaged to perform and have separately reported on the results of our audit of the County in accordance with OMB Circular A-133. Our audit was performed for the purpose of forming opinions on the financial statements that collectively comprise the County's basic financial statements. The accompanying schedule of expenditures of federal awards is presented for purposes of additional analysis as required by OMB Circular A-133 and is not a required part of the basic financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and,

in our opinion, is fairly stated, in all material respects, in relation to the basic financial statements taken as a whole.

This report is intended solely for the information and use of the County Commissioners of Charles County, management, others within the County, and federal awarding agencies and pass-through entities and is not intended to be and should not be used by anyone other than these specified parties.

Clifton Gundersen LLP

Calverton, Maryland

March 20, 2009, except for the schedule of expenditures of federal awards
which is dated November 28, 2008

THE COUNTY COMMISSIONERS OF CHARLES COUNTY, MARYLAND
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
June 30, 2008

Federal Grantor/Pass-through Grantor/Program or Cluster Title	Federal CFDA Number	Grantor's Number	Grant Period	Federal Expenditures
U.S. Department of Housing & Urban Development:				
Direct				
Economic Development Initiative	PL108-447	B-05-SP-MD-0106	01/23/06-02/22/11	\$ 197,220
Section 8 Housing Choice Voucher Program	14.871	MD024VO	07/01/07-06/30/08	6,825,153
Section 8 Housing Choice Voucher Program	14.871	MD024AF	07/01/07-06/30/08	777,956
Pass-through MD Dept of Housing and Community Development				
Community Development Block Grant	14.219	MD-06-CD-3	Signature Date-06/30/07 Extended	4,277
Community Development Block Grant	14.219	MD-01-CD-42	02/28/02-12/31/07	153,558
Community Development Block Grant	14.219	MD-05-CD-37	07/01/04-02/28/08	176,720
Community Development Block Grant	14.228	MD-08-CD-30	07/20/07-07/31/09	369
Emergency Shelter Grant Program	14.231	2007-ESG-BOS-07	Signature Date to 10/01/09	28,950
Pass-through MD Dept. of Health & Mental Hygiene:				
CSA Shelter Plus Care	14.238	MH 290 OTH	07/01/07-06/30/08	<u>546,874</u>
Total U.S. Department of Housing & Urban Development				<u>8,711,077</u>
Office of National Drug Control Policy				
Pass-through Arlington County				
High Intensity Drug Trafficking Areas	99.999	none	01/01/08-12/31/08	55,317
High Intensity Drug Trafficking Areas	99.999	none	01/01/07-12/31/07	96,714
High Intensity Drug Trafficking Areas	99.999	none	07/01/07-12/31/07	<u>4,091</u>
Total Office of National Drug Control Policy				<u>156,122</u>
U.S. Department of Agriculture				
Pass-through MD Dept. of Education				
Child & Adult Care Food Program	10.558	none	07/01/07-06/30/08	6,224
Pass-through MD Dept. of Human Resources				
Emergency Food Assistance Program (Food Commodities)	10.569	CSA/FNS 08-009	10/01/05-09/30/08	<u>6,639</u>
Total U.S. Department of Agriculture				<u>12,863</u>

THE COUNTY COMMISSIONERS OF CHARLES COUNTY, MARYLAND
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
June 30, 2008
(Continued)

Federal Grantor/Pass-through Grantor/Program or Cluster Title	Federal CFDA Number	Grantor's Number	Grant Period	Federal Expenditures
U.S. Department of Justice:				
Direct				
Organized Crime Drug Enforcement Task Force	99.999	None	10/01/07-09/30/08	38,928
Organized Crime Drug Enforcement Task Force	99.999	None	03/24/08-09/30/08	7,532
State Criminal Alien Assistance Program	16.606	2007-AP-BX-0079	Information Period 07/01/2004-06/30/2005 for calculating award	1,358
State Criminal Alien Assistance Program	16.606	2008-AP-BX-0032	Information Period 07/01/2005-06/30/2006 for calculating award	5,007
Bulletproof Vest Partnership	16.607	None	10/01/06-09/30/10	
COPS Universal Hiring Program	16.710	2003UMWX0290	09/01/03-08/31/08	82,933
The Edward J. Byrne Memorial Justice Assistance Grant: CCSO Training Division Equipment Improvements	16.738	2007-DJ-BX-0360	10/01/06-09/30/10	30,409
Pass-through the US Attorney - District of MD Comprehensive Anti-gang Strategy Grant	16.744	G 37 1340	01/31/07-09/30/08	27,639
Pass-through the Governor's Offices of Crime Control and Prevention				
The Edward J. Byrne Memorial Justice Assistance Grant: Charles County Reverse 911 System	16.738	BJAG-2005-0011	07/01/07-06/30/08	18,512
The Edward J. Byrne Memorial Justice Assistance Grant: Cold Case Squad	16.738	BJAG-2006-1062	07/01/06-09/30/07	2,301
The Edward J. Byrne Memorial Justice Assistance Grant: Cold Case Continuation	16.738	BYRN-2004-1262	07/01/07-06/30/08	24,777
The Edward J. Byrne Memorial Justice Assistance Grant: Detention Center Gang Initiative	16.738	BJAG-2007-1086	11/01/07-04/30/09	6,890
The Edward J. Byrne Memorial Justice Assistance Grant: Juvenile Drug Court	16.738	BJAG-2005-1044	07/01/07-06/30/08	19,458
Total U.S. Department of Justice				265,744

THE COUNTY COMMISSIONERS OF CHARLES COUNTY, MARYLAND
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
June 30, 2008
(Continued)

Federal Grantor/Pass-through Grantor/Program or Cluster Title	Federal CFDA Number	Grantor's Number	Grant Period	Federal Expenditures
U. S. Department of Transportation:				
Pass-through the MD Department of Transportation				
VanGo Capital Grant Agreement	20.507	MD-90-0094	06/01/07-07/31/08	21,648
VanGo Capital Grant Agreement	20.507	MD-90-0101	07/01/06-06/30/10	25,300
VanGo Capital Grant Agreement	20.507	MD-90-0115, MD-90-0101	07/01/07-06/30/08	153,360
VanGo Urban Transportation - Section 5307	20.507	MD-90-4115	07/01/07-06/30/08	1,036,122
VanGo Rural Public Transportation – Section 5311	20.509	MD-18-4025	07/01/07-06/30/08	66,502
				<hr/>
Total U.S. Department of Transportation				1,302,932
				<hr/>
National Highway Traffic Safety Admin.				
Pass-through MD Institute for				
Emergency Medical Services Systems (MIEMSS)				
State and Community Highway Safety Program	20.600	MHSA Award #08-028	Signature date to 08/31/08	169
Pass-through the MD Department of Transportation				
Traffic Safety Program	20.600	Project 07-158	10/01/06-09/30/07	41,963
Traffic Safety Program	20.600	Project 08-158	10/01/07-09/30/08	80,485
				<hr/>
Total National Highway Safety Admin.				122,617
				<hr/>
Environmental Protection agency				
Pass-through National Fish and Wildlife Foundation pass thru National				
Association of Counties Research Foundation				
Five Star Restoration Challenge Grant Program	66.500	None	10/01/07-06/30/08	12,455
				<hr/>
Total Environmental Protection Agency				12,455
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THE COUNTY COMMISSIONERS OF CHARLES COUNTY, MARYLAND
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
June 30, 2008
(Continued)

Federal Grantor/Pass-through Grantor/Program or Cluster Title	Federal CFDA Number	Grantor's Number	Grant Period	Federal Expenditures
U.S. Dept. of Health & Human Services				
Pass-through MD Office on Aging				
Title VII: Elder Abuse Prevention/Ombdsman	93.042	AAA-3-24-008	10/01/07-09/30/08	4,286
Title VII: Elder Abuse Prevention/Ombdsman	93.042	AAA-3-24-008	10/01/06-09/30/07	1,453
Title III, Part D: Prevention Health Services	93.043	AAA-3-24-008	10/01/07-09/30/08	675
Title III, Part D: Prevention Health Services	93.043	AAA-3-24-008	10/01/06-09/30/07	8,325
Supportive Services & Senior Centers	93.044	AAA-3-24-008	10/01/07-09/30/08	68,434
Supportive Services & Senior Centers	93.044	AAA-3-24-008	10/01/06-09/30/07	21,705
Title III Part C: Nutrition Services – C1	93.045	AAA-3-24-008	10/01/06-09/30/07	36,061
Title III Part C: Nutrition Services – C2	93.045	AAA-3-24-008	10/01/06-09/30/07	225
Title III Part C: Nutrition Services – C1	93.045	AAA-3-24-008	10/01/07-09/30/08	47,765
Title III Part C: Nutrition Services – C2	93.045	AAA-3-24-008	10/01/07-09/30/08	47,322
Title III, Part E: National Family Caregiver Support Program	93.052	AAA-3-24-008	10/01/06-09/30/07	10,391
Title III, Part E: National Family Caregiver Support Program	93.052	AAA-3-24-008	10/01/07-09/30/08	28,008
Title III, Part E: Nutrition Services Incentive	93.053	AAA-3-24-008	10/01/06-09/30/07	722
Title III, Part E: Nutrition Services Incentive	93.053	AAA-3-24-008	10/01/07-09/30/08	3,249
Title III, Part E: Nutrition Services Incentive	93.053	AAA-3-24-008	10/01/07-09/30/08	17,303
Pass-through MD Department of Health and Mental Hygiene				
Projects for Assistance in Transition from Homelessness	93.150	MH 272 OTH	07/01/07-06/30/08	34,966
Block Grants for Community Mental Health Services-MISA/TAY	93.958	MH 271 OTH	07/01/07-06/30/08	143,960
Pass-through MD Department of Education				
Temporary Assistance for Needy Families – Home Visitation	93.558	830801 / Invoice # SG800480002	07/01/07-06/30/08	31,209
Temporary Assistance for Needy Families – Healthy Families	93.558	830801 / Invoice # SG800480001	07/01/07-06/30/08	317,513
Pass-through MD Department of Human Resources-				
Child Support Enforcement				
Child Support Enforcement Administration	93.563	CSEA/CRA-07-042	10/01/06-09/30/07	88,544
Child Support Enforcement Administration	93.563	CSEA/CRA-08-042	10/01/07-09/30/08	269,155
Child Support Enforcement Administration	93.563	CSEA/CRA-07-012	10/01/06-09/30/07	81,093
Child Support Enforcement Administration	93.563	CSEA/CRA-08-012	10/01/07-09/30/08	249,678
Child Support Enforcement Administration	93.563	CSEA/CRA-07-037	10/01/06-09/30/07	24,641
Child Support Enforcement Administration	93.563	CSEA/CRA-08-037	10/01/07-09/30/08	74,137
Child Support Enforcement Incentive Funds FY 02	93.563	Sheriff's Office	08/05/04-08/04/06 Extended to 09/30/07	1,153
Child Support Enforcement Incentive Funds FY 04	93.563	Sheriff's Office	04/04/06-04/03/08 Extended to 06/30/08	2,874
Child Support Enforcement Incentive Funds FY 03	93.563	Masters	04/11/05-04/10/07 Extended to 09/30/07	467
Child Support Enforcement Incentive Funds FY 04	93.563	Masters	04/04/06-04/03/08 Extended to 06/30/08	1,130
Child Support Enforcement Incentive Funds FY 05	93.563	Masters	05/07/07-05/06/09	31
Child Support Enforcement Incentive Funds FY 04	93.563	State Attorney Office	04/04/06-04/03/08	4,801
Child Support Enforcement Incentive Funds FY 05	93.563	State Attorney Office	05/07/07-05/06/09	6,554
Total U.S. Dept. of Health & Human Services				1,627,830

THE COUNTY COMMISSIONERS OF CHARLES COUNTY, MARYLAND
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
June 30, 2008
(Continued)

Federal Grantor/Pass-through Grantor/Program or Cluster Title	Federal CFDA Number	Grantor's Number	Grant Period	Federal Expenditures
Centers for Medicare & Medicaid Services				
Pass-through MD Dept. of Aging				
Health Insurance Assistance/Title XIX SS Act	93.779	ST-2515-008	04/04/06-03/31/07	7,112
Federal Participation under Title XIX of the SS Act	93.779	ST-2217-008	07/01/07-06/30/08	106,612
Total Centers for Medicare & Medicaid Services				113,724
Center for Disease Control				
Pass-through MD Dept. of Health and Mental Hygiene				
Centers for Disease Control and Prevention Investigations and Technical Assistance-Implementation of the Arthritis Foundation Aquatics Program				
	93.283	OCPMP08-009686G	09/01/07-05/31/08	4,600
Total Center for Disease Control				4,600
Department of Homeland Security				
Pass-through MD Emergency Mgmt. Agency				
Homeland Security Grant Program FY 07- CCP/CERT	97.067	2007-GE-T7-0040	07/01/06-03/31/08	5,190
Homeland Security Grant Program FY 07- CCP/CERT Mini Grant	97.067	none	07/01/07-03/31/10	500
Homeland Security Grant Program FY06 - CCP/CERT	97.067	none	07/01/06-03/31/08	4,789
Emergency Mgmt. Performance Grant	97.042	2008-EM-E8-0045	10/01/07-09/30/09	35,978
Emergency Mgmt. Performance Grant	97.042	FY07EMP	10/01/06-09/30/08	9,535
Homeland Security Grant Program FY 06 - SHSG Planner	97.067	none	07/01/06-03/31/08	40,917
Homeland Security Grant Program FY 07 - SHSG	97.067	2007-GE-T7-0040	07/01/07-03/31/10	103,777
Homeland Security Grant Program FY06 - Urban Initiative	97.067	none	09/01/06-03/31/08	685
Homeland Security Grant Program FY 06 - SHSG	97.067	none	07/01/06-03/31/08	145,113
Homeland Security Grant Program FY 07 - SHSG Planer	97.067	2007-GE-T7-0040	07/01/07-03/31/10	23,752
Homeland Security Grant Program FY 07 - LETPP	97.067	2007-GE-T7-0040	07/01/07-03/31/10	137,820
Homeland Security Grant Program FY 06 - LETPP	97.067	none	07/01/06-03/31/08	113,584
Total Department of Homeland Security				621,640
TOTAL				\$ 12,951,604

THE COUNTY COMMISSIONERS OF CHARLES COUNTY, MARYLAND
NOTES TO THE SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
June 30, 2008

NOTE 1 – SCOPE OF AUDIT PURSUANT TO OMB CIRCULAR A-133

All federal awards programs operated by the County Commissioners of Charles County, Maryland are included in the scope of the OMB Circular A-133 audit. Federal awards of the Board of Library Trustees and the Board of Education of Charles County, component units, are not included in the Schedule of Federal Awards. Compliance testing of all applicable compliance requirements, as described in the Office of Management Budget’s Compliance Supplement for A-133, was performed for all major programs.

The U.S. Department of Housing and Urban Development has been designated as the oversight audit agency for the OMB Circular A-133 audit.

NOTE 2 – FISCAL PERIOD AUDITED

Single audit testing procedures were performed for transactions occurring during the fiscal year ended June 30, 2008.

NOTE 3 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Basis of Accounting

All Governmental Funds are accounted for using the modified accrual basis of accounting. Under this method, revenues are recognized when they become both measurable and available as net current assets. Grant revenues recorded in Governmental Funds are recognized as revenue in the accounting period during which the expenditure is made.

Basis of Presentation

The accompanying Schedule of Expenditures of Federal Awards includes the federal grant activity of the County and is presented on the modified accrual basis of accounting. The information in this schedule is presented in accordance with the requirements of OMB Circular A133, audits of States, Local Governments, and Non-profit Organizations. Therefore, some amounts presented in this schedule may differ from amounts presented in, or used in the preparation of, the basic financial statements.

NOTE 4 – SUBRECIPIENTS

The County Commissioners of Charles County provided federal awards to subrecipients as follows:

Program Title	Federal CFDA #	Amount Provided
Emergency Food Assistance Program	10.569	\$ 6,639
Community Development Block Grant	14.219	4,277
Community Development Block Grant	14.228	229
Emergency Shelter Grant	14.231	28,950
Transitions from Homelessness	93.150	34,966
Block Grants for Community Mental Health Svcs	93.958	143,960
Citizen Corps Program Mini Grant	97.067	500

THE COUNTY COMMISSIONERS OF CHARLES COUNTY, MARYLAND
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
June 30, 2008

I. Summary of Independent Auditor's Results

Financial Statements

Type of auditor's report issued: Unqualified

Internal control over financial reporting:

Material weakness(es) identified?	_____	Yes	_____X_____	No
Significant deficiency(ies) identified that are not considered to be material weaknesses?	_____	Yes	_____X_____	None reported
Noncompliance material to financial statements noted?	_____	Yes	_____X_____	No

Federal Awards

Internal control over major programs:

Material weakness(es) identified?	_____	Yes	_____X_____	No
Significant deficiency(ies) identified that are not considered to be material weaknesses?	_____	Yes	_____X_____	None reported

Type of auditor's report issued on compliance for major programs: Unqualified

Any audit findings disclosed that are required to be reported in accordance with Section 510(a) of Circular A-133?	_____	Yes	_____X_____	No
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Identification of Major Programs

<u>Name of Federal Program or Cluster</u>	<u>CFDA Number</u>
Section 8 Housing Choice Vouchers	14.871
Temporary Assistance for Needy Families	93.558
Child Support Enforcement	93.563
Federal Transit Grant Cluster	20.507

Dollar threshold used to distinguish between type A and type B programs \$ 388,548

Auditee qualified as low-risk auditee?	_____X_____	Yes	_____	No
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**THE COUNTY COMMISSIONERS OF
CHARLES COUNTY, MARYLAND
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
June 30, 2008**

II. Financial Statement Findings

None noted

III. Federal Award Findings and Questioned Costs

None noted

**THE COUNTY COMMISSIONERS OF
CHARLES COUNTY, MARYLAND
SCHEDULE OF PRIOR YEAR FINDINGS AND QUESTIONED COSTS
June 30, 2008**

Finding 2007-02 Section 8 Housing Choice Voucher, CFDA #14.871. Re-inspections for failed housing units were not performed within the 45-day time frame identified in the County's Housing administrative plan. An explanation for the delay was not documented in the tenant's file. Audit identified 7 out of 25 failed re-inspections that were not performed within the 45-day time.

Current Year Status: Our auditors retested the re-inspection requirement and noted that Charles County was in compliance with OMB for timely re-inspecting housing units. The County implemented a system to identify and alert inspections that are coming due for re-inspections. They have also added controls to give supervisors knowledge of when re-inspections have not taken place within the required timeframe. **Resolved.**