

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

**REPORT ON SINGLE AUDIT
June 30, 2009**

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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, 2009, which collectively comprise the County's basic financial statements and have issued our report thereon dated November 6, 2009. 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 has been furnished to us, and our opinions, insofar as they relate to the amounts included for the County, is based solely on the report 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.

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.

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*.

We noted certain matters that we reported to management of the County in a separate letter dated January 6, 2010.

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 6, 2009

**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, 2009. 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, 2009. 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, 2009.

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 defined 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, 2009, and have issued our report thereon dated November 6, 2009. The Board of Library Trustees for Charles County and the Board of Education of Charles County, component units, received federal awards which are not included in the Schedule of Federal Awards for the year ended June 30, 2009. 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 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

January 6, 2010, except for the schedule of expenditures of federal awards
which is dated November 6, 2009

THE COUNTY COMMISSIONERS OF CHARLES COUNTY, MARYLAND
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
June 30, 2009

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				
Section 8 Housing Choice Voucher Program	14.871	MD024VO	07/01/08-06/30/09	6,680,146
Section 8 Housing Choice Voucher Program	14.871	MD024AF	07/01/08-06/30/09	674,553
Pass-through MD Dept of Housing and Community Development				
Community Development Block Grant	14.219	MD-08-CD-30	07/20/07-07/31/09	143,631
Community Development Block Grant	14.228	MD-08-CD-6	06/04/08-09/30/09	13,359
Emergency Shelter Grant Program	14.231	08-ESG-BOS-07	10/01/08-09/30/10	35,490
Pass-through MD Dept. of Health & Mental Hygiene:				
CSA Shelter Plus Care	14.238	MH 290 OTH	07/01/08-06/30/09	<u>632,296</u>
Total U.S. Department of Housing & Urban Development				<u>8,179,475</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	78,075
Pass-through the University of MD				
High Intensity Drug Trafficking Areas	99.999	Agreement No. I-938207	01/01/09-12/31/09	<u>50,791</u>
Total Office of National Drug Control Policy				<u>128,866</u>
U.S. Department of Agriculture				
Pass-through MD Dept. of Education				
Child & Adult Care Food Program	10.558	none	07/01/08-06/30/09	4,083
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	1,546
Emergency Food Assistance Program (Food Commodities)	10.569	OGM/FNS 09-009-A1	10/01/08-09/30/11	<u>6,511</u>
Total U.S. Department of Agriculture				<u>12,140</u>
U.S. Department of Commerce				
Pass-through MD Dept. of Natural Resources				
Coastal Communities Initiative Grant Program	11.419	NA07NOS4190161	01/01/08-03/31/09	28,000
Habitat Conservation	11.463	2007-0081-011 (Funding Source & Number FR.2055-\$29,221, FR.2170-\$33,779)	10/01/07-09/30/09	<u>33,000</u>
Total U.S. Department of Commerce				<u>61,000</u>
U.S. Department of the Interior				
Direct				
Preserve America Matching Grant Program	15.929	24-08-AP-4020	04/01/08-04/30/10	<u>10,218</u>
Total U.S. Department of the Interior				<u>10,218</u>

THE COUNTY COMMISSIONERS OF CHARLES COUNTY, MARYLAND
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
June 30, 2009
(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	2,825
Organized Crime Drug Enforcement Task Force	99.999	None	03/24/08-09/30/08	858
Regional Fugitive Task Force – 2009 Appropriation Data: FY2009 0324A A3403 FWF2005F OC 2599	99.999	MOU# FATF-09-0000	10/01/08-09/30/10	5,296
State Criminal Alien Assistance Program	16.606	2008-AP-BX-1592	Information Period 7/1/2006-6/30/2007 for calculating award Date of award 9/17/07 – Allowed 2 years to spend	19,410
Bulletproof Vest Partnership - FFY2007 BFVP	16.607	Application ID#07037047		2,871
Bulletproof Vest Partnership - FFY2008 BPVP	16.607	Application ID#08043372	07/01/08-09/30/10	665
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	26,915
Washington Division Office Task Force Group 1 (Group 32)	99.999	None	10/01/08-09/30/09	5,257
Pass-through the US Attorney - District of MD				
Comprehensive Anti-gang Strategy Grant	16.744	G 37 1340	01/31/07-11/30/08	4,613
Pass-through the Governor's Offices				
of Crime Control and Prevention				
Enforcing Underage Drinking Laws Program: Underage Drinking Enforcement	16.727	EUDL-2007-1008	07/01/08-04/30/09	12,100
The Edward J. Byrne Memorial Justice Assistance Grant: DNA Evidence Testing Program	16.738	BJAG-2006-1112	07/01/08-12/31/09	32,286
The Edward J. Byrne Memorial Justice Assistance Grant: Detention Center Gang Initiative	16.738	BJAG-2007-1086	11/01/07-04/30/09	11,106
The Edward J. Byrne Memorial Justice Assistance Grant: E- citation Initiative (LETC)	16.738	BJAG-2007-0118	01/01/08-06/30/09	54,330
The Edward J. Byrne Memorial Justice Assistance Grant: Evidence Processing Training - LETS	16.738	BJAG-2006-1024	10/01/08-12/31/08	1,628
The Edward J. Byrne Memorial Justice Assistance Grant: Forensic Training - LETS	16.738	BJAG-2006-1103	07/01/08-09/30/08	1,132
The Edward J. Byrne Memorial Justice Assistance Grant: Narcotics Enforcement - LETS	16.738	BJAG-2005-1087	11/01/08-11/30/08	2,711
The Edward J. Byrne Memorial Justice Assistance Grant: DNA Collection Methods - LETS	16.738	BJAG-2005-1088	12/01/08-12/31/08	295
The Edward J. Byrne Memorial Justice Assistance Grant: Forensics Investigations - LETS	16.738	BJAG-2005-1089	11/01/08-12/31/08	2,009
The Edward J. Byrne Memorial Justice Assistance Grant: Forensic Video Analysis Training - LETS	16.738	BJAG-2005-1090	01/01/09-02/28/09	900
The Edward J. Byrne Memorial Justice Assistance Grant: Juvenile Drug Court	16.738	BJAG-2007-1244	07/01/08-12/31/08	13,512
Total U.S. Department of Justice				200,719

THE COUNTY COMMISSIONERS OF CHARLES COUNTY, MARYLAND
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
June 30, 2009
(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-90-0101	07/01/06-06/30/10	9,900
VanGo Capital Grant Agreement	20.507	MD-90-0118	07/01/08-06/30/09	6,282
VanGo Capital Grant Agreement	20.507	MD-90-0115	07/01/08-06/30/09	268,968
VanGo Urban Transportation - Section 5307	20.507	MD-90-4118	07/01/08-06/30/09	1,676,130
VanGo Rural Public Transportation – Section 5311	20.509	MD-18-4026	07/01/08-06/30/09	64,124
State and Community Highway Safety	20.600	Drive Cam Postage	07/01/08-07/30/08	4,350
State and Community Highway Safety	20.600	Project 09-158	10/01/08-09/30/09	64,514
State and Community Highway Safety	20.600	Project 08-158	10/01/07-09/30/08	43,290
Motor Carrier Safety Assistance Program	99.999	MOU - FFY2008 Commercial Vehicle Safety Plan (CVSP)	10/01/07-09/0/08	799
Pass-through MD Institute for				
Emergency Medical Services Systems (MIEMSS)				
State and Community Highway Safety Program	20.600	Project#08-028	Signature Date to 8/31/08	1,829
State and Community Highway Safety Program	20.600	Project#09-032	Signature Date to 8/31/09	7,209
Total U.S. Department of Transportation				2,147,395
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	1,591
Title VII: Elder Abuse Prevention/Ombdsman	93.042	AAA-3-24-008	10/01/08-09/30/09	4,453
Title III, Part D: Prevention Health Services	93.043	AAA-3-24-008	10/01/07-09/30/08	8,325
Title III, Part D: Prevention Health Services	93.043	AAA-3-24-008	10/01/08-09/30/09	675
Supportive Services & Senior Centers	93.044	AAA-3-24-008	10/01/07-09/30/08	21,269
Supportive Services & Senior Centers	93.044	AAA-3-24-008	10/01/08-09/30/09	59,892
Title III Part C: Nutrition Services – C1	93.045	AAA-3-24-008	10/01/08-09/30/09	50,387
Title III Part C: Nutrition Services – C2	93.045	AAA-3-24-008	10/01/08-09/30/09	44,961
Title III Part C: Nutrition Services – C1	93.045	AAA-3-24-008	10/01/07-09/30/08	41,480
Title III Part C: Nutrition Services – C2	93.045	AAA-3-24-008	10/01/07-09/30/08	12,791
Special Programs For the Aging Title IV and Title II Discretionary	93.048	ST-2516-037	07/01/08-06/30/10	5,482
Title III, Part E: National Family Caregiver Support Program	93.052	AAA-3-24-008	10/01/08-09/30/09	33,240
Title III, Part E: National Family Caregiver Support Program	93.052	AAA-3-24-008	10/01/07-09/30/08	10,261
Title III, Part E: Nutrition Services Incentive	93.053	AAA-3-24-008	10/01/08-09/30/09	2,972
Title III, Part E: Nutrition Services Incentive	93.053	AAA-3-24-008	10/01/08-09/30/09	15,740
Pass-through MD Department of Health and Mental Hygiene				
Projects for Assistance in Transition from Homelessness	93.150	MH 272 OTH (Project M2048 & M2049)	07/01/08-06/30/09	34,988
Block Grants for Community Mental Health Services-MISA/TAY	93.958	MH 271 OTH	07/01/08-06/30/09	129,866
Pass-through MD Department of Health and Mental Hygiene pass-through the MD Institute for Emergency Medical Services Systems (MIEMSS)				
National Bioterrorism Hospital Preparedness Program	93.889	Agreement No. U3RMc000 12-02-00, Award No. 6U3RHS007575-01-01, Admin Codes HOS07, Subaward No. BTV-011	Signature date to 7/31/09	37,497

THE COUNTY COMMISSIONERS OF CHARLES COUNTY, MARYLAND
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
June 30, 2009
(Continued)

Federal Grantor/Pass-through Grantor/Program or Cluster Title	Federal CFDA Number	Grantor's Number	Grant Period	Federal Expenditures
Pass-through MD Department of Health and Mental Hygiene pass-through the University of MD, Baltimore Block Grants for Community Mental Health Services (CMHS)	93.958	DHMH Contract #08-9537G-2	05/12/08-06/30/09	13,000
Pass-through MD Department of Education Temporary Assistance for Needy Families – Home Visitation	93.558	830901 / Invoice # SG900362002	07/01/08-06/30/09	31,209
Temporary Assistance for Needy Families – Healthy Families	93.558	830901 / Invoice # SG900362001	07/01/08-06/30/09	317,513
Pass-through MD Department of Human Resources- Charles County Department of Social Services Temporary Assistance for Needy Families – Family Preservation	93.558	CHA/FACS/09-002 PO#N00P9200231	07/01/08-06/30/09	204,001
Child Support Enforcement Administration				
Child Support Enforcement Administration	93.563	CSEA/CRA-09-042	10/01/08-09/30/09	305,926
Child Support Enforcement Administration	93.563	CSEA/CRA-08-042	10/01/07-09/30/08	97,749
Child Support Enforcement Administration	93.563	CSEA/CRA-09-012	10/01/08-09/30/09	254,972
Child Support Enforcement Administration	93.563	CSEA/CRA-08-012	10/01/07-09/30/08	84,881
Child Support Enforcement Administration	93.563	CSEA/CRA-09-037	10/01/08-09/30/09	78,747
Child Support Enforcement Administration	93.563	CSEA/CRA-08-037	10/01/07-09/30/08	23,581
Child Support Enforcement Incentive Funds FY 05	93.563	Sheriff's Office	05/07/07-05/06/09	4,501
Child Support Enforcement Incentive Funds FY 06	93.563	Sheriff's Office	03/24/08-03/23/10	600
Child Support Enforcement Incentive Funds FY 05	93.563	Masters	05/07/07-05/06/09	1,765
Child Support Enforcement Incentive Funds FY 05	93.563	State Attorney Office	05/07/07-05/06/09	988
Pass-through MD Dept. Administrative Office of the Courts Child Support Enforcement Incentive Funds	93.563	CSIF-09-03	07/01/08-06/30/09	<u>8,699</u>
Total U.S. Dept. of Health & Human Services				<u>1,944,002</u>
Centers for Medicare & Medicaid Services				
Pass-through MD Dept. of Aging				
Federal Participation under Title XIX of the SS act	93.779	ST-2217-008	07/01/08-06/30/09	112,513
Health Insurance Assistance/Title XIX SS Act	93.779	ST-251509-037	06/01/08-03/31/09	4,684
Health Insurance Assistance/Title XIX SS Act	93.779	ST-2515-008	04/01/08-03/31/09	<u>12,644</u>
Total Centers for Medicare & Medicaid Services				<u>129,841</u>
Department of Homeland Security				
Pass-through MD Emergency Mgmt. Agency				
Emergency Mgmt. Performance Grant - FY09	97.042	2009-EP-E9-0049	10/01/08-06/30/10	51,575
Emergency Mgmt. Performance Grant - FY08	97.042	2008-EM-E8-0045	10/01/07-09/30/09	45,308
Emergency Mgmt. Performance Grant - FY 07 Supplemental	97.042	2007-EM-E7-0104	09/01/07-05/31/09	9,830
Homeland Security Grant Program FY 07– CCP/CERT	97.067	2007-GE-T7-0040	07/01/06-03/31/08	810
Homeland Security Grant Program FY 07 – SHSG	97.067	2007-GE-T7-0040	07/01/07-03/31/10	46,209

THE COUNTY COMMISSIONERS OF CHARLES COUNTY, MARYLAND
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
June 30, 2009
(Continued)

Homeland Security Grant Program FY 07 – SHSG Planer	97.067	2007-GE-T7-0040	07/01/07-03/31/10	30,172
	Federal CFDA Number	Grantor's Number	Grant Period	Federal Expenditures
Homeland Security Grant Program FY 07 – LETPP	97.067	2007-GE-T7-0040	07/01/07-03/31/10	50,659
Homeland Security Grant Program FY08 – CCP/CERT Mini Grant	97.073	2008-GE-T8-0011	09/01/08-05/31/11	631
Homeland Security Grant Program FY 08 – SHSG	97.073	2008-GE-T8-0011	09/01/08-05/31/11	211,732
Total Department of Homeland Security				<u>446,926</u>
TOTAL				<u>\$ 13,260,582</u>

THE COUNTY COMMISSIONERS OF CHARLES COUNTY, MARYLAND
NOTES TO THE SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
June 30, 2009

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, 2009.

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	\$ 8,057
Community Development Block Grant	14.228	143,631
Emergency Shelter Grant	14.231	35,490
Transitions from Homelessness	93.150	35,000
Block Grants for Community Mental Health Services	93.958	130,000

**THE COUNTY COMMISSIONERS OF CHARLES COUNTY, MARYLAND
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
June 30, 2009**

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
Shelter Plus Care	14.238

Dollar threshold used to distinguish between type A and type B programs \$ 397,817

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, 2009**

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, 2009**

No prior year findings related to federal awards.