



CHARLES COUNTY, MARYLAND

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

For the Year Ended June 30, 2015



SB & COMPANY, LLC
KNOWLEDGE • QUALITY • CLIENT SERVICE

JUNE 30, 2015

CONTENTS

REPORT OF INDEPENDENT PUBLIC ACCOUNTANTS	1
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>	4
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	6
SUPPLEMENTAL SCHEDULES	
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



SB & COMPANY, LLC
KNOWLEDGE • QUALITY • CLIENT SERVICE

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, 2015, 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.



SB & COMPANY, LLC
KNOWLEDGE • QUALITY • CLIENT SERVICE

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, 2015 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.

Emphasis of Matter

As discussed in Note 9 to the financial statements, during the year ended June 30, 2015, the County adopted new accounting guidance from Government Accounting Standards Board (GASB) Statement No. 68, "Accounting and Financial Reporting for Pensions". Our opinion is not modified with respect to this matter.

Other Matters

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis, the accompanying schedule of revenues, expenditures, and changes in fund balance budget to actual – general fund, the schedules of changes in pension fund net pension liability and related ratios and the schedules of employer contributions for the Sheriff's and County Pension Plans, and the schedules of funding progress and employer contributions for the Other Post-Employment Benefits (OPEB) Plan 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.



SB & COMPANY, LLC
KNOWLEDGE • QUALITY • CLIENT SERVICE

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 introductory section, statistical tables and 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.

The accompanying combining and individual fund statements 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 the Schedule of Expenditures of Federal Awards are fairly stated in all material respects in relation to the basic financial statements as a whole.

The introductory and statistical tables have not been subjected to the auditing procedures applied in the audit of the basic financial statements and, accordingly, we do not express an opinion or provide any assurance on it.

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated December 18, 2015, 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.

Hunt Valley, Maryland
December 18, 2015



S B & C O M P A N Y, L L C
KNOWLEDGE • QUALITY • CLIENT SERVICE

**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, 2015, and the related notes to the financial statements, which collectively comprise the County's basic financial statements, and have issued our report thereon dated December 18, 2015.

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.



SB & COMPANY, LLC
KNOWLEDGE • QUALITY • CLIENT SERVICE

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.

Hunt Valley, Maryland
December 18, 2015

A handwritten signature in black ink that reads "SB & Company, LLC". The signature is written in a cursive, flowing style.



S B & C O M P A N Y, L L C
KNOWLEDGE • QUALITY • CLIENT SERVICE

**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, 2015. 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.



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, 2015.

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.



SB & COMPANY, LLC
KNOWLEDGE • QUALITY • CLIENT SERVICE

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.

Hunt Valley, Maryland
December 18, 2015

SB & Company, LLC

CHARLES COUNTY, MARYLAND

**Schedule of Expenditures of Federal Awards
For the Year Ended June 30, 2015**

<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>
U.S. Department of Agriculture				
Pass through MD Dept. of Education				
Child & Adult Care Food Program	10.558	DCS (341100)	10/01/13 - 09/30/14	\$ 605
Child & Adult Care Food Program	10.558	DCS (341100)	10/01/14 - 09/30/15	<u>2,141</u>
Total U.S. Department of Agriculture				<u>2,746</u>
U.S. Department of Defense				
Direct				
Community Economic Adjustment Assistance for Compatible Use and Joint Land Use Studies	12.610	HQ00051310105	08/01/13 - 09/30/15	<u>112,503</u>
U.S. Department of Housing & Urban Development				
Direct				
Section 8 Housing Choice Voucher Program	14.871	MD024VO0118 - 0126	07/01/14 - 06/30/15	7,759,604
Section 8 Housing Choice Voucher Program	14.871	MD024AF0083 - 0093	07/01/14 - 06/30/15	659,609
Pass through MD Dept. of Housing & Community Development				
Community Development Block Grants/Special Purpose Grants/Insular Areas	14.225	MD-15-DR-5	05/23/14 - 07/03/16	1,066
Community Development Block Grant/State's Program	14.228	MD-NCI-15 A	12/06/13 - 12/31/14	30,003
Community Development Block Grant/State's Program	14.228	MD-15-CD-31	06/30/14 - 07/31/16	180,000
Emergency Solutions Grant Program	14.231	15ESG07-2014	10/01/14 - 09/30/16	37,932
Emergency Solutions Grant Program	14.231	14ESG09-2013	10/01/13 - 09/30/15	<u>3,754</u>
Total U.S. Department of Housing & Urban Development				<u>8,671,968</u>
U.S. Department of the Interior				
Direct				
Payments in Lieu of Taxes (PILT)□	15.226	None	07/01/14 - 06/30/15	3,552
Historic Preservation Fund Grants-In-Aid□	15.904	24-13-51927	07/15/13 - 09/15/14	9,077
Historic Preservation Fund Grants-In-Aid□	15.904	P14AF00148	06/05/14 - 08/31/15	25,000
Pass through MD Dept. of Natural Resources				
Coastal Wetlands Planning, Protection and Restoration Program	15.614	F14AP00661	07/18/14 - 06/30/15	941,504
Coastal Wetlands Planning, Protection and Restoration Program	15.614	F14AP00655	07/18/14 - 06/30/15	<u>628,796</u>
Total U.S. Department of the Interior				<u>1,607,929</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, 2015

Federal Grantor/Pass Through Grantor/Program or Cluster Title	Federal CFDA Number	Grantor's/ Passthrough Number	Grant Period	Federal Expenditures
U.S. Department of Justice				
Direct				
Joint Law Enforcement Operations (JLEO)	16.111	AFF-B-OP-1 JLEOTFS6 (JLEO-14-0069)	10/06/13 - 09/30/14	\$ 2,942
Joint Law Enforcement Operations (JLEO)	16.111	AFF-B-OP-1 JLEOTFS6 (JLEO-15-0069)	10/06/14 - 09/30/15	5,410
Joint Law Enforcement Operations (JLEO)	16.111	Hyattsville I Violent Crime/Exile Task Force	05/16/13 - 09/30/17	22,305
National Institute of Justice Research, Evaluation, & Development Project Grants	16.560	2012-DN-BX-K030	10/01/12 - 12/31/14	68,740
Drug Court Discretionary Grant Program: Family Recovery Court	16.585	2010-DC-BX-0101	10/01/10 - 06/30/15	98,671
Drug Court Discretionary Grant Program: Juvenile Drug Court	16.585	2014-DC-BX-0090	10/01/10 - 06/30/15	8,408
State Criminal Alien Assistance Program	16.606	2014-AP-BX-0458	7/1/2012 - 6/30/2013	13,811
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	2,109
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	2,126
The Edward J. Byrne Memorial Justice Assistance Grant: Local Solicitation CCSO Equipment Upgrade & Drug Court Support Program	16.738	2013-DJ-BX-0489	10/01/12 - 09/30/16	9,997
The Edward J. Byrne Memorial Justice Assistance Grant: Officer Safety, Equipment Upgrade and Drug Court Support Program	16.738	2014-DJ-BX-0660	10/01/13 - 09/30/17	11,804
Equitable Sharing Program	16.922	Various	Two years from receipt.	29,554
Washington Division Office Task Force	16.Unknown	Drug Division 33	10/01/14 - 09/30/15	2,964
Washington Division Office Task Force	16.Unknown	Task Force Group 48	10/01/14 - 09/30/15	12,521
Washington Division Office Task Force	16.Unknown	Task Force Group 48	10/01/13 - 09/30/14	5,417
Washington Division Office Task Force	16.Unknown	HIDTA Task Force Group 1 (46)	09/30/14 - 09/29/15	15,478
Washington Division Office Task Force	16.Unknown	HIDTA Task Force Group 1 (46)	09/30/13 - 09/29/14	2,775
Organized Crime Drug Enforcement Task Forces Program (OCDETF)	16.Unknown	MA-MD-0575	08/27/14 - 09/30/14	542
Organized Crime Drug Enforcement Task Forces Program (OCDETF)	16.Unknown	MA-MD-0575	10/01/14 - 09/30/15	4,654
Organized Crime Drug Enforcement Task Forces Program (OCDETF)	16.Unknown	MA-MD-0590	10/01/14 - 09/30/15	14,340
Pass-through the Governor's Office of Crime Control & Prevention				
Juvenile Accountability Block Grants: JDC	16.523	JABG-2013-0001	07/01/14 - 06/30/15	19,146
The Edward J. Byrne Memorial Justice Assistance Grant: JDC	16.738	BJAG-2012-0012	10/01/13 - 06/30/15	5,441
The Edward J. Byrne Memorial Justice Assistance Grant: JDC	16.738	BJAG-2013-0015	10/01/14 - 09/30/15	16,596
The Edward J. Byrne Memorial Justice Assistance Grant: LETS Annual Vehicle Identifiers Conference	16.738	BJAG-2011-0049	08/01/14 - 09/30/14	1,472
Pass-through the GOCCP through the Cal Ripken Sr. Foundation				
Juvenile Mentoring Program: Badges for Baseball	16.726	2015-FED-MSM-B4B-MD-1	10/01/14 - 10/31/15	5,313
Juvenile Mentoring Program: Badges for Baseball	16.726	2014-FED-MSM-B4B-MD-1	10/01/13 - 10/31/14	439
Total U.S. Department of Justice				382,975

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, 2015

Federal Grantor/Pass Through Grantor/Program or Cluster Title	Federal CFDA Number	Grantor's/ Passthrough Number	Grant Period	Federal Expenditures
U. S. Department of Transportation				
Pass through the MD Department of Transportation				
National Motor Carrier Safety Assistance Program (MCSAP)				
	20.218	MCSAP Program Charles Co. Overtime	10/01/13 - 09/30/14	\$ 1,938
National Motor Carrier Safety Assistance Program (MCSAP)				
	20.218	MCSAP Program Charles Co. Overtime	10/01/14 - 09/30/15	2,397
Federal Transit Formula Grants / Urbanized Area Formula Program	20.507	CH045307C2012	07/01/11 - 06/30/15	1,152
Federal Transit Formula Grants / Urbanized Area Formula Program	20.507	CH045307C2014	07/01/13 - 06/30/17	220,587
Federal Transit Formula Grants / Urbanized Area Formula Program	20.507	CH045307C2015	07/01/14 - 06/30/15	59,740
Federal Transit Formula Grants / Urbanized Area Formula Program - Section 5307	20.507	CH045307O2015, Line Item 30.09.01	07/01/14 - 06/30/15	2,363,025
Formula Grants for Rural Areas – Section 5311	20.509	CH045311O2015, Line Item 30.09.01	07/01/14 - 06/30/15	75,413
State & Community Highway Safety Program	20.600	Project LE 14-024	10/01/13 - 09/30/14	21,999
State & Community Highway Safety Program	20.600	Project LE 15-017	10/01/14 - 09/30/15	15,393
Alcohol Impaired Driving Countermeasures Incentive Grants I	20.601	Project LE 14-024	10/01/13 - 09/30/14	12,971
Alcohol Open Container Requirements	20.607	Project LE 15-017	10/01/14 - 09/30/15	9,939
National Priority Safety Programs	20.616	Project LE14-024	10/01/13 - 09/30/14	320
National Priority Safety Programs	20.616	Project LE 15-017	10/01/14 - 09/30/15	14,825
Pass through MD Emergency Mgmt. Agency				
Interagency Hazardous Materials Public Sector Training & Planning Grants				
	20.703	HM-HMP-0361-13-01-00	10/01/13 - 09/30/14	5,959
Interagency Hazardous Materials Public Sector Training & Planning Grants				
	20.703	HM-HMP-0398-14-01-00	10/01/14 - 09/30/15	6,000
Total U.S. Department of Transportation				<u>2,811,658</u>
U.S. Environmental Protection Agency:				
Pass through MD Department of the Environment				
Congressionally Mandated Projects				
	66.202	XP-963003-01-2	12/07/10 - 03/31/17	<u>21,679</u>
U.S. Department of Education:				
Pass through MD Department of Education				
	84.412A	#145137	01/01/14 - 06/30/15	<u>31,630</u>
U.S. Dept. of Health & Human Services				
Direct				
Substance Abuse & Mental Health Services Projects of Regional & National Significance				
	93.243	5H79TI024212-02 Carry Over	09/30/14 - 09/29/15	49,692
Substance Abuse & Mental Health Services Projects of Regional & National Significance				
	93.243	5H79TI024212-03	09/30/14 - 09/29/15	150,356
Substance Abuse & Mental Health Services Projects of Regional & National Significance				
	93.243	1H79TI025492-01	09/30/14 - 09/29/15	36,524

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, 2015**

Federal Grantor/Pass Through Grantor/Program or Cluster Title	Federal CFDA Number	Grantor's/ Passthrough Number	Grant Period	Federal Expenditures
U.S. Dept. of Health & Human Services (continued)				
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	10/01/13 - 09/30/14	\$ 1,929
Special Programs for the Aging Title VII, Chapter 2 Long Term Care Ombudsman Services for Older Individuals	93.042	AAA-3-24-008	10/01/14 - 09/30/15	5,495
Special Programs for the Aging Title III, Part D Disease Prevention & Health Promotion Services	93.043	AAA-3-24-008	10/01/13 - 09/30/14	8,325
Special Programs for the Aging Title III, Part D Disease Prevention & Health Promotion Services	93.043	AAA-3-24-008	10/01/14 - 09/30/15	6,483
Special Programs for the Aging Title III, Part B Grants for Supportive Services & Senior Centers	93.044	AAA-3-24-008	10/01/13 - 09/30/14	27,164
Special Programs for the Aging Title III, Part B Grants for Supportive Services & Senior Centers	93.044	AAA-3-24-008	10/01/14 - 09/30/15	59,710
Special Programs for the Aging Title III, Part C Nutrition Services - C1	93.045	AAA-3-24-008	10/01/14 - 09/30/15	63,437
Special Programs for the Aging Title III, Part C Nutrition Services - C2	93.045	AAA-3-24-008	10/01/14 - 09/30/15	55,613
Special Programs for the Aging Title III, Part C Nutrition Services - C1	93.045	AAA-3-24-008	10/01/13 - 09/30/14	58,605
Special Programs for the Aging Title III, Part C Nutrition Services - C2	93.045	AAA-3-24-008	10/01/13 - 09/30/14	56,641
Special Programs For the Aging Title IV & Title II Discretionary Projects: Health Care Fraud Program Expansion & SMP Capacity Building Grants	93.048	ST-6514-008	09/30/14 - 09/29/15	141
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	09/30/13 - 09/29/14	640
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	06/01/14 - 05/31/15	4,908
National Family Caregiver Support, Title III, Part E	93.052	AAA-3-24-008	10/01/12 - 09/30/13	30,425
National Family Caregiver Support, Title III, Part E	93.052	AAA-3-24-008	10/01/13 - 09/30/14	14,080
Nutrition Services Incentive Program	93.053	ST-2505-008	10/01/13 - 09/30/14	917
Nutrition Services Incentive Program	93.053	ST-2505-008	10/01/13 - 09/30/14	6,422
Nutrition Services Incentive Program	93.053	ST-2505-008	10/01/12 - 09/30/13	2,341
Nutrition Services Incentive Program	93.053	ST-2505-008	10/01/12 - 09/30/13	13,264
Centers for Medicare & Medicaid Services (CMS) Research, Demonstrations & Evaluations: MIPPA	93.071	ST-2517-008	09/30/14 - 09/29/15	7,718
Centers for Medicare & Medicaid Services (CMS) Research, Demonstrations & Evaluations: MIPPA	93.071	ST-2510-008	10/01/13 - 09/30/14	4,848

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, 2015**

<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>
U.S. Dept. of Health & Human Services (continued)				
Pass through MD Department of Human Resources				
Charles County Department of Social Services				
Promoting Safe & Stable Families	93.556	CHA/FACS/15-004	07/01/14 - 06/30/15	\$ 73,934
Child Support Enforcement Administration				
Child Support Enforcement	93.563	CSEA/CRA-15-042	10/01/14 - 09/30/15	332,343
Child Support Enforcement	93.563	CSEA/CRA-14-042	10/01/13 - 09/30/14	112,478
Child Support Enforcement	93.563	CSEA/CRA-15-012	10/01/14 - 09/30/15	316,168
Child Support Enforcement	93.563	CSEA/CRA-14-012	10/01/13 - 09/30/14	109,598
Child Support Enforcement	93.563	CSEA/CRA-15-037	10/01/14 - 09/30/15	94,749
Child Support Enforcement	93.563	CSEA/CRA-14-037	10/01/13 - 09/30/14	34,875
Pass through State of Maryland, Administrative Office of the Courts				
State Court Improvement Program	93.586	CIPCW-14-06	10/01/13-09/30/14	1,652
Pass through MD Department of Health & Mental Hygiene Pass through the MD Institute for Emergency Medical Services Systems (MIEMSS)				
Hospital Preparedness Program (HPP) and Public Health Emergency Preparedness (PHEP) Aligned Cooperative Agreements	93.070	BT XII-004	06/05/15 - 06/30/15	<u>19,197</u>
Total U.S. Dept. of Health & Human Services				<u><u>1,760,672</u></u>
Centers for Medicare & Medicaid Services				
Pass-through MD Dept. of Aging				
Centers for Medicare & Medicaid Services (CMS) Research, Demonstrations & Evaluations: Money Follows the Person Rebalancing Demonstration	93.779	None	07/01/14 - 06/30/15	12,100
Centers for Medicare & Medicaid Services (CMS) Research, Demonstrations & Evaluations: Senior Health Insurance Program	93.779	ST-2515-008	04/01/14 - 03/31/15	13,844
Centers for Medicare & Medicaid Services (CMS) Research, Demonstrations & Evaluations: MD Access Point	93.779	2903252537	07/01/14 - 06/30/15	<u>130,906</u>
Total Centers for Medicare & Medicaid Services				<u><u>156,850</u></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, 2015**

<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>
Department of Homeland Security				
Direct				
Port Security Grant Program	97.056	EMW-2013-PU-00163	09/01/13 - 08/31/15	\$ 4,972
Port Security Grant Program	97.056	EMW-2014-PU-00278-S01	09/01/14 - 08/31/16	21,500
Pass-through MD Emergency Mgmt. Agency				
Hazard Mitigation Grant	97.039	HMGP-DR-03-MD-4075-19 EMW-2013-EP-00003	09/09/14 - 09/09/17	2,099
Emergency Mgmt. Performance Grant	97.042	(MEMA GMS# 13-GA-8843-03) EMW-2014-EP-00011-S01 / 97.042	10/01/12 - 09/30/14	29,908
Emergency Mgmt. Performance Grant	97.042	(MEMA GMS# 14-SR-8843-01) EMW-2014-SS-00007-S01	10/01/13 - 08/30/15	93,625
Homeland Security Grant Program FFY14 – SHSG	97.067	(MEMA GMS# 14-SR-8843-02) EMW-2013-SS-0002	09/01/14 - 05/31/16	47,294
Homeland Security Grant Program FFY13 - SHSG	97.067	(MEMA GMS# 13-GA-8843-05) EMW-2012-SS-00044-S01-SHS	09/01/13 - 08/16/15	52,729
Homeland Security Grant Program FFY12 – SHSG	97.073	(MEMA Awd# 12-GA-8843-06)	09/01/12 - 08/15/14	41,994
Total Department of Homeland Security				<u>294,121</u>
TOTAL EXPENDITURE OF FEDERAL AWARDS				<u>\$ 15,854,731</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, 2015

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 2015 cash or non-cash expenditure activities. We have evaluated the Federal financial assistance programs of the County for the year ended June 30, 2015, and have selected major programs listed below for testing. Our coverage for testing was 33% of all Federal expenditures. The major programs tested are listed below.

<u>Major Programs</u>	<u>CFDA Number</u>	<u>Federal Expenditures</u>
Coastal Wetlands Planning, Protection and Restoration Program	15.614	\$ 1,570,300
Federal Transit Formula Grants / Urbanized Area Formula Program	20.507	2,644,503
Child Support Enforcement	93.563	1,000,210
		<u>\$ 5,215,013</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 Solutions Grant Program	14.231	\$ 41,686
Federal Transit Formula Grants / Urbanized Area Formula Program	20.507	120,729
		<u>\$ 162,415</u>

CHARLES COUNTY, MARYLAND

**Notes to the Schedule of Expenditures of Federal Awards
For the Year Ended June 30, 2015**

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, 2015:

Program	CFDA Number	Federal Expenditures
Community Development Block Grant	14.228	\$ 1,039,984

CHARLES COUNTY, MARYLAND

**Schedule of Findings and Questioned Costs
For the Year Ended June 30, 2015**

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, 2015**

Identification of Major Programs tested:

<u>Major Programs</u>	<u>CFDA Number</u>	<u>Federal Expenditures</u>
Coastal Wetlands Planning, Protection and Restoration Program	15.614	\$ 1,570,300
Federal Transit Formula Grants / Urbanized Area Formula Program	20.507	2,644,503
Child Support Enforcement	93.563	1,000,210
		<u><u>\$ 5,215,013</u></u>
Threshold for distinguishing between Type A and B programs		\$ 475,642
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, 2015**

No Prior Year Findings.