

**HARFORD COUNTY, MARYLAND**

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

**For the Year Ended June 30, 2014**



**SB & COMPANY, LLC**  
EXPERIENCE • QUALITY • CLIENT SERVICE

**JUNE 30, 2014**

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## **REPORT OF INDEPENDENT PUBLIC ACCOUNTANTS**

To the Honorable Members of the County Council  
Harford County, Maryland

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

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 Harford County, Maryland (the County) as of and for the year ended June 30, 2014, and the related notes to the financial statements, which collectively comprise the County's basic financial statements.

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

Harford 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 Harford County Community College and the Harford County Library. 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, is 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 of 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.



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

### ***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, 2014, and the respective changes in financial position and, where applicable, cash flows thereof and the respective budgetary comparison for the general, highways, and agricultural land preservation funds for the year then ended in conformity with accounting principles generally accepted in the United States of America.

### ***Other Matters***

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

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis, required supplemental schedules of funding progress for the Other Post Employment Benefit (OPEB) Trust and required schedule of employer contributions for OPEB Trust Fund 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 evidence sufficient to express an opinion or provide any assurance.

#### ***Supplementary and Other 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 combining and individual fund statements, budgetary comparison schedules, schedule of capital projects, appropriations and expenditure for enterprise fund, and introductory and statistical tables 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 financial statements.



The combining and individual fund statements, budgetary comparison schedules, schedule of capital projects, appropriations and expenditure for enterprise fund, and the Schedule of Expenditures of Federal Awards is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the financial statements. The information has been subjected to the auditing procedures applied in the audit of the financial statements and certain other procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the combining and individual fund statements, budgetary comparison schedules, schedule of capital projects, appropriations and expenditure for enterprise fund and the Schedule of Expenditures of Federal Awards is fairly stated in all material respects in relation to the 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 September 26, 2014 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 the internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* and should be considered in assessing the County's internal control over financial reporting and compliance.

Hunt Valley, Maryland  
September 26, 2014



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

To the Honorable Members of the County Council  
Harford County, Maryland

We have audited, in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of Harford County, Maryland (the County) as of and for the year ended June 30, 2014, and the related notes to the financial statements, which collectively comprise the County's basic financial statements, and have issued our report thereon dated September 26, 2014. Our report includes a reference to other auditors who audited the financial statements of the Harford County Community College and the Harford County Library, as described in our report on the County's financial statements. This report does not include the results of the other auditor's testing of internal control over financial reporting or compliance and other matters that are reported on separately by those auditors.

***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 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.



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Our consideration of the 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.

### ***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 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 County'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 County's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

Hunt Valley, Maryland  
September 26, 2014

*SB & Company, LLC*



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

To the Honorable Members of the County Council  
Harford County, Maryland

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

We have audited the compliance of Harford 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 could have a direct and material effect on each of the County's major Federal programs for the year ended June 30, 2014. The County's major Federal programs are identified in the Summary of Independent Public Accountant's Results section of the accompanying Schedule of Findings and Questioned Costs.

***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 on 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, 2014.

### **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 compliance audit, 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 and for each major Federal programs 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.

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  
November 18, 2014

*SB & Company, LLC*

# HARFORD COUNTY, MARYLAND

## Schedule of Expenditures of Federal Awards For the Year Ended June 30, 2014

Federal Grantor/Pass Through Grantor/Program or Cluster Title	Federal CFDA Number	Federal Expenditures	Cluster Total
<b><u>DIRECT FEDERAL EXPENDITURES</u></b>			
<b>Department of Agriculture</b>			
USDA 00	10.069	\$ 2,537	
<b>Department of Defense</b>			
BRAC - Phase III	12.607	40,533	
BRAC	12.607	206,390	
BRAC-Joint Land Use Study	12.610	69,726	
<b>Total Department of Defense</b>		<u>316,649</u>	
<b>Department of Housing and Urban Development</b>			
LHCA FY12	14.169	184	
Community Development Block Grants/Entitlement Grants FY11	14.218	70,101	
Community Development Block Grants/Entitlement Grants FY12	14.218	76,122	
Community Development Block Grants/Entitlement Grants FY13	14.218	324,824	
Community Development Block Grants/Entitlement Grants FY14	14.218	401,270	
Supportive Housing Program-Alliance (0097)	14.235	73,788	
Supportive Housing Program-Alliance (0098)	14.235	50,187	
Supportive Housing Program-Alliance (0220)	14.235	8,925	
Supportive Housing Program-Alliance (0099)	14.235	8,849	
Supportive Housing Program-Alliance (0100)	14.235	6,645	
Supportive Housing Program-Alliance (0100)	14.235	5,283	
Supportive Housing Program-Alliance (0220)	14.235	2,768	
Supportive Housing Program-Alliance (0099)	14.235	1,510	
Supportive Housing Program-Anna's House (0096)	14.235	62,058	
Supportive Housing Program-Anna's House (0095)	14.235	55,081	
Supportive Housing Program-Anna's House (0094)	14.235	54,054	
Supportive Housing Program-Anna's House (0095)	14.235	30,147	
Supportive Housing Program-Anna's House (0256)	14.235	5,381	
Supportive Housing Program-Anna's House (0256)	14.235	6,344	
Supportive Housing Program-FCCAU (0237)	14.235	7,150	
Supportive Housing Program-FCCAU (0093)	14.235	6,156	
Supportive Housing Program-FCCAU (0093)	14.235	4,249	
Supportive Housing Program-Harford Family House (0101)	14.235	66,509	
Supportive Housing Program-Harford Family House (0101)	14.235	21,239	
Supportive Housing Program-Harford Family House (0270)	14.235	19,285	
Supportive Housing Program-Harford Family House (0270)	14.235	1,692	
HOME Investment Partnerships Program - HOME FY12	14.239	20,135	
HOME Investment Partnerships Program - HOME FY13	14.239	136,524	
HOME Investment Partnerships Program - HOME FY14	14.239	216,117	

The accompanying notes are an integral part of this schedule.

# HARFORD COUNTY, MARYLAND

## Schedule of Expenditures of Federal Awards For the Year Ended June 30, 2014

Federal Grantor/Pass Through Grantor/Program or Cluster Title	Federal CFDA Number	Federal Expenditures	Cluster Total
<b>Department of Housing and Urban Development</b> (continued)			
Section 8 Housing Choice Vouchers - Billed Vouchers FY05	14.871	\$ 177,703	
Section 8 Housing Choice Vouchers FY14	14.871	3,356,777	
Section 8 Housing Choice Vouchers FY13	14.871	3,416,166	
Section 8 Housing Choice Vouchers - Mainstream	14.871	518,410	
Section 8 Housing Choice Vouchers - Mainstream	14.871	1,633	
Section 8 Housing Choice Vouchers - Admin FY13	14.871	261,983	
Section 8 Housing Choice Vouchers - Admin FY14	14.871	239,435	
Section 8 Housing Choice Vouchers -FFS Coordinator CY13	14.871	7,176	
<b>Total Department of Housing and Urban Development</b>		<u>9,721,860</u>	
<b>Department of the Interior</b>			
Watershed Stream Assessment Studies	15.808	<u>23,952</u>	
<b>Department of Labor*</b>			
PY11 WIA - Youth	17.259	87,260	
PY12 WIA - Youth	17.259	453,133	
PY12 WIA - Dislocated Worker	17.278	50,162	
PY13 WIA Early Intervention	17.278	61,002	
FY13 WIA - Adult	17.258	195,246	
FY13 WIA - Dislocated Worker	17.278	483,097	
PY13 WIA - Adult	17.258	12,306	
PY13 WIA - Dislocated Worker	17.278	74,118	
FY14 WIA - Adult	17.258	224,523	
PY11 Statewide	17.258	64,111	
FY14 WIA - Dislocated Worker	17.278	269,012	
PY12 Early Intervention	17.278	7,339	
PY13 Rapid Response	17.278	2,820	1,984,129
PY12 EUCREA	17.225	<u>2,457</u>	
FY13 RG STEEL NAT'L EMERGENCY	17.277	111,306	
State Energy Sector - ARRA	17.275	2,487	
<b>Total Department of Labor</b>		<u>2,100,379</u>	
<b>Environmental Protection Agency</b>			
Oaklyn Manor/Joppa Area Sewer Relief	66.202	<u>443,965</u>	
<b>Corporation for National Service</b>			
RSVP (Year 3)	94.002	<u>72,227</u>	
<b>Executive Office of the President</b>			
Harford County Drug Initiative	95.001	<u>41,724</u>	
<b>Total Direct Federal Expenditures</b>		<u>12,723,293</u>	

\*These grants are provided to subrecipients.

The accompanying notes are an integral part of this schedule.

# HARFORD COUNTY, MARYLAND

## Schedule of Expenditures of Federal Awards For the Year Ended June 30, 2014

Federal Grantor/Pass Through Grantor/Program or Cluster Title	Federal CFDA Number	Federal Expenditures	Cluster Total
<b><u>INDIRECT FEDERAL EXPENDITURES</u></b>			
<b>Department of Agriculture</b>			
Passed through the Harford Soil Conservation District			
Soil Conservation	10.902	\$ 67,238	
<b>Total Department of Agriculture</b>			
<b>Department of Commerce</b>			
Passed through the Maryland Department of Natural Resources			
Leight Park O&M FY14	11.420	40,511	
Leight Park O&M FY13	11.420	7,694	
<b>Total Department of Commerce</b>		<u>48,205</u>	
<b>Department of Housing and Urban Development</b>			
Passed through Maryland Department of Housing and Community Development			
Emergency Solutions FY14	14.231	39,779	
Emergency Solutions FY13	14.231	26,156	
Washington Court Demolition-NCI	14.256	848	
HPRP - Community Services - ARRA	14.257	301	
Passed through the Mayor and City Council of Baltimore			
Housing Opportunities for Persons with AIDS FY12	14.241	53,142	
Housing Opportunities for Persons with AIDS FY13	14.241	171,630	
Housing Opportunities for Persons with AIDS FY14	14.241	27,365	
Housing Opportunities for Persons with AIDS Admin	14.241	3,358	
<b>Total Department of Housing and Urban Development</b>		<u>322,579</u>	
<b>Department of Justice</b>			
Passed through the Governors Office of Crime Control and Prevention			
Domestic Violence Initiative FY13	16.588	4,395	
Domestic Violence Initiative FY14	16.588	8,812	
Passed through the National Children's Alliance			
Child Advocacy Center Training and Equipment	16.543	6,879	
Prison Rape Elimination Act	16.735	35,610	
JAG FY13	16.738	36,811	
Criminal Cae Management Initiative	16.738	4,382	
<b>Total Department of Justice</b>		<u>96,889</u>	
<b>Department of Transportation</b>			
Passed through the State Highway Administration			
Commercial Motor Vehicle Grant	20.218	4,700	
Passed through the State Department of Highways			
Highway Planning and Construction - Watervale Road Bridge (Design)	20.205	38,243	
Highway Planning and Construction - Bridge Inspection Program	20.205	394,905	
Highway Planning and Construction - Carrs Mill Road Bridge	20.205	2,267	
Highway Planning and Construction - Abingdon Road Bridge #169	20.205	47,198	
Highway Planning and Construction - Phillips Mill Road Bridge	20.205	61,570	
State and Community Highway Safety - MD Highway Safety Grant FY14	20.600	97,292	
State and Community Highway Safety - MD Highway Safety Grant FY13	20.600	22,730	
DUI Drug Court Improvement FY14	20.600	45,730	

The accompanying notes are an integral part of this schedule.

# HARFORD COUNTY, MARYLAND

## Schedule of Expenditures of Federal Awards For the Year Ended June 30, 2014

Federal Grantor/Pass Through Grantor/Program or Cluster Title	Federal CFDA Number	Federal Expenditures	Cluster Total
<b>Department of Transportation</b> (continued)			
Passed through Mass Transit Administration			
Federal Transit-Capital Investment Grants - MTA Capital	20.500	\$ 71,096	
Federal Transit-Capital Investment Grants - MTA Capital	20.500	47,037	
Federal Transit-Capital Investment Grants - MTA Capital	20.500	22,400	
Federal Transit-Capital Investment Grants - MTA Capital	20.500	7,338	
Federal Transit-Formula Grants - Section 5307	20.507	745,542	
Federal Transit-Formula Grants - Rideshare	20.507	88,014	
Federal Transit-Formula Grants - ADA	20.507	7,648	989,075
Job Access-Reverse Commute	20.516	65,877	
New Freedom Program	20.521	23,349	89,226
Passed through the Baltimore Metropolitan Council			
Transportation Management	20.505	90,229	
Passed through Maryland Emergency Management Agency			
HMEP Training FY13	83.012	3,402	
<b>Total Department of Transportation</b>		<b>1,886,567</b>	
<b>Department of Homeland Security</b>			
Passed through Maryland Emergency Management Agency			
Central Maryland High School Education Alliance - FY12 UASI	97.008	7,199	
Central Maryland High School Education Alliance - FY13 UASI	97.008	21,118	
Incident Management Team - FY10 UASI	97.008	1,500	
Incident Management Team - FY11 UASI	97.008	577	
HAZMAT-FFY11 UASI	97.008	28,067	
HAZMAT-FFY12 UASI	97.008	15,800	
HAZMAT-FFY13 UASI	97.008	22,168	
High School Curriculam Development - FY11 UASI	97.008	8,573	
Knowledge Center - FFY11 UASI	97.008	9,000	
LETPA Equipment & Training - FY11 UASI	97.008	9,322	
LETPA Equipment & Training - FY12 UASI	97.008	68,309	
LETPA Equipment & Training - FY13 UASI	97.008	32,031	
MCCV Maintenance - FFY11 UASI	97.008	13,478	
MCCV Maintenance - FFY12 UASI	97.008	22,926	
MCCV Maintenance - FFY13 UASI	97.008	302	
Incident Management Software - FFY13 UASI	97.008	15,000	
Regional Planner FY11	97.008	152,380	
Regional Planner FY12	97.008	156,973	
Regional Planner FY13	97.008	43,874	
Regional Exercise Program-FFY12 UASI	97.008	4,195	
Shelter Suplies - FFY13 UASI	97.008	378	
Shelter Management-FFY11 UASI	97.008	14,920	
CMARC-FFY2013 UASI	97.008	5,295	
CMARC Phase III B - FY11 UASI	97.008	737,787	
CMARC Phase IV - FY12 UASI	97.008	256,640	
Search and Rescue Response-FFY11 UASI	97.008	139,456	
Search and Rescue Response-FFY12 UASI	97.008	77,360	
Search and Rescue Response-FFY13 UASI	97.008	1,744	
EMPG FY12	97.042	52,923	

The accompanying notes are an integral part of this schedule.

# HARFORD COUNTY, MARYLAND

## Schedule of Expenditures of Federal Awards For the Year Ended June 30, 2014

Federal Grantor/Pass Through Grantor/Program or Cluster Title	Federal CFDA Number	Federal Expenditures	Cluster Total
<b>Department of Homeland Security (continued)</b>			
Passed through Maryland Emergency Management Agency (continued)			
EMPG FY13	97.042	\$ 124,292	
State Homeland Security Grant - FY11	97.073	121,213	
State Homeland Security Grant - FY12	97.073	69,080	
State Homeland Security Grant - FY13	97.067	28,212	
New Emergency Operations Center Complex	97.023	<u>2,202,000</u>	
<b>Total Department of Homeland Security</b>		<u><u>4,464,092</u></u>	
<b>Department of Health and Human Services</b>			
Passed through Maryland Office of Aging			
Title IIIA - Area Agency FY13	93.042	39,596	
Title IIID FY13	93.043	1,825	
Title IIID FY14	93.043	7,095	
Title IIIB - Human Services/Ombudsman - FY13	93.044	76,787	
Title IIIB - Human Services/Ombudsman - FY14	93.044	87,560	
Special Programs for the Aging-Title III, Part C- Home Delivered Meals FY13	93.045	29,036	
Special Programs for the Aging-Title III, Part C- Home Delivered Meals FY14	93.045	52,407	
Special Programs for the Aging-Title III, Part C- Congregate Nutrition FY13	93.045	62,385	
Special Programs for the Aging-Title III, Part C- Congregate Nutrition FY14	93.045	<u>98,017</u>	406,192
SMP Expansion FY13	93.048	2,200	
Title IIIE - Caregivers FY13	93.052	16,409	
Title IIIE - Caregivers FY14	93.052	44,873	
MIPPA	93.071	444	
Medicaid Waiver - FY13	93.778	50	
Medicaid Waiver - FY14	93.778	72,679	
SHIP-FY14	93.779	20,780	
SHIP (FY15)	93.779	959	
MFP - MD Access Point FY14	93.779	109,904	
Money Follows the Person FY14	93.779	3,995	
Passed through Department of Human Services			
Child Support Enforcement - Cooperative Agreement -SAO-FY13	93.563	183,117	
Child Support Enforcement - Cooperative Agreement -SAO-FY14	93.563	510,411	
Child Support Enforcement - Cooperative Agreement -HCSO-FY13	93.563	120,430	
Child Support Enforcement - Cooperative Agreement -HCSO-FY14	93.563	366,036	
Child Support Enforcement - State's Attorney BOSE Incentive FY09	93.563	123	
Access & Visitation FY13	93.597	17,612	
Access & Visitation FY14	93.597	13,386	
Passed through the Governor's Office of Crime Control & Prevention			
Fostering Future Training Program FY14	93.643	<u>4,807</u>	
<b>Total Department of Health and Human Services</b>		<u>1,942,923</u>	
<b>Total Indirect Federal Expenditures</b>		<u>8,828,493</u>	
<b>Total Expenditures of Federal Awards</b>		<u><u>\$ 21,551,786</u></u>	

The accompanying notes are an integral part of this schedule.

## HARFORD COUNTY, MARYLAND

### Notes to the Schedule of Expenditures of Federal Awards For the Year Ended June 30, 2014

#### 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

All Federal grant operations of Harford 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 2014 cash or non-cash expenditure activities. For our single audit testing, we tested Federal award programs below with 2014 cash and non-cash expenditures in excess of \$646,554 to ensure coverage of at least 25% of Federally granted funds. Our actual coverage was 47%.

<u>Major Programs</u>	<u>CFDA Number</u>	<u>Federal Expenditures</u>
Section 8 Housing Choice Cluster	14.871	\$ 7,979,283
New Emergency Operations Center Complex	97.023	2,202,000
<b>Total</b>		<b>\$ 10,181,283</b>

#### 2. BASIS OF PRESENTATION

The Schedule of Expenditures of Federal awards has been accounted for on the accrual basis of accounting.

**HARFORD COUNTY, MARYLAND**

**Schedule of Findings and Questioned Costs  
For the Year Ended June 30, 2014**

**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 that is not considered to be a material weakness?	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 that is not considered to be a material weakness?	None reported
Audit findings disclosed that are required to be reported in accordance with section 510(a) of OMB Circular A-133?	No

**HARFORD COUNTY, MARYLAND**

**Schedule of Findings and Questioned Costs  
For the Year Ended June 30, 2014**

**Identification of Major Programs:**

<u>Major Programs</u>	<u>CFDA Number</u>	<u>Federal Expenditures</u>
Section 8 Housing Choice Cluster	14.871	\$ 7,979,283
New Emergency Operations Center Complex	97.023	2,202,000
<b>Total</b>		<b>\$ 10,181,283</b>

Threshold for distinguishing between  
Type A and B programs \$ 646,554

Did the County qualify as a low risk  
auditee? Yes

**Section II – Financial Statement Findings**

None noted.

**Section III - Federal Award Findings**

None noted.

**HARFORD COUNTY, MARYLAND**

**Schedule of Prior Year Audit Findings and Questioned Costs  
For the Year Ended June 30, 2014**

No Prior Year Findings.