
Oakland County, Michigan

**Federal Awards Supplemental Information
September 30, 2022**

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Report on Schedule of Expenditures of Federal Awards Required by the Uniform Guidance

Independent Auditor's Report

To the Board of Commissioners
Oakland County, Michigan

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 Oakland County, Michigan (the "County") as of and for the year ended September 30, 2022 and the related notes to the financial statements, which collectively comprise the County's basic financial statements. We issued our report thereon dated April 26, 2023, which contained an unmodified opinion on those financial statements. Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the basic financial statements. We have not performed any procedures with respect to the audited financial statements subsequent to April 26, 2023.

The County's basic financial statements include the operations of the Road Commission of Oakland County's discretely presented component unit, which expended \$2,357,898 in federal awards that is not included in the schedule of expenditures of federal awards during the year ended September 30, 2022. Our audit, described below, did not include the operations of the Road Commission of Oakland County because the Road Commission of Oakland County's discretely presented component unit engaged other auditors to perform an audit in accordance with the Uniform Guidance.

The accompanying schedule of expenditures of federal awards is presented for the purpose of additional analysis, as required by the Uniform Guidance, and is not a required part of the basic financial statements. Such information is 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. The 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 schedule of expenditures of federal awards is fairly stated in all material respects in relation to the financial statements as a whole.

Plante & Moran, PLLC

September 28, 2023

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*

Independent Auditor's Report

To Management and the Board of Commissioners
Oakland County, Michigan

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 basic 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 Oakland County, Michigan (the "County") as of and for the year ended September 30, 2022 and the related notes to the financial statements, which collectively comprise the County's basic financial statements, and have issued our report thereon dated April 26, 2023.

Report on 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) as a basis for designing 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 County'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 was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies, and, therefore, material weaknesses or significant deficiencies may exist that were not identified. We identified certain deficiencies in internal control, described in the accompanying schedule of findings and responses or schedule of findings and questioned costs as Findings 2022-001, 2022-002, and 2022-003, that we consider to be material weaknesses.

Report on 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 financial statements. 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*.

The County's Responses to the Findings

Government Auditing Standards require the auditor to perform limited procedures on the County's responses to the findings identified in our audit and described in the accompanying schedule of findings and questioned costs. The County's responses were not subjected to the other auditing procedures applied in the audit of the financial statements, and, accordingly, we express no opinion on them.

To Management and the Board of Commissioners
Oakland County, Michigan

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.

Plante & Moreau, PLLC

April 26, 2023

Report on Compliance for Each Major Federal Program and Report on Internal Control Over Compliance Required
by the Uniform Guidance

Independent Auditor's Report

To the Board of Commissioners
Oakland County, Michigan

Report on Compliance for Each Major Federal Program

Opinion on Each Major Federal Program

We have audited Oakland County, Michigan's (the "County") compliance with the types of compliance requirements identified as subject to audit in the Office of Management and Budget (OMB) Compliance Supplement that could have a direct and material effect on each of the County's major federal programs for the year ended September 30, 2022. 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.

In our opinion, the County complied, in all material respects, with the compliance requirements referred to above that could have a direct and material effect on each of the major federal programs for the year ended September 30, 2022.

Basis for Opinion on Each Major Federal Program

We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America (GAAS); the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; and the audit requirements of Title 2 U.S. Code of Federal Regulations Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (the "Uniform Guidance"). Our responsibilities under those standards and the Uniform Guidance are further described in the *Auditor's Responsibilities for the Audit of Compliance* section of our report.

We are required to be independent of the County and to meet our other ethical responsibilities in accordance with relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion on compliance for each major federal program. Our audit does not provide a legal determination of the County's compliance with the compliance requirements referred to above.

Other Matter - Federal Expenditures Not Included in the Compliance Audit

The County's basic financial statements include the operations of the Road Commission of Oakland County's discretely presented component unit, which expended \$2,357,898 in federal awards that is not included in the County's schedule of expenditures of federal awards during the year ended September 30, 2022. Our compliance audit, described in the *Opinion on Each Major Federal Program* section of our report, does not include the operations of the Road Commission of Oakland County because the Road Commission of Oakland County's discretely presented component unit engaged other auditors to perform an audit in accordance with the Uniform Guidance.

Responsibilities of Management for Compliance

Management is responsible for compliance with the requirements referred to above and for the design, implementation, and maintenance of effective internal control over compliance with the requirements of laws, statutes, regulations, rules, and provisions of contracts or grant agreements applicable to the County's federal programs.

To the Board of Commissioners
Oakland County, Michigan

Auditor's Responsibilities for the Audit of Compliance

Our objectives are to obtain reasonable assurance about whether material noncompliance with the compliance requirements referred to above occurred, whether due to fraud or error, and express an opinion on the County's compliance based on our audit. Reasonable assurance is a high level of assurance but is not absolute assurance and, therefore, is not a guarantee that an audit conducted in accordance with GAAS, *Government Auditing Standards*, and the Uniform Guidance will always detect material noncompliance when it exists. The risk of not detecting material noncompliance resulting from fraud is higher than for that resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Noncompliance with the compliance requirements referred to above is considered material if there is a substantial likelihood that, individually or in the aggregate, it would influence the judgment made by a reasonable user of the report on compliance about the County's compliance with the requirements of each major federal program as a whole.

In performing an audit in accordance with GAAS, *Government Auditing Standards*, and the Uniform Guidance, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material noncompliance, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the County's compliance with the compliance requirements referred to above and performing such other procedures as we considered necessary in the circumstances.
- Obtain an understanding of the County's internal control over compliance relevant to the audit in order to design audit procedures that are appropriate in the circumstances and to test and report on internal control over compliance in accordance with the Uniform Guidance, but not for the purpose of expressing an opinion on the effectiveness of the County's internal control over compliance. Accordingly, no such opinion is expressed.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and any significant deficiencies and material weaknesses in internal control over compliance that we identified during the audit.

Report on Internal Control Over Compliance

Our consideration of internal control over compliance was for the limited purpose described in the *Auditor's Responsibilities for the Audit of Compliance* section above and was not designed to identify all deficiencies in internal control over compliance that might be material weaknesses or significant deficiencies in internal control over compliance and therefore, material weaknesses or significant deficiencies may exist that have not been identified. However, as discussed below, we did identify certain deficiencies in internal control over compliance that we consider to be material weaknesses.

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 a 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. We consider the deficiencies in internal control over compliance described in the accompanying schedule of findings and questioned costs as Findings 2022-004, 2022-005, 2022-006, and 2022-007 to be material weaknesses.

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 of those charged with governance.

Our audit was not designed for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, no such opinion is expressed.

To the Board of Commissioners
Oakland County, Michigan

Government Auditing Standards require the auditor to perform limited procedures on the County's responses to the internal control over compliance findings identified in our audit and described in the accompanying schedule of findings and questioned costs. The County's responses were not subjected to the other auditing procedures applied in the audit of compliance, and, accordingly, we express no opinion on them.

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 the Uniform Guidance. Accordingly, this report is not suitable for any other purpose.

Plante & Moran, PLLC

September 28, 2023

Schedule of Expenditures of Federal Awards

Year Ended September 30, 2022

Federal Agency/Pass-through Agency/Program Title	Assistance Listing Number	Pass-through Entity Identifying Number or Grant Number	Total Amount Provided to Subrecipients	Federal Expenditures
U.S. Department of Agriculture				
Direct Programs -				
Food Donation Program	10.550		\$ -	\$ 26,778
SNAP Cluster:				
Passed through Michigan Department of Health and Human Services - Michigan Fitness Foundation - State Administrative Matching Grants for the Supplemental Nutrition Assistance Program	10.561	N/A	-	42,584
Passed through Michigan Department of Labor and Economic Opportunity - Workforce Development - State Administrative Matching Grants for the Supplemental Nutrition Assistance Program	10.561	202121S252042 202121Q750342	(306)	(306)
State Administrative Matching Grants for the Supplemental Nutrition Assistance Program	10.561	202121Q750342	<u>197,073</u>	<u>197,073</u>
Total passed through Michigan Department of Labor and Economic Opportunity - Workforce Development			<u>196,767</u>	<u>196,767</u>
Total SNAP Cluster			196,767	239,351
Passed through Michigan Department of Education:				
National School Breakfast Program	10.553	630008006	-	60,368
National School Lunch Program	10.555	630008006	-	130,511
Child Nutrition	10.555	630008006	<u>-</u>	<u>6,693</u>
Total National School Lunch Program			-	137,204
Child and Adult Care Food Program	10.558	630008006	<u>-</u>	<u>31,346</u>
Total passed through Michigan Department of Education			-	228,918
Passed through Michigan Department of Health and Human Services:				
Special Supplemental Nutrition Program for Women, Infants, and Children (WIC) Resident Services	10.557	E20211371-00	-	6,557
WIC Resident Services	10.557	E20221906-00	-	2,615,870
WIC Breastfeeding	10.557	E20222790-00	<u>-</u>	<u>253,222</u>
Total Special Supplemental Nutrition Program for Women, Infants, and Children			<u>-</u>	<u>2,875,649</u>
Total U.S. Department of Agriculture			196,767	3,370,696
U.S. Department of Housing and Urban Development				
Direct Programs:				
CDBG - Entitlement Grants Cluster:				
Community Development Block Grant 15-16	14.218		-	4,790
Community Development Block Grant 17-18	14.218		36,556	44,267
Community Development Block Grant 18-19	14.218		270,701	313,020
Community Development Block Grant 19-20	14.218		643,528	946,943
Community Development Block Grant 20-21	14.218		1,371,880	3,748,481
Community Development Block Grant 21-22	14.218		396,362	412,997
COVID-19 - Community Development Block Cares Grant 2019	14.218		<u>-</u>	<u>1,187,356</u>
Total CDBG Entitlement Grant Cluster			2,719,027	6,657,854

Schedule of Expenditures of Federal Awards (Continued)

Year Ended September 30, 2022

Federal Agency/Pass-through Agency/Program Title	Assistance Listing Number	Pass-through Entity Identifying Number or Grant Number	Total Amount Provided to Subrecipients	Federal Expenditures
U.S. Department of Housing and Urban Development (continued)				
Direct Programs (continued):				
Home Investment Partnership Program 14-15	14.239		\$ -	\$ 19,090
Home Investment Partnership Program 15-16	14.239		-	8,535
Home Investment Partnership Program 16-17	14.239		-	8,535
Home Investment Partnership Program 17-18	14.239		-	3,823
Home Investment Partnership Program 18-19	14.239		-	141,439
Home Investment Partnership Program 19-20	14.239		-	1,537,814
Home Investment Partnership Program 20-21	14.239		-	304,301
Home Investment Partnership Program 21-22	14.239		-	211,282
Total Home Investment Partnership Program			-	2,234,819
Emergency Solutions Grant Program 2019	14.231		-	2,082,289
Emergency Solutions Grant Program 2020	14.231		-	86,668
Emergency Solutions Grant Program 2021	14.231		-	311,271
Total Emergency Solutions Grant Program			-	2,480,228
Total U.S. Department of Housing and Urban Development			2,719,027	11,372,901
U.S. Department of Justice				
Direct Programs:				
Edward Byrne Memorial Justice Assistance Grant Program 19-22	16.738		-	2,121
Edward Byrne Memorial Justice Assistance Grant Program 20-23	16.738		-	10,600
Edward Byrne Memorial Justice Assistance Grant Program 21-24	16.738		-	46,630
ATF Task Force Overtime Reimbursement	16.922		-	664
Bulletproof Vest Partnership Program	16.607		-	21,438
DNA Capacity Enhancement and Backlog Reduction Program	16.741		-	4,575
DNA Capacity Enhancement and Backlog Reduction Program	16.741		-	301,464
Passed through Federal Bureau of Investigation (FBI) - Project Safe Neighborhoods	16.609	N/A	-	19,372
Passed through Michigan Department of Health and Human Services - FY22 Anti-Terrorism Emergency Assistance	16.582	E20225345-00	-	87,259
Passed through Michigan State Police:				
2022 Emergency Federal Law Enforcement Assistance	16.824	EFLEA-2022-04	-	327,539
Edward Byrne Memorial Justice Assistance Grant	16.738	JAG-72181-N.E.T.-2022	-	217,080
Paul Coverdell Forensic Sciences Improvement Grant Program 2021	16.742	2020-CD-BX-0050	-	2,815
Paul Coverdell Forensic Sciences Improvement Grant Program 2022	16.742	2020-CD-BX-0050	-	94,509
Total passed through Michigan State Police			-	641,943
Total U.S. Department of Justice			-	1,136,066

Schedule of Expenditures of Federal Awards (Continued)

Year Ended September 30, 2022

Federal Agency/Pass-through Agency/Program Title	Assistance Listing Number	Pass-through Entity Identifying Number or Grant Number	Total Amount Provided to Subrecipients	Federal Expenditures
U.S. Department of Labor				
WIOA Cluster - Passed through Michigan Department of Labor and Economic Opportunity - Workforce Development:				
WIOA Adult Local Administration AY-20	17.258	AA347752055A26	\$ 140,831	\$ 148,712
WIOA Youth Local Administration AY-20	17.259	AA347752055A26	140,831	148,712
WIOA Dislocated Worker Local Administration AY-20	17.278	AA347752055A26	140,876	148,757
WIOA Adult PY22	17.258	AA385362255A2	66,292	66,292
WIOA Adult AY-20	17.258	AA347752055A26	356,649	370,894
WIOA Adult AY-21	17.258	AA363262155A26	2,130,785	2,144,430
WIOA Youth AY-19	17.259	AA347752055A26	12,649	12,649
WIOA Youth AY-18	17.259	AA342361955A26	706,528	751,686
WIOA Dislocated Worker PY22	17.278	AA385362255A26	40,521	40,521
WIOA Dislocated Worker AY-20	17.278	AA347752055A26	272,901	272,901
WIOA Dislocated Worker AY-20	17.278	AA363262155A26	1,314,420	1,322,861
WIOA Adult AY20 Young Professional 2022	17.258	AA347752055A26	66,755	66,755
WIOA Youth AY20 Young Professional 2022	17.259	AA347752055A26	72,698	72,698
WIOA Dislocated Worker AY20 Young Professional 2022	17.278	AA347752055A26	58,633	58,633
WIOA Adult SWA Young Professional AY20	17.258	AA347752055A26	37,693	37,693
WIOA Youth SWA Young Professional AY20	17.259	AA347752055A26	41,049	41,049
WIOA Dislocated Worker SWA Young Professional AY20	17.278	AA347752055A26	33,108	33,108
WIOA Adult SWA AY20 Capacity Bldg PY22	17.258	AA347752055A26	-	29,291
WIOA Youth SWA AY20 Capacity Bldg PY22	17.259	AA347752055A26	-	31,899
WIOA Dislocated Worker SWA AY20 Capacity Bldg PY22	17.278	AA347752055A26	-	25,728
WIOA Adult SWA Integrated Education & TRNG (IET) AY-20	17.258	AA332361955A26	7,078	7,078
WIOA Youth SWA Integrated Education & TRNG (IET) AY-20	17.259	AA332361955A26	7,708	7,708
WIOA Dislocated Worker SWA Integrated Education & TRNG (IET) AY-20	17.278	AA332361955A26	6,216	6,216
WIOA Adult SWA Career Events AY20	17.258	AA347752055A26	8,410	8,410
WIOA Youth SWA Career Events AY20	17.259	AA347752055A26	9,159	9,159
WIOA Dislocated Worker SWA Career Events AY20	17.278	AA347752055A26	7,387	7,387
WIOA Adult SWA (AY19) CRM PY21	17.258	AA332361955A26	4,243	4,243
WIOA Youth SWA (AY19) CRM PY21	17.259	AA332361955A26	4,610	4,610
WIOA Dislocated Worker SWA (AY19) CRM PY21	17.278	AA332361955A26	3,812	3,812
WIOA Adult Admin PY19	17.258	AA363262155A26	93,603	99,988
WIOA Youth Admin PY19	17.259	AA363262155A26	101,706	108,643
WIOA Dislocated Worker Admin PY19	17.278	AA363262155A26	84,103	89,840
WIOA Youth PY21	17.259	AA363262155A26	1,793,250	1,830,877
WIOA Youth PY22	17.259	AA385362255A26	134,325	134,325
WIOA Adult SWA (AY21) Integrated Education & TR (IET) PY22	17.258	AA363262155A26	8,975	8,975
WIOA Youth SWA (AY21) Integrated Education & TR (IET) PY22	17.259	AA363262155A26	9,723	9,723
WIOA Dislocated Worker SWA (AY21) Integrated Education & TR (IET) PY22	17.278	AA363262155A26	9,002	9,002
WIOA Adult SWA (AY21) Employment Services PY22	17.258	AA363262155A26	25,764	25,764
WIOA Youth SWA (AY21) Employment Services PY22	17.259	AA363262155A26	27,911	27,911
WIOA Dislocated Worker SWA (AY21) Employment Services PY22	17.278	AA363262155A26	25,843	25,843
Total WIOA Cluster			8,006,047	8,254,783

Oakland County, Michigan

Schedule of Expenditures of Federal Awards (Continued)

Year Ended September 30, 2022

Federal Agency/Pass-through Agency/Program Title	Assistance Listing Number	Pass-through Entity Identifying Number or Grant Number	Total Amount Provided to Subrecipients	Federal Expenditures
U.S. Department of Labor (continued)				
Passed through Michigan Department of Labor and Economic Opportunity - Workforce Development:				
Employment Service Cluster:				
Employment Services (WP) PY22	17.207	ES367602255A26	\$ 21,815	\$ 21,815
Employment Service Clean Slate Program PY-20	17.207	ES334001955A26	210,437	210,437
Wagner Peyser (WP) Employment Services 7(A) AY-20 PY20	17.207	ES353502055A26	363,972	434,099
Wagner Peyser (WP) Employment Services 7(A) AY-21	17.207	ES367602155A26	1,324,432	1,324,432
Going Pro TF ES 22	17.207	ES353502055A26	41,190	41,190
IFA Jobs for Veterans State Grants PY-21	17.801	DV357522155526	<u>2,810</u>	<u>2,810</u>
Total Employment Services Cluster			1,964,656	2,034,783
Unemployment Insurance State Administration RESEA 2020	17.225	UI345032060A26	118,734	118,734
Unemployment Insurance PY21 - Infrastructure Funding Agreements AY-19	17.225	UI356552155A26	52,610	52,610
UIA-RESEA PRM 2021	17.225	UI359512160A26	149,535	149,635
Unemployment Insurance PY20 - Infrastructure Funding Agreements - Unemployment Insurance Agency PY22	17.225	UI393292355A26	<u>7,750</u>	<u>7,750</u>
Total Unemployment Insurance			328,629	328,729
Trade Adjustment Assistance AY-19 FY21	17.245	TA326581955A26	(3,593)	(3,593)
ASE GP Apprenticeships PY18	17.285	AP334931960A26	23,694	23,694
Industry Infinity FY22	17.268	HG359072160A26	336,775	336,775
WIOA Dislocated Worker National Emergency Grants C19 DIS REC	17.277	DW349062060A26	<u>231,003</u>	<u>231,003</u>
Total passed through Michigan Department of Labor and Economic Opportunity - Workforce Development			10,887,211	11,206,174
Passed through Michigan Vocational Rehab Services -				
Trade Adjustment Assistance FY22	17.245	TA344502055A26	611,819	611,819
Passed through Southeast Michigan Community Alliance -				
H-1B Job Training Grants - Advance Michigan Center for Apprenticeship Innovation FY-17	17.268	AP280281560A26	<u>87,874</u>	<u>87,874</u>
Total U.S. Department of Labor			11,586,904	11,905,867
U.S. Department of Transportation				
Passed through Michigan Department of Transportation Aeronautics -				
Coronavirus Response and Relief Supplemental Appropriation Act	20.106	3-26-SBGP-130-2021	-	23,000
Passed through Michigan Department of State Police - Emergency Management & Homeland Security Division -				
Hazardous Materials Emergency Preparedness Planning Program	20.703	693JK31940022HMEP	-	11,487
Passed through Michigan Department of State Police - Office of Highway Safety Planning -				
Passed through Transportation Improvement Association -				
Highway Safety Cluster:				
FY-21 Drug Recognition Expert (DRE) Call Out Reimbursement Agreement	20.616	N/A	-	391
FY-21 Oakland County Traffic Enforcement	20.616	N/A	<u>-</u>	<u>28,086</u>
Total passed through Michigan Department of State Police - Office of Highway Safety Planning -				
Passed through Transportation Improvement Association			<u>-</u>	<u>28,477</u>
Total U.S. Department of Transportation			-	62,964

Oakland County, Michigan

Schedule of Expenditures of Federal Awards (Continued)

Year Ended September 30, 2022

Federal Agency/Pass-through Agency/Program Title	Assistance Listing Number	Pass-through Entity Identifying Number or Grant Number	Total Amount Provided to Subrecipients	Federal Expenditures
U.S. Environmental Protection Agency				
Direct Programs - Brownfield Assessment & Cleanup Grant	66.818	00E02882	\$ 68,773	\$ 136,827
Passed through Michigan Department of Environmental Quality - Clean Water State Revolving Fund (CWSRF) Cluster Clinton River WRRF SEG1 Biosolids - Septage	66.458	5642-01	-	236,265
Total U.S. Environmental Protection Agency			68,773	373,092
U.S. Department of Education - Office of Special Education and Rehabilitative Services				
Passed through Michigan Rehabilitation:				
Michigan Rehabilitation (MRS) Infrastructure Funding Agreement FY-21	84.126A	H126A200099	19,273	19,273
MiLEAP 2020 Program	84.425	V425G200035	356,929	356,929
Total U.S. Department of Education - Office of Special Education and Rehabilitative Services			376,202	376,202
U.S. Department of Education				
Passed through Michigan Department of Labor and Economic Opportunity - Workforce Development - Unemployment Insurance PY20 - Infrastructure Funding Agreements - Unemployment Insurance Agency PY22	84.126	H126A200099	6,830	6,830
U.S. Office of National Drug Control Policy				
Passed through Michigan State Police:				
2020 High Intensity Drug Trafficking Areas (HIDTA) Program	95.001	G20SM0002A	-	5,000
2022 High Intensity Drug Trafficking Areas (HIDTA) NET Program	95.001	G22SM002A	66,185	99,719
2022 High Intensity Drug Trafficking Areas (HIDTA) For Lab Position	95.001	MR 22-406	-	25,111
2021 High Intensity Drug Trafficking Areas (HIDTA) Program	95.001	G21SM0002A	16,323	22,658
2021 High Intensity Drug Trafficking Areas Program Reimbursement Funding for Forensic Lab Technician Firearms Position	95.001	N/A	-	8,665
Total U.S. Office of National Drug Control Policy			82,508	161,153
U.S. Department of the Treasury				
Direct Programs:				
COVID-19 - Coronavirus Relief Funds	21.019		-	(2,008,416)
COVID-19 - Coronavirus State and Local Fiscal Recovery Funds	21.027		12,306,898	25,096,911
Passed through Michigan Department of Health and Human Services:				
COVID-19 - Coronavirus Relief Funds - CRF Immunizations COVID-19 Response	21.019	E20213758-00	-	6,037
COVID-19 - Coronavirus Relief Funds - CRF Local Health Department Contact Tracing	21.019	E20213739-00	-	20,514
Total passed through Michigan Department of Health and Human Services			-	26,551
Total U.S. Department of the Treasury			12,306,898	23,115,046

Schedule of Expenditures of Federal Awards (Continued)

Year Ended September 30, 2022

Federal Agency/Pass-through Agency/Program Title	Assistance Listing Number	Pass-through Entity Identifying Number or Grant Number	Total Amount Provided to Subrecipients	Federal Expenditures
U.S. Department of Health and Human Services				
Passed through Michigan Department of Labor and Economic Opportunity - Workforce Development:				
Temporary Assistance for Needy Families (TANF), Partnership, Accountability, Training, Hope (PATH) FY-19	93.558	2001MITANF	\$ 205,669	\$ 222,206
Temporary Assistance for Needy Families (TANF), Refugee	93.558	2101MITANF	23,801	23,801
Temporary Assistance for Needy Families (TANF), Partnership, Accountability, Training, Hope (PATH) FY-22	93.558	2201MITANF	2,377,297	2,401,157
Temporary Assistance for Needy Families (TANF), PATH Supportive Services FY-21	93.558	2201MITANF	<u>40,407</u>	<u>40,407</u>
Total Temporary Assistance for Needy Families (TANF)			2,647,174	2,687,571
Passed through Michigan State Court Administrative Office - Grants to States for Access and Visitation Programs	93.597	SCAO-2022-023	-	28,000
Passed through Michigan Department of Health and Human Services:				
Medicaid Cluster:				
Children Special Health Care Services (CSHCS) Medicaid Elevated Blood Lead Case Management	93.778	E2022883-00	-	8,844
Children Special Health Care Services (CSHCS) Care Coordination	93.778	E20221571-00	-	20,040
Children Special Health Care Services (CSHCS) Care Coordination	93.778	E20221571-00	-	20,543
Children Special Health Care Services (CSHCS) Care Coordination Medicaid Outreach	93.778	E20221570-00	-	86,978
Medicaid Outreach	93.778	E20222108-00	-	608,758
Harm Reduction Supports Services	93.778	E20224360-00	<u>-</u>	<u>241,617</u>
Total Medicaid Cluster			-	986,780
Child Support Enforcement Research - Friend of the Court	93.563	CSFOC17 - 63001	-	8,849,301
Child Support Enforcement Research - Friend of the Court - Federal Incentives Payments	93.563	CSFOC17 - 63001	-	1,573,771
Child Support Enforcement Research - Prosecuting Co-op Reimbursement	93.563	CSPA17 - 63002	<u>-</u>	<u>2,409,732</u>
Total Child Support Enforcement Research			-	12,832,804
Immunization Fixed Fees	93.268	E20222789-00	-	13,700
Children Special Health Care Services (CSHCS) Vaccine Initiative	93.268	E20224334-00	-	22,098
COVID-19 - Immunization Cooperative Agreements	93.268	E20223383-00	-	2,768,447
Immunization Action Plan	93.268	E20221989-00	-	501,895
Federal Vaccine Shipped to Local Health Departments	93.268	N/A	<u>-</u>	<u>720,413</u>
Total Immunization Cooperative Agreements			-	4,026,553
Tuberculosis (TB) Control	93.116	E20221905-00	-	14,961
U4U Tuberculosis Services	93.116	E20225334-00	<u>-</u>	<u>14,983</u>
Total Project Grants and Cooperative Agreements for Tuberculosis Control Programs			-	29,944
Fetal Infant Mortality Review (FIMR) Case Abstraction	93.994	E20211360-00	-	6,480
Children Special Health Care Services (CSHCS) Outreach & Advocacy	93.994	E20221569-00	-	147,201
Children Special Health Care Services (CSHCS) Outreach & Advocacy	93.994	E20220358-02	-	442,466
Children Special Health Care Services (CSHCS) Care Coordination	93.994	E20221571-00	-	31,780
Fetal Infant Mortality Review (FIMR) Interview	93.994	E20221657-00	-	125
Maternal and Child Health Services - All Other	93.994	E20223149-00	<u>-</u>	<u>321,457</u>
Total Maternal and Child Health Services Block Grant to the States			-	949,509

Schedule of Expenditures of Federal Awards (Continued)

Year Ended September 30, 2022

Federal Agency/Pass-through Agency/Program Title	Assistance Listing Number	Pass-through Entity Identifying Number or Grant Number	Total Amount Provided to Subrecipients	Federal Expenditures
U.S. Department of Health and Human Services (continued)				
Passed through Michigan Department of Health and Human Services (continued):				
Laboratory Services Bio	93.069	E20221555-00	\$ -	\$ 500
Public Health Emergency Preparedness (PHEP) CRI 7/1/22 - 9/30/22	93.069	E20224848-00	-	46,262
Public Health Emergency Preparedness (PHEP) 7/1/22 - 9/30/22	93.069	E20224851-00	-	46,667
Total Public Health Emergency Preparedness			-	93,429
Nurse Family Partnership Services	93.870	E20221800-00	-	675,540
COVID-19 - ARP Home Visitation	93.870	E20224821-00	-	50,099
Total Maternal, Infant and Early Childhood Home Visiting Grant			-	725,639
Public Health Emergency Preparedness (PHEP) CRI 10/1/21 - 6/30/22	93.889	E20221463-00	-	140,839
Public Health Emergency Preparedness (PHEP) 10/1/21 - 6/30/22	93.889	E2221464-00	-	235,276
Total National Bioterrorism Hospital Preparedness Program			-	376,115
West Nile Virus Community Surveillance	93.323	E20221461-00	-	10,000
Gonococcal Isolate Surveillance Project	93.323	E20222884--00	-	48,268
Epidemiology and Laboratory Capacity for Infectious Diseases COVID-19 Contact Tracing Testing Coordination	93.323	E20223141-00	-	1,445,473
Epidemiology and Laboratory Capacity for Infectious Diseases Sewer Network	93.323	E20224363-00	-	580,321
Epidemiology and Laboratory Capacity Infectious Diseases Regional Lab	93.323	E20223121-00	-	31,762
Total Epidemiology and Laboratory Capacity for Infectious Diseases (ELC)			-	2,115,824
HIV Prevention	93.940	E20222574-00	-	24,960
Eastern Equine Encephalitis Virus Surveillance Project	93.991	E20224804-00	-	8,034
Adolescent STD Screening	93.977	E2022882-00	-	51,645
Foster Care Title IV-E	93.658	MA20000001865	-	349,148
Total passed through Michigan Department of Health and Human Services			-	22,570,384
Passed through Michigan Department of Health and Human Services - Passed through Oakland				
Community Health Network:				
Substance Use Disorder Prevention Services	93.959	2022-0215-SUDP#1	-	183,543
Transforming Youth Suicide Prevention	93.243	E20223097-00	-	46,515
Total passed through Michigan Department of Health and Human Services - Passed through Oakland Community Health Network			-	230,058
Passed through Wayne State University - Nurse, Education, Practice, Equality and Retention Registered Nurse	93.359	1UK1HP31702-04-00	-	32,638
Total U.S. Department of Health and Human Services			2,647,174	25,548,651

Oakland County, Michigan

Schedule of Expenditures of Federal Awards (Continued)

Year Ended September 30, 2022

Federal Agency/Pass-through Agency/Program Title	Assistance Listing Number	Pass-through Entity Identifying Number or Grant Number	Total Amount Provided to Subrecipients	Federal Expenditures
U.S. Department of Homeland Security				
Direct Programs -				
COVID-19 Disaster Grants - Public Assistance (FEMA)	97.036		\$ -	\$ 7,423,511
Passed through Michigan Department of State Police - Emergency Management and Homeland Security Division:				
Emergency Management Performance Grant	97.042	EMC-2021-EP-00006	-	125,758
Emergency Management Performance Grant	97.042	EMC-2022-EP-00001	-	54,769
Total Emergency Management Performance Grant			-	180,527
Passed through Michigan Department of State Police - Emergency Management and Homeland Security Division -				
Passed through the County of Macomb, Michigan:				
2018 Homeland Security Grant Program	97.067	EMW-2018-SS-00042	-	2,208
2019 Homeland Security Grant Program	97.067	EMW-2019-SS-00021	-	453,749
Total Homeland Security Grant Program			-	455,957
Passed through Michigan Department of Natural Resources -				
Marine Safety Program	97.012	MS22-021	-	88,600
Total U.S. Department of Homeland Security			-	8,148,595
Total federal expenditures			\$ 29,991,083	\$ 85,578,063

Notes to Schedule of Expenditures of Federal Awards

Year Ended September 30, 2022

Note 1 - Basis of Presentation

The accompanying schedule of expenditures of federal awards (the "Schedule") includes the federal grant activity of Oakland County, Michigan (the "County") under programs of the federal government for the year ended September 30, 2022. The information in the Schedule is presented in accordance with the requirements of Title 2 U.S. Code of Federal Regulations Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (the "Uniform Guidance"). Because the Schedule presents only a selected portion of the operations of the County, it is not intended to and does not present the financial position, changes in net position, or cash flows of the County.

Note 2 - Summary of Significant Accounting Policies

Expenditures reported in the Schedule are reported on the same basis of accounting as the basic financial statements, with the exception of the expenditures related to ALN 66.468, Drinking Water State Revolving Fund (DWSRF), and ALN 66.458, Clean Water State Revolving Fund (CWSRF). The DWSRF and CWSRF expenditures are reported on the cash basis in accordance with the subrecipient reporting guidelines outlined in the 2021 OMB Compliance Supplement for ALN 66.468 and 66.458. Other expenditures are recognized following the cost principles contained in Title 2 U.S. Code of Federal Regulations Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards*, wherein certain types of expenditures are not allowable or are limited as to reimbursement, except for expenditures related to ALN 21.019, Coronavirus Relief Fund (CRF). CRF does not apply the cost principles contained in Title 2 U.S. Code of Federal Regulations Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards*, but rather applies the U.S. Department of the Treasury's guidance and frequently asked questions, as outlined in the 2020 Compliance Supplement Addendum. Negative amounts shown on the Schedule represent adjustments or credits made in the normal course of business to amounts reported as expenditures in prior years. The pass-through entity identifying numbers are presented where available.

The County has elected not to use the 10 percent *de minimis* indirect cost rate to recover indirect costs, as allowed under the Uniform Guidance.

Note 3 - Disaster Grants-Public Assistance Program (ALN 97.036)

Included in the Schedule for the year ended September 30, 2022 is \$7,423,511 of expenditures incurred under the Disaster Grants-Public Assistance grant (ALN 97.036) in previous fiscal years. The project worksheet for these expenditures was approved in the current fiscal year, and these expenditures have been reported in the current fiscal year in accordance with the reporting requirements outlined in the 2022 Compliance Supplement.

Schedule of Findings and Questioned Costs

Schedule of Findings and Questioned Costs

Year Ended September 30, 2022

Section I - Summary of Auditor's Results

Financial Statements

Type of auditor's report issued: Unmodified

Internal control over financial reporting:

- Material weakness(es) identified? X Yes 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 None reported

Federal Awards

Internal control over major programs:

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

Any audit findings disclosed that are required to be reported in accordance with Section 2 CFR 200.516(a)? X Yes No

Identification of major programs:

Assistance Listing Number	Name of Federal Program or Cluster	Opinion
10.557	Special Supplemental Nutrition Program for Women, Infants, and Children (WIC)	Unmodified
14.218	Community Development Block Grants - Entitlement Grants Cluster	Unmodified
17.258, 17.259, 17.278	Workforce Innovation and Opportunity Act (WIOA) Cluster	Unmodified
21.027	Coronavirus State and Local Fiscal Recovery Funds	Unmodified
93.268	Immunization Cooperative Agreements	Unmodified
93.558	Temporary Assistance for Needy Families (TANF)	Unmodified
93.563	Child Support Enforcement Research	Unmodified
97.036	Disaster Grants - Public Assistance (Presidentially Declared Disasters)	Unmodified

Dollar threshold used to distinguish between type A and type B programs: \$2,567,342

Auditee qualified as low-risk auditee? Yes X No

Schedule of Findings and Questioned Costs (Continued)

Year Ended September 30, 2022

Section II - Financial Statement Audit Findings

Reference Number	Finding
2022-001	<p>Finding Type - Material weakness</p> <p>Criteria - The County should have a process in place to ensure year-end journal entries are properly recorded in accordance with generally accepted accounting principles (GAAP) prior to the commencement of the audit.</p> <p>Condition - Year-end journal entries necessary to state the financial statements in accordance with GAAP were identified as part of the audit.</p> <p>Context - Material year-end journal entries were proposed by the auditors and posted by the County in order to ensure the financial statements were stated in accordance with GAAP. Material misstatements detected as a result of audit procedures included adjustments to cash and investments, accounts payable, receivables, property and equipment, pension and OPEB, revenue, and expenditures.</p> <p>There were also various adjustments to the financial statements that should have been made in order to correctly state the County's financial records at year end that were not adjusted, as management did not deem these items to be significant enough to correct in the accounting records (referred to as "passed adjustments"). The passed adjustments included corrections to investments, capital assets, net pension liability, net OPEB asset, general claims liability, receivables, deferred inflows of resources, revenue, and expenses.</p> <p>Cause - Processes were not in place to ensure year-end closing entries were properly recorded in the general ledger prior to the commencement of the audit.</p> <p>Effect - If the year-end journal entries identified above had not been recorded, the financial statements would have been materially misstated.</p> <p>Recommendation - The County should continue to work with all applicable departments to ensure its control procedures properly identify and record all year-end journal entries.</p> <p>Views of Responsible Officials and Planned Corrective Actions - A new ERP system (Workday) was rolled out in the middle of the fiscal year. The old ERP system (PeopleSoft) had been in place for 16 years. The County needed additional time to develop reports and processes to align with the new system. Since Workday went live in May, limited time was available to replace 16 years of historical reports. Even though many staff were involved in the Workday implementation, the knowledge transfer and report building required additional time. Furthermore, we changed implementation consultants in July. Our new consultants worked diligently with our fiscal team to get reports and processes in place that staff could utilize.</p> <p>Due to the delay in developing reports that verify balances, there was not adequate time to complete year-end journal entries prior to the commencement of the annual audit.</p>

Schedule of Findings and Questioned Costs (Continued)

Year Ended September 30, 2022

Section II - Financial Statement Audit Findings (Continued)

Reference Number	Finding
2022-002	<p>Finding Type - Material weakness</p> <p>Criteria - The County should have a process in place to complete year-end adjustments and supporting reconciliations and accounting records in a timely manner prior to the commencement of the audit.</p> <p>Condition - The County's general ledger and underlying accounting records were not reconciled and closed in a timely manner for certain balances.</p> <p>Context - The County provided year-end adjustments and general ledger balances for a variety of accounts related to the year ended September 30, 2022 in February and March 2023, after the commencement of the audit.</p> <p>Cause - The County has experienced staffing reductions and reassignments over the past year, resulting in responsibilities being divided over fewer staff. In addition, the County implemented a new ERP system, which contributed to some of the delays in the financial reporting process.</p> <p>Effect - Untimely preparation of year-end adjustments and supporting reconciliations and accounting records does not provide adequate time for the County to review and could lead to inaccurate financial reporting. In addition, providing adjustments and general ledger balances after the commencement of the audit creates inefficiencies in the process.</p> <p>Recommendation - The County should ensure it has adequate resources to fully and accurately reconcile and record year-end entries prior to the start of the audit.</p> <p>Views of Responsible Officials and Planned Corrective Actions - A new ERP system (Workday) was rolled out in the middle of the fiscal year. The old ERP system (PeopleSoft) had been in place for 16 years. The County needed additional time to develop reports and processes to align with the new system. Since Workday went live in May, limited time was available to replace 16 years of historical reports. Even though many staff were involved in the Workday implementation, the knowledge transfer and report building required additional time. Furthermore, we changed implementation consultants in July. Our new consultants worked diligently with our fiscal team to get reports and processes in place that staff could utilize.</p> <p>Due to the delay in developing reports that verify balances, there was not adequate time to complete year-end adjustments and reconciliations prior to the commencement of the annual audit.</p>

Schedule of Findings and Questioned Costs (Continued)

Year Ended September 30, 2022

Section II - Financial Statement Audit Findings (Continued)

Reference Number	Finding
2022-003	<p>Finding Type - Material weakness</p> <p>Criteria - The County should perform and review all bank reconciliations accurately and in a timely manner.</p> <p>Condition - Bank reconciliations were not completed and reviewed in an accurate and timely manner.</p> <p>Context - Certain bank reconciliations were not completed and reviewed in a timely manner, resulting in significant adjustments to the year-end bank reconciliation subsequent to the commencement of the audit. The effectiveness of the review process was not sufficient to identify the differences in the bank reconciliation in a timely manner.</p> <p>Cause - There was a lack of sufficient oversight in order to properly reconcile bank information to the general ledger.</p> <p>Effect - Without timely preparation and review of bank reconciliations, the County could fail to identify errors or misappropriations timely.</p> <p>Recommendation - The County should implement procedures and a review process to ensure all bank reconciliations are completed and reviewed in a timely manner.</p> <p>Views of Responsible Officials and Planned Corrective Actions - A new ERP system (Workday) was rolled out in the middle of the fiscal year. The old ERP system (PeopleSoft) had been in place for 16 years. The County needed additional time to develop reports and processes to align with the new system. Since Workday went live in May, limited time was available to replace 16 years of historical reports. Even though many staff were involved in the Workday implementation, the knowledge transfer and report building required additional time. Furthermore, we changed implementation consultants in July. Our new consultants worked diligently with our fiscal team to get reports and processes in place that staff could utilize.</p> <p>The bank reconciliation processes had to be completely overhauled to accommodate Workday banking tools. Due to this delay, bank reconciliations were not readily available at the end of the fiscal year.</p>

Schedule of Findings and Questioned Costs (Continued)

Year Ended September 30, 2022

Section III - Federal Program Audit Findings

Reference Number	Finding
2022-004	<p>Assistance Listing Number, Federal Agency, and Program Name - ALN 97.036, U.S. Department of Homeland Security, Disaster Grants - Public Assistance (FEMA)</p> <p>ALN 10.557, U.S. Department of Agriculture, Special Supplemental Nutrition Program for Women, Infants, and Children (WIC)</p> <p>ALN 93.994, U.S. Department of Health and Human Services, Maternal and Child Health Services Block Grants to the State (MCHS)</p> <p>ALN 93.658, U.S. Department of Health and Human Services, Foster Care Title IV-E (FCT)</p> <p>ALN 14.231, U.S. Department of Housing and Urban Development, Emergency Solutions Grant Program (ESG)</p> <p>ALN 97.042, U.S. Department of Homeland Security, Emergency Management Performance Grant (EMP)</p> <p>ALN 14.218, U.S. Department of Housing and Urban Development, Entitlement Grants Cluster (CDBG), Community Development Block Grants/Entitlement Grants</p> <p>ALN 17.258, 17.259, 17.278 - U.S. Department of Labor, WIOA Cluster (WIOA), All Programs</p> <p>Federal Award Identification Number and Year - All grants under the ALNs are impacted (direct and indirect).</p> <p>Pass-through Entity - ALN 97.036 - Not applicable</p> <p>ALN 10.557 - Michigan Department of Health and Human Services</p> <p>ALN 93.994 - Michigan Department of Health and Human Services</p> <p>ALN 93.658 - Michigan Department of Health and Human Services</p> <p>ALN 14.231 - Not applicable</p> <p>ALN 97.042 - Michigan Department of State Police - Emergency Management and Homeland Security Division</p> <p>ALN 14.218 - Not applicable</p> <p>ALN 17.258, 17.259, 17.278 - Michigan Department of Labor and Economic Opportunity - Workforce Development</p> <p>Finding Type - Material weakness</p> <p>Repeat Finding - No</p> <p>Criteria - Per 2 CFR 200.510(b) - The auditee must also prepare a schedule of expenditures of federal awards for the period covered by the auditee's financial statements, which must include the total federal awards expended determined in accordance with Section 200.502. While not required, the auditee may choose to provide information requested by federal awarding agencies and pass-through entities to make the schedule easier to use.</p> <p>Condition - The schedule of expenditures of federal awards (SEFA) initially presented for audit was not complete and accurate.</p>

Schedule of Findings and Questioned Costs (Continued)

Year Ended September 30, 2022

Section III - Federal Program Audit Findings (Continued)

Reference Number	Finding
2022-004 (Continued)	<p>Questioned Costs - None</p> <p>Identification of How Questioned Costs Were Computed - Not applicable</p> <p>Context - In fiscal year 2022, the County expended approximately \$86 million of federal funding. The funding was received by various departments within the County from several federal and nonfederal entities. The County accumulates the financial data and other required information to complete the SEFA. The SEFA included the following inaccuracies:</p> <ul style="list-style-type: none"> - \$7,423,511 of expenditures was added to ALN 97.036 (FEMA) - \$1,400,310 of expenditures was removed from ALN 10.557 (WIC) - \$442,466 of expenditures was added to ALN 93.994 (MCHS) - \$349,148 of expenditures was added to ALN 93.658 (FCT) - \$311,271 of expenditures was added to ALN 14.231 (ESG) - \$125,758 of expenditures was added to ALN 97.042 (EMP) - \$94,744 of expenditures was added to ALN 14.218 (CDBG) - \$86,918 of expenditures was added to ALN 17.258, 17.259, 17.278 (WIOA) <p>These cumulative errors resulted in the County presenting the auditors with several different versions of the SEFA to audit.</p> <p>Cause and Effect - Controls in place did not ensure the SEFA was complete and accurate, and, as a result, the errors had the following impact:</p> <p>ALN 97.036, FEMA, was understated, impacting major program determination.</p> <p>ALN 10.557, WIC, was overstated, impacting major program determination.</p> <p>ALN 93.994, MCHS; ALN 93.658, FCT; ALN 14.231, ESG; ALN 97.042, EMP; ALN 14.218, CDBG; and ALNs 17.258, 17.259, 17.278, WIOA, were understated. There was no impact on major program determination.</p> <p>These errors have been corrected on the SEFA.</p> <p>Recommendation - The County should implement a process to ensure the SEFA is complete and accurate.</p> <p>Views of Responsible Officials and Corrective Action Plan - The County agrees with the finding. A new report in Workday is being created to ensure all expenditures for federal awards are included.</p>

Schedule of Findings and Questioned Costs (Continued)

Year Ended September 30, 2022

Section III - Federal Program Audit Findings (Continued)

Reference Number	Finding
2022-005	<p>Assistance Listing Number, Federal Agency, and Program Name - ALN 21.027, U.S. Department of the Treasury, COVID-19 - Coronavirus State and Local Fiscal Recovery Funds (CSLFR)</p> <p>Federal Award Identification Number and Year - 1505-0271 (2021)</p> <p>Pass-through Entity - Not applicable</p> <p>Finding Type - Material weakness and material noncompliance with laws and regulations</p> <p>Repeat Finding - No</p> <p>Criteria - Per Section 200.332 (b), all pass-through entities must evaluate each subrecipient's risk of noncompliance with federal statutes, regulations and the terms and conditions of the subaward for the purpose of determining the appropriate subrecipient monitoring to perform. Furthermore, Section 200.332 (d) states all pass-through entities must monitor the activities of the subrecipient as necessary to ensure that the subaward is used for authorized purposes, in compliance with federal statutes, regulations, and the terms and conditions of the subaward, and that the subaward performance goals are achieved. Per Section 200.332 (f), all pass-through entities must verify that every subrecipient is audited when it is expected that the subrecipient's federal awards expended during the respective fiscal year equaled or exceeded the threshold.</p> <p>Condition - The County did not have proper controls regarding subrecipient monitoring in place during the year under audit.</p> <p>Questioned Costs - None</p> <p>Identification of How Questioned Costs Were Computed - Not applicable</p> <p>Context - The County passed through \$12.3 million of CSLFR funding to various subrecipients in 2022. The County did not perform a risk assessment regarding the two subrecipients tested. The County did not have controls in place to adequately monitor one of the subrecipients tested. For two subrecipients tested, the County did not verify whether or not the subrecipient should be audited, depending on meeting the threshold.</p> <p>Cause and Effect - The County did not have proper controls in place to perform a subrecipient risk assessment or to determine the subrecipient monitoring needed for subrecipients. Therefore, subrecipients are at a greater risk of noncompliance due to the lack of subrecipient monitoring performed during the year.</p> <p>Recommendation - We recommend that the County implement a process to ensure that a subrecipient risk assessment and subrecipient monitoring is performed to ensure the County is in compliance with subrecipient monitoring.</p> <p>Views of Responsible Officials and Planned Corrective Actions - The County agrees with the finding. Currently, the County is working with Guidehouse on creating a more efficient process for subrecipient monitoring.</p>

Schedule of Findings and Questioned Costs (Continued)

Year Ended September 30, 2022

Section III - Federal Program Audit Findings (Continued)

Reference Number	Finding
2022-006	<p>Assistance Listing Number, Federal Agency, and Program Name - ALN 93.268, U.S. Department of Health and Human Services, Immunization Cooperative Agreements</p> <p>Federal Award Identification Number and Year - E20222789-00, E20224334-00, E20223383-00, E20221989-00</p> <p>Pass-through Entity - Michigan Department of Health and Human Services</p> <p>Finding Type - Material weakness and material noncompliance with laws and regulations</p> <p>Repeat Finding - No</p> <p>Criteria - Per the grant agreement, the County is required to expense only the activities allowable under the terms agreed upon under 45 CFR Part 75.</p> <p>Condition - The County did not have adequate controls in place to determine allowable activities to be charged to the grant. During allowability testing, we identified one expenditure related to unallowable costs under ALN 93.268, Immunization Cooperative Agreements.</p> <p>Questioned Costs - \$9,990</p> <p>Identification of How Questioned Costs Were Computed - Questioned costs represent expenditures charged to the grant during the fiscal year 2022 that are unallowable.</p> <p>Context - Through standard communication with the State, the County recognized certain expenditures related to incentives were unallowable to the grant; however, the County did not fully remove all expenditures related to incentives from the grant. Of the 40 samples selected for testing, we noted one instance of unallowable expenditures.</p> <p>Cause and Effect - The County did not have a proper control in place to ensure only allowable expenses are charged to the grant after obtaining further clarifying knowledge of allowability, resulting in one unallowable expenditure. The schedule of expenditures of federal awards (SEFA) was not corrected for this error.</p> <p>Recommendation - We recommend that the County implement an internal control to ensure the review of grant expenditures occurs when new information regarding allowability is known.</p> <p>Views of Responsible Officials and Planned Corrective Actions - The County agrees with the finding. A form of communication will be implemented to ensure unallowable expenditures are handled appropriately.</p>

Schedule of Findings and Questioned Costs (Continued)

Year Ended September 30, 2022

Section III - Federal Program Audit Findings (Continued)

Reference Number	Finding
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2022-007 **Assistance Listing Number, Federal Agency, and Program Name** - ALN 14.218, Community Development Block Grants Cluster, Community Development Block Grants Program (CDBG)

Federal Award Identification Number and Year - 2022

Pass-through Entity - N/A

Finding Type - Material weakness and material noncompliance with laws and regulations

Repeat Finding - Yes

Criteria - The Federal Funding Accountability and Transparency Act (FFATA), as amended by 6202 of Public Law 110-252, requires a prime grant awardee to report its subgrants using the FFATA Subaward Reporting System (FSRS) tool. The prime recipient will have until the end of the month plus one additional month after an award or subaward is obligated to fulfill the reporting requirement.

Condition - The County did not file the required FFATA reports for CDBG subrecipients.

Questioned Costs - None

Identification of How Questioned Costs Were Computed - Not applicable

Context - The following table summarizes the transactions examined and the noncompliance identified for subwards obligated during fiscal year 2022:

Transactions Tested	Subaward Not Reported	Report Not Timely	Subaward Amount Incorrect	Subaward Missing Key Elements
19	19	19	0	0
Dollar Amount of Tested Transactions	Subaward Not Reported	Report Not Timely	Subaward Amount Incorrect	Subaward Missing Key Elements
\$2,460,989	\$2,460,989	\$2,460,989	\$0	\$0

Cause and Effect - The County’s processes did not properly identify the FFATA filing requirements and, as a result, failed to file any of the required FFATA reports.

Recommendation - The County should implement controls to ensure that required reports are filed and in a timely manner.

Views of Responsible Officials and Corrective Action Plan - The County agrees with the finding and will ensure processes for filing appropriate documentation take place and are properly recorded in future years. The report filing will also be added to a checklist for CDBG subrecipients.