

COUNTY OF LIVINGSTON, NEW YORK

**Single Audit Reports
For the Year Ended
December 31, 2018**

COUNTY OF LIVINGSTON, NEW YORK

**SINGLE AUDIT REPORTS
FOR THE YEAR ENDED DECEMBER 31, 2018**

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

July 25, 2019

To the Board of Supervisors of the
County of Livingston, New York:

We have audited, in accordance with the auditing standards generally accepted in the United States and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of the governmental activities, the business-type activities, the aggregate discretely presented component units, each major fund, and the aggregate remaining fund information of the County of Livingston, New York (the County) as of and for the year ended December 31, 2018, and the related notes to the financial statements, which collectively comprise the County's basic financial statements and have issued our report thereon dated July 25, 2019. The financial statements of the Livingston County Center for Nursing and Rehabilitation were not audited in accordance with *Government Auditing Standards*, and accordingly, this report does not include reporting on internal control over financial reporting or instances of reportable noncompliance associated with Livingston County Center for Nursing and Rehabilitation.

Internal Control over Financial Reporting

In planning and performing our audit of the financial statements, we considered the County's internal control over financial reporting (internal control) to determine the audit procedures that are appropriate in the circumstances for the purpose of expressing our opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the County's internal control. Accordingly, we do not express an opinion on the effectiveness of the County's internal control.

A deficiency in internal control exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, misstatements on a timely basis. A *material weakness* is a deficiency, or a combination of deficiencies, in internal control, such that there is a reasonable possibility that a material misstatement of the entity's financial statements will not be prevented or detected and corrected on a timely basis. A *significant deficiency* is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

Our consideration of internal control 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. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

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Compliance and Other Matters

As part of obtaining reasonable assurance about whether the County's financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

Purpose of this Report

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the entity's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the entity's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

INDEPENDENT AUDITOR'S REPORT ON COMPLIANCE FOR EACH MAJOR PROGRAM AND ON INTERNAL CONTROL OVER COMPLIANCE AND REPORT ON SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS REQUIRED BY UNIFORM GUIDANCE

July 25, 2019

To the Board of Supervisors of the
County of Livingston, New York:

Report on Compliance for Each Major Federal Program

We have audited the County of Livingston, New York's (the County's) compliance with the types of compliance requirements described in the *OMB Compliance Supplement* that could have a direct and material effect on each of the County's major federal programs for the year ended December 31, 2018. The County's major federal programs are identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs.

Management's Responsibility

Management is responsible for compliance with federal statutes, regulations, and the terms and conditions of its federal awards 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 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* (Uniform Guidance). Those standards and the Uniform Guidance require that we plan and perform the audit to obtain reasonable assurance about whether noncompliance with the types of compliance requirements referred to above that could have a direct and material effect on a major federal program occurred. An audit includes examining, on a test basis, evidence about the County's compliance with those requirements and performing such other procedures as we considered necessary in the circumstances.

We believe that our audit provides a reasonable basis for our opinion on compliance for each major federal program. However, our audit does not provide a legal determination of the County's compliance.

Opinion on Each of the Major Federal Programs

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 December 31, 2018.

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Other Matters

The results of our auditing procedures disclosed an instance of noncompliance which is required to be reported in accordance with the Uniform Guidance and which is described in the accompanying schedule of findings and questioned costs as item 2018-001. Our opinion on each major federal program is not modified with respect to this matter.

The County's response to the noncompliance finding identified in our audit is described in the accompanying schedule of findings and questioned costs. The County's response was not subjected to the auditing procedures applied in the audit of compliance and, accordingly, we express no opinion on the response.

Report on Internal Control Over Compliance

Management of the County is responsible for establishing and maintaining effective internal control over compliance with the types of compliance requirements referred to above. In planning and performing our audit of compliance, we considered the County's internal control over compliance with the types of requirements that could have a direct and material effect on the major federal program to determine the auditing procedures that are appropriate in the circumstances for the purpose of expressing an opinion on compliance for the major federal program 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 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 the Uniform Guidance. Accordingly, this report is not suitable for any other purpose.

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

We have audited the financial statements of the governmental activities, the business-type activities, the aggregate discretely presented component units, each major fund, and the aggregate remaining fund information of the County, as of and for the year ended December 31, 2018, and the related notes to the financial statements, which collectively comprise the County's basic financial statements. We issued our report thereon dated July 25, 2019 which contained unmodified opinions 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. The accompanying schedule of expenditures of federal awards is presented for purposes of additional analysis as required by 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 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 basic financial statements as a whole.

COUNTY OF LIVINGSTON, NEW YORK

SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
FOR THE YEAR ENDED DECEMBER 31, 2018

Federal Grantor/ Program Title	Federal CFDA Number	Pass-Through Entity Identifying Number	Federal Expenditures	Expenditures to Subrecipients
U.S. Department of Agriculture:				
Passed through the NYS Department of Temporary Disability and Assistance - SNAP Cluster - State Administrative Matching Grants for the Supplemental Nutrition Assistance Program	10.561	N/A	629,294	-
<i>Subtotal- SNAP Cluster</i>			629,294	-
Passed through the NYS Department of Health - Special Supplemental Nutrition Program for Women, Infants, and Children	10.557	DOH01-C30409GG-3450000	666,037	-
Total - U.S. Department of Agriculture			1,295,331	-
U.S. Department of Housing and Urban Development:				
Passed through Housing Trust Fund Corporation - Community Development Block Grants/State's program and Non-Entitlement Grants in Hawaii	14.228	658SB899-17	100,000	100,000
Community Development Block Grants/State's program and Non-Entitlement Grants in Hawaii	14.228	658ED860-16	506,000	506,000
Community Development Block Grants/State's program and Non-Entitlement Grants in Hawaii	14.228	658ME118-6	63,259	63,259
<i>Subtotal- Community Development Block Grants/State's program and Non-Entitlement Grants in Hawaii</i>			669,259	669,259
Passed through the NYS Division of Housing and Community Renewal - Housing Voucher Cluster - Section 8 Housing and Urban Development	14.871	N/A	361,503	-
<i>Subtotal - Section 8 Housing Choice Vouchers</i>			361,503	-
Total - U.S. Department of Housing and Urban Development			1,030,762	669,259
U.S. Department of the Interior:				
Passed through Hobart & William Smith College - Great Lakes Restoration	15.662	N/A	6,000	-
Total - U.S. Department of the Interior			6,000	-
U.S. Department of Justice:				
Passed through NYS Office of Victim Services - Violence Against Women Formula Grants	16.588	C652068	32,267	-
State Criminal Alien Assistance Program	16.606	N/A	4,112	-
Bulletproof Vest Partnership Program	16.607	N/A	6,024	-
Public Safety Partnership and Community Policing Grants	16.710	N/A	3,913	-
Equitable Sharing Program	16.922	N/A	7,355	-
Total - U.S. Department of Justice			53,671	-
U.S. Department of Labor:				
Passed through the NYS Department of Labor - WIA/WIOA Cluster:				
WIA/WIOA Adult Program	17.258	N/A	259,958	176,225
WIA/WIOA Youth Activities	17.259	N/A	700,837	20,011
WIA/WIOA Dislocated Worker Formula Grants	17.278	N/A	302,742	173,243
<i>Subtotal- WIA/WIOA Cluster</i>			1,263,537	369,479
Trade Adjustment Assistance	17.245	N/A	35,756	-
Total - U.S. Department of Labor			1,299,293	369,479

COUNTY OF LIVINGSTON, NEW YORK

SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
FOR THE YEAR ENDED DECEMBER 31, 2018

Federal Grantor/ Program Title	Federal CFDA Number	Pass-Through Entity Identifying Number	Federal Expenditures	Expenditures to Subrecipients
U.S. Department of Transportation:				
Passed through the Genesee Transportation Council - Highway Planning and Construction	20.205	N/A	17,326	-
Passed through the NYS Department of Transportation - Highway Planning and Construction	20.205	D034854	272,737	-
Highway Planning and Construction	20.205	D035461	834,252	-
Highway Planning and Construction	20.205	D035497	605,872	-
Highway Planning and Construction	20.205	D035460	64,741	-
Highway Planning and Construction	20.205	D035404	14,260	-
Highway Planning and Construction	20.205	D035495	6,975	-
Highway Planning and Construction	20.205	D035494	220,111	-
Passed through the NYS Office of Emergency Management - Interagency Hazardous Materials Public Sector Training and Planning Grants	20.703	T971366	5,172	-
Interagency Hazardous Materials Public Sector Training and Planning Grants	20.703	T971376	<u>5,172</u>	-
<i>Total NYS Department of Transportation</i>			<u>2,046,618</u>	-
Passed through the NYS Governor's Traffic Safety Committee - Highway Safety Cluster - State and Community Highway Safety	20.600	N/A	23,694	-
National Priority Safety Programs	20.616	N/A	<u>40,677</u>	-
<i>Total NYS Governor's Traffic Safety Committee (Highway Safety Cluster)</i>			<u>64,371</u>	-
Total - U.S. Department of Transportation			<u>2,110,989</u>	-
U.S. Department of Health and Human Services:				
Passed through the NYS Office of Children and Family Services - Temporary Assistance for Needy Families	93.558	N/A	6,076,658	-
Foster Care - Title IV-E	93.658	N/A	837,972	-
Adoption Assistance	93.659	N/A	389,421	-
Child Care and Development Block Grant	93.575	N/A	1,415,533	-
Social Services Block Grant	93.667	N/A	<u>938,718</u>	-
<i>Total NYS Office of Children and Family Services</i>			<u>9,658,302</u>	-
Passed through the NYS Office for the Aging - Special Programs for the Aging Cluster - Special Programs for the Aging - Title IIIB - Grants for Supportive Services and Senior Centers	93.044	N/A	58,698	-
Special Programs for the Aging - Title IIIC - Nutrition Services	93.045	N/A	117,815	-
Nutrition Services Incentive Program	93.053	N/A	<u>53,441</u>	-
<i>Subtotal-Special Programs for the Aging Cluster</i>			<u>229,954</u>	-

COUNTY OF LIVINGSTON, NEW YORK

SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
FOR THE YEAR ENDED DECEMBER 31, 2018

Federal Grantor/ Program Title	Federal CFDA Number	Pass-Through Entity Identifying Number	Federal Expenditures	Expenditures to Subrecipients
U.S. Department of Health and Human Services (Continued):				
Passed through the NYS Office for the Aging (Continued) -				
Special Programs for the Aging - Title IIID -				
Disease Prevention and Health Promotion Services	93.043	N/A	4,092	-
National Family Caregiver Support - Title IIIIE	93.052	N/A	31,396	-
Foster Grandparent Program	94.011	N/A	152,987	-
Medical Assistance Program	93.778	N/A	52,746	-
Centers for Medicare and Medicaid Services (CMS)				
Research, Demonstrations and Evaluations	93.779	N/A	18,257	-
Medicare Enrollment Assistance Program	93.071	N/A	13,321	-
<i>Total NYS Office for the Aging</i>			<u>502,753</u>	<u>-</u>
Passed through the NYS Department of Health -				
Immunization Cooperative Agreements	93.268	DOH01-C32524GG3450000	9,571	-
Family Planning - Services	93.217	C-027028	77,197	-
Hospital Preparedness Program (HPP) and Public Health Emergency				
Preparedness (PHEP) Aligned Cooperative Agreements	93.074	1617-12	55,318	-
Medical Assistance Program	93.778	N/A	818,877	-
Medical Assistance Program	93.778	C028962	55,685	-
Maternal and Child Health Services Block Grant to the States	93.994	DOH01-C32667GG-3450000	17,014	-
Maternal and Child Health Services Block Grant to the States	93.994	DOH01-C30899GG-3450000	10,273	-
Maternal and Child Health Services Block Grant to the States	93.994	C-027028	41,842	-
<i>Total NYS Department of Health</i>			<u>1,085,777</u>	<u>-</u>
Passed through the NYS Office of Temporary and Disability Assistance -				
Child Support Enforcement	93.563	N/A	311,400	-
Low-Income Home Energy Assistance	93.568	N/A	2,465,877	-
<i>Total NYS Office of Temporary and Disability Assistance</i>			<u>2,777,277</u>	<u>-</u>
Passed through the National Association of County Health Officials -				
Medical Reserve Corps Small Grant Program	93.008	MRC17-0029	9,248	-
<i>Total National Association of County Health Officials</i>			<u>9,248</u>	<u>-</u>
Passed through the NYS Office of Alcoholism and Substance Abuse Services -				
Block Grants for Prevention and Treatment of Substance Abuse	93.959	N/A	159,551	159,551
<i>Total NYS Office of Alcoholism and Substance Abuse Services</i>			<u>159,551</u>	<u>159,551</u>
Passed through the NYS Department of State -				
Community Services Block Grant	93.569	N/A	238,039	-
<i>Total New York State Department of State</i>			<u>238,039</u>	<u>-</u>
Total - U.S. Department of Health and Human Services			<u>14,430,947</u>	<u>159,551</u>

COUNTY OF LIVINGSTON, NEW YORK

**SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
FOR THE YEAR ENDED DECEMBER 31, 2018**

Federal Grantor/ Program Title	Federal CFDA Number	Pass-Through Entity Identifying Number	Federal Expenditures	Expenditures to Subrecipients
U.S. Department of Education:				
Passed through the NYS Department of Health - Special Education - Grants for Infants and Families	84.181	DOH01-C31640GG-3450000	10,977	-
Total - U.S. Department of Education			10,977	-
U.S. Department of Homeland Security:				
Passed through the NYS Division of Homeland Security and Emergency Services - Emergency Management Performance Grants	97.042	C971375	29,335	-
Emergency Management Performance Grants	97.042	C837285	29,284	-
Homeland Security Grant Program	97.067	T180089	3,335	-
Homeland Security Grant Program	97.067	T971372	37,489	-
Homeland Security Grant Program	97.067	C971350	30,232	-
Homeland Security Grant Program	97.067	C971360	112,500	-
Homeland Security Grant Program	97.067	C971370	25,000	-
Total - U.S. Department of Homeland Security			267,175	-
U.S. Environmental Protection Agency:				
Passed through the NYS Department of Health - State Indoor Radon Grant	66.032	DOH01-T30729GG-3450000	2,008	-
Total - U.S. Environmental Protection Agency			2,008	-
Total Expenditures of Federal Awards			\$ 20,507,153	\$ 1,198,289
<u>Total Program Expenditures by CFDA Number</u>				
Highway Planning and Construction	20.205		\$ 2,036,274	
Interagency Hazardous Materials Public Sector Training and Planning Grants	20.703		\$ 10,344	
Medical Assistance Program	93.778		\$ 927,308	
Maternal and Child Health Services Block Grant to the States	93.994		\$ 69,129	
Emergency Management Performance Grants	97.042		\$ 58,619	
Homeland Security Grant Program	97.067		\$ 208,556	

COUNTY OF LIVINGSTON, NEW YORK

NOTES TO THE SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS DECEMBER 31, 2018

1. BASIS OF PRESENTATION

The accompanying schedule of expenditures of federal awards (the Schedule) includes the federal award activity of the County of Livingston, New York (the County) under programs of the federal government for the year ended December 31, 2018. The information in this 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 (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, the respective changes in financial position, or, where applicable, cash flows 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.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Expenditures reported on the Schedule are presented in conformity with accounting principles generally accepted in the United States of America and the amounts presented are derived from the County's general ledger.

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

3. PASS-THROUGH PROGRAMS

Where the County receives funds from a government entity other than the federal government (pass-through), the funds are accumulated based upon the Catalog of Federal Domestic Assistance (CFDA) number advised by the pass-through grantor.

Identifying numbers, other than the CFDA numbers, which may be assigned by pass-through grantors are not maintained in the County's financial management system. The County has identified certain pass-through identifying numbers and included them in the schedule of expenditures of federal awards, as available.

4. INDIRECT COSTS

Indirect costs are included in the reported expenditures to the extent such costs are included in the federal financial reports used as the source for the data presented.

5. MATCHING COSTS

Matching costs, i.e., the County's or State's share of certain program costs, are not included in the schedule of expenditures of federal awards.

COUNTY OF LIVINGSTON, NEW YORK

NOTES TO THE SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS DECEMBER 31, 2018

6. NONCASH AWARDS

A significant portion of federal award programs do not involve cash awards to the County. The value of these noncash awards has been recorded as expenditures on the schedule of expenditures of federal awards. Those relating to the County are as follows:

<u>Program Title</u>	<u>Federal CFDA Number</u>	<u>Amount</u>
U.S. Department of Agriculture: Special Supplemental Food Program for Women, Infants, and Children	10.557	\$ <u>666,037</u>
U.S. Department of Health and Human Services: Low-Income Home Energy Assistance	93.568	\$ <u>2,296,670</u>

COUNTY OF LIVINGSTON, NEW YORK

SCHEDULE OF FINDINGS AND QUESTIONED COSTS FOR THE YEAR ENDED DECEMBER 31, 2018

A. SUMMARY OF AUDITOR'S RESULTS

Financial Statements

Type of auditor's report issued on whether the financial statements were prepared in accordance with GAAP

Unmodified

Internal control over financial reporting:

Material weakness(es) identified? Yes No

Significant deficiencies identified not considered to be material weaknesses? Yes None reported

Noncompliance material to financial statements noted? Yes No

Federal Awards

Internal control over major programs:

Material weakness(es) identified? Yes No

Significant deficiencies identified not considered to be material weaknesses? Yes None reported

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

Any audit findings disclosed that are required to be reported in accordance with Uniform Guidance? Yes No

Identification of major programs:

<u>CFDA Number</u>	<u>Name of Federal Program</u>
93.667	Social Services Block Grant
93.658	Foster Care - Title IV-E
93.778	Medical Assistance
93.575	Child Care and Development Block Grant

Dollar threshold used to distinguish between Type A and Type B programs: \$ 750,000

Auditee qualified as low-risk auditee? Yes No

B. FINDINGS - FINANCIAL STATEMENT AUDIT

None.

C. FINDINGS AND QUESTIONED COSTS - MAJOR FEDERAL AWARD PROGRAMS AUDIT

**Finding 2018-001 – Child Care and Development Block Grant CFDA #93.575;
Federal Agency – U.S. Department of Health and Human Services;
Pass-through Agency – NYS Office of Children and Family Services;
Grant period – Year ended December 31, 2018**

Condition: There was one (1) instance in which family income exceeded 85 percent of the State median income, yet child care benefits were provided to the family.

Criteria: In accordance with 45 CFR § 98.20, to be eligible for child care services, a child must reside with a family whose income does not exceed 85 percent of the State’s median income.

Cause: The County deemed the child eligible as of the May 1, 2018 recertification date, though the income support provided by the client to the County indicated that the client’s income exceeded the eligibility threshold. This error was not discovered by the County until the next recertification, six months later.

Effect: Child care payments totaling \$3,740.88 were made on behalf of the ineligible child. According to New York State Office of Children & Family Services (OCFS) administrative directive, grant recipients must correct overpayments within 60 days of information being provided by the client. As the County did not resolve this error within the 60-day window, the County was unable to recoup the overpayment from the parent or provider and could not claim Federal and State reimbursement for the amount of the overpayment.

Context: A sample of 40 child care payments were selected for eligibility and allowable cost testing. This sample was not deemed to be a statistical sample. The test found that one case was ineligible based on income guidelines, as of the payment date.

Auditor’s Recommendation: The County should ensure that the supervisory review of applications and re-certifications involves recalculation of the provided income support to ensure it is within federal income guidelines.

View of Responsible Officials and Planned Corrective Actions: The Department of Social Services acknowledges the error in eligibility determination and will file an adjusted claim to refund the federal government. The Department is committed to complying with federal program requirements and will review its compliance efforts more formally. For this particular program, the Department of Social Services will expand the use of our Internal Audit Unit to include the eligibility determinations for cases approved utilizing the Child Care Development Block Grant as well as the recipients’ use of those funds. Supervisory review will also be expanded regarding income compared to eligibility thresholds.

D. SUMMARY SCHEDULE OF PRIOR YEAR AUDIT FINDINGS

None.