

County of Monroe, Pennsylvania

Single Audit Report

December 31, 2017



FOCUSED. ON YOU.

County of Monroe, Pennsylvania

Table of Contents December 31, 2017

	Page
Report Distribution List	1
Report on Internal Control over Financial Reporting and on Compliance and Other Matters Based on an Audit of Financial Statements Performed in Accordance with <i>Government Auditing Standards</i>	2 and 3
Report on Compliance for Each Major Federal and Pennsylvania DHS Program; Report on Internal Control over Compliance; and Report on the Schedule of Expenditures of Federal Awards and Pennsylvania DHS Expenditures as Required by the Uniform Guidance and Pennsylvania DHS, <i>Single Audit Supplement</i>	4 to 6
Schedule of Expenditures of Federal Awards	7 to 11
Schedule of Pennsylvania Department of Human Services Expenditures	12
Notes to Schedule of Expenditures of Federal Awards and Schedule of Pennsylvania Department of Human Services Expenditures	13 and 14
Summary Schedule of Prior Audit Findings	15 to 18
Schedule of Findings and Questioned Costs	19 and 20

County of Monroe, Pennsylvania

Report Distribution List

December 31, 2017

Board of County Commissioners
County Controller
County of Monroe
Monroe County Administrative Building
One Quaker Plaza, Room 206
Stroudsburg, PA 18360

Federal Audit Clearinghouse
1201 E. 10th Street
Jeffersonville, IN 47132

Commonwealth of Pennsylvania
Bureau of Audits
Special Audit Services Division
Forum Place - 8th Floor
555 Walnut Street
Harrisburg, PA 17101



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 the Board of County Commissioners
County of Monroe
Stroudsburg, Pennsylvania

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of the 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 Monroe, Pennsylvania (the County) as of and for the year ended December 31, 2017, and the related notes to the financial statements, which collectively comprise the County of Monroe's basic financial statements, and have issued our report thereon dated September 14, 2018. Our report includes a reference to other auditors. Other auditors audited the financial statements of the Monroe County Conservation District, a blended component unit, as well as the Redevelopment Authority of Monroe County, an aggregate discretely presented component unit, as described in our report on the County of Monroe's financial statements. This report does not include the results of the other auditors' testing of internal control over financial reporting or compliance and other matters that are reported on separately by those auditors. In addition, other auditors audited the financial statements of the aggregate discretely presented component units of the Monroe County Industrial Development Authority; the Pocono Mountains Industrial Park Authority; Pocono Mountains Industries, Inc.; the Monroe County Municipal Waste Management Authority; and the Pocono Mountains Municipal Airport Authority, as described in our report on the County of Monroe's financial statements. The financial statements of these component units were not audited in accordance with *Government Auditing Standards*.

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.

Internal Control over Financial Reporting (continued)

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 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.

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.

RKL LLP

September 14, 2018
Lancaster, Pennsylvania



Report on Compliance for Each Major Federal and Pennsylvania DHS Program; Report on Internal Control over Compliance; and Report on the Schedule of Expenditures of Federal Awards and Pennsylvania DHS Expenditures as Required by the Uniform Guidance and Pennsylvania DHS, *Single Audit Supplement*

Independent Auditor's Report

To the Board of County Commissioners
County of Monroe
Stroudsburg, Pennsylvania

Report on Compliance for Each Major Federal and Pennsylvania DHS Program

We have audited the County of Monroe, Pennsylvania's (the County) compliance with the types of compliance requirements described in the OMB, *Compliance Supplement*, and the Pennsylvania Department of Human Services (DHS), *Single Audit Supplement*, that could have a direct and material effect on each of the County's major federal and Pennsylvania DHS programs for the year ended December 31, 2017. The County's major federal programs are identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs.

Management's Responsibility

Management is responsible for compliance with the requirements of laws, regulations, contracts, and grants applicable to its federal and Pennsylvania DHS programs.

Auditor's Responsibility

Our responsibility is to express an opinion on compliance for each of the County's major federal and Pennsylvania DHS 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; 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); and Pennsylvania DHS, *Single Audit Supplement*. Those standards, the Uniform Guidance and the Pennsylvania DHS, *Single Audit Supplement* 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 or Pennsylvania DHS 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.

Auditor's Responsibility (continued)

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

Opinion on Each Major Federal and Pennsylvania DHS Programs

In our opinion, the County of Monroe 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 and Pennsylvania DHS programs for the year ended December 31, 2017.

Report on Internal Control over Compliance

Management of the County is responsible for establishing and maintaining effective internal control over compliance with the types of compliance requirements referred to above. In planning and performing our audit of compliance, we considered the County's internal control over compliance with the types of requirements that could have a direct and material effect on each major federal and Pennsylvania DHS program to determine the auditing procedures that are appropriate in the circumstances for the purpose of expressing an opinion on compliance for each major federal and Pennsylvania DHS program and to test and report on internal control over compliance in accordance with the Uniform Guidance and the Pennsylvania DHS, *Single Audit Supplement*, 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 or Pennsylvania DHS 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 or Pennsylvania DHS 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 or Pennsylvania DHS 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 and, therefore, material weaknesses or significant deficiencies may exist that were not 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 and the Pennsylvania DHS, *Single Audit Supplement*. Accordingly, this report is not suitable for any other purpose.

Report on the Schedule of Expenditures of Federal Awards as Required by the Uniform Guidance and Schedule of Pennsylvania DHS Expenditures Required by the Pennsylvania DHS, *Single Audit Supplement*

We have audited the financial statements of the County as of and for the year ended December 31, 2017, and have issued our report thereon, dated September 14, 2018, which contained an unmodified opinion on those financial statements. Our audit was conducted for the purpose of forming an opinion on the financial statements as a whole. The accompanying Schedule of Expenditures of Federal Awards and the Schedule of Pennsylvania DHS expenditures are presented for purposes of additional analysis, as required by the Uniform Guidance and the Pennsylvania DHS, *Single Audit Supplement*, and are 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 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 financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the information is fairly stated in all material respects in relation to the financial statements as a whole.

RKL LLP

September 14, 2018
Lancaster, Pennsylvania

County of Monroe, Pennsylvania

Schedule of Expenditures of Federal Awards

Year Ended December 31, 2017

Federal Grantor/ Pass-Through Grantor/ Program Title	Federal CFDA Number	Pass-Through Grantor's Number	December 31,			December 31,	
			2016 Receivable (Deferral)	Receipts	Expenditures	2017 Receivable (Deferral)	Subrecipient Awards
U.S. Department of Agriculture							
Food Distribution Cluster passed through the Commonwealth of Pennsylvania, Department of Agriculture							
Emergency Food Assistance Program - Administrative Costs	10.568	8-03-45-113	\$ 17,347	\$ 29,258	\$ 19,385	\$ 7,474	\$ -
Emergency Food Assistance Program - Food Commodities	10.569	8-03-45-113	-	327,756	327,756	-	-
Total U.S. Department of Agriculture			<u>17,347</u>	<u>357,014</u>	<u>347,141</u>	<u>7,474</u>	<u>-</u>
U.S. Department of Housing and Urban Development							
Passed through the Commonwealth of Pennsylvania, Department of Community and Economic Development							
Community Development Block Grant Program/State's Program	14.228	N/A	-	307,212	307,212 *	-	307,212
Emergency Shelter							
Emergency Shelter	14.231	C000064162	-	140,227	187,834	47,607	187,834
Emergency Shelter	14.231	C000062452	80,712	241,100	160,388	-	160,388
Emergency Shelter	14.231	C000066512	-	10,000	10,000	-	10,000
Total CFDA #14.231			<u>80,712</u>	<u>391,327</u>	<u>358,222</u>	<u>47,607</u>	<u>358,222</u>
HOME Investment Partnerships Program	14.239	N/A	-	127,158	127,158	-	127,158
Total U.S. Department of Housing and Urban Development			<u>80,712</u>	<u>825,697</u>	<u>792,592</u>	<u>47,607</u>	<u>792,592</u>
U.S. Department of Justice							
Passed through the Commonwealth of Pennsylvania, Commission on Crime and Delinquency							
Crime Victim Assistance	16.575	2013-vf-05-26577	34,996	111,644	120,819	44,171	-
Total U.S. Department of Justice			<u>34,996</u>	<u>111,644</u>	<u>120,819</u>	<u>44,171</u>	<u>-</u>

County of Monroe, Pennsylvania

Schedule of Expenditures of Federal Awards (continued)

Year Ended December 31, 2017

Federal Grantor/ Pass-Through Grantor/ Program Title	Federal CFDA Number	Pass-Through Grantor's Number	December 31, 2016 Receivable (Deferral)	Receipts	Expenditures	December 31, 2017 Receivable (Deferral)	Subrecipient Awards
U.S. Department of Labor							
Passed through the Pocono Counties SDA							
Workforce Investment Act Cluster							
Workforce Investment Program - Adult	17.258	various	28,266	216,675	224,985	36,576	224,985
Workforce Investment Program - Youth	17.259	various	4,691	173,808	202,664	33,547	202,664
Workforce Investment Program - Dislocated Workers	17.278	various	29,083	220,719	227,625	35,989	227,625
Total Workforce Investment Act Cluster			62,040	611,202	655,274	106,112	655,274
Workforce Investment Program - National Emergency Grants	17.277	135 15 510 3	-	2,550	2,550	-	2,550
Total U.S. Department of Labor			62,040	613,752	657,824	106,112	657,824
U.S. Department of Transportation							
Passed through Pipeline and Hazardous Materials Safety Administration							
Interagency Hazardous Materials Public Sector Training	20.703	HM-HMP-0503-15-01-01	4,720	4,720	-	-	-
Total U.S. Department of Transportation			4,720	4,720	-	-	-
U.S. Department of Appalachian Regional Commission							
Passed through Appalachian Area Development							
Appalachian Regional Commission Grant	23.002	PA-18300-16	57,451	57,451	-	-	-
Total U.S. Department of Appalachian Regional Commission			57,451	57,451	-	-	-

County of Monroe, Pennsylvania

Schedule of Expenditures of Federal Awards (continued)

Year Ended December 31, 2017

Federal Grantor/ Pass-Through Grantor/ Program Title	Federal CFDA Number	Pass-Through Grantor's Number	December 31,			December 31,	
			2016 Receivable (Deferral)	Receipts	Expenditures	2017 Receivable (Deferral)	Subrecipient Awards
U.S. Department of Health and Human Services							
Passed through the Commonwealth of Pennsylvania, Pennsylvania							
Department of Aging							
Special Programs for the Aging (Title VII, Chapter 3, Programs for Elder Abuse, Neglect, and Exploitation)	93.041	4100072837	-	1,360	1,360	-	-
Special Programs for the Aging (Title VII, Chapter 2, Long Term Care Ombudsman Services for Older Individuals)	93.042	4100072837	-	3,400	3,400	-	-
Special Programs for Aging (Title III, Part D - Disease Prevention and Health Promotion Services)	93.043	4100057904	41	4,414	5,858	1,485	-
Aging Cluster							
Special Programs for Aging (Title III, Part B - Grants for Supportive Services and Senior Centers)	93.044	4100072837	-	207,611	207,611	-	-
Special Programs for Aging (Title III, Part C - Nutrition Services)	93.045	4100072837	-	119,448	119,448	-	-
Nutrition Services Incentive Program	93.053	4100072837	-	58,603	64,543	5,940	-
Total Aging Cluster			-	385,662	391,602	5,940	-
National Family Caregiver Support, Title III, Part E	93.052	4100057904	(4,737)	21,372	32,860	6,751	-
Medicare Enrollment Assistance Program	93.071	4100057904	(6,641)	6,348	2,667	(10,322)	-
State Health Insurance Assistance Program	93.324	4100072837	-	13,317	14,987	1,670	-
Medical Assistance Program - Preadmission Assessment	93.778	41000058054	-	36,899	-	(36,899)	-
Medical Assistance Program - Information & Referral	93.778	41000058054	5,729	50,036	151,208	106,901	-
Medical Assistance Program - Federal Nursing Home Transition	93.778	41000058054	954	4,516	7,291	3,729	-
			6,683	91,451	158,499	73,731	-

County of Monroe, Pennsylvania

Schedule of Expenditures of Federal Awards (continued)

Year Ended December 31, 2017

Federal Grantor/ Pass-Through Grantor/ Program Title	Federal CFDA Number	Pass-Through Grantor's Number	December 31, 2016 Receivable (Deferral)	Receipts	Expenditures	December 31, 2017 Receivable (Deferral)	Subrecipient Awards
U.S. Department of Health and Human Services (continued)							
Passed through the Commonwealth of Pennsylvania, Department of Drug and Alcohol Programs							
Block Grants for Prevention and Treatment of Substance Abuse	93.959	N/A	-	443,678	443,678	-	443,678
Passed through the Commonwealth of Pennsylvania, Department of Community and Economic Development							
Community Services Block Grant	93.569	000057064	155,115	452,576	446,711	149,250	446,711
Passed through Pocono Counties SDA							
Temporary Assistance for Needy Families - EARN Poconos Counties SDA	93.558	N/A	3,753	89,295	96,928	11,386	-
Passed through the Commonwealth of Pennsylvania, Department of Health and Human Services							
Guardianship Program - SPLC IV-E	93.090	N/A	62,997	103,650	79,406	38,753	-
Caseworker Visitation Grant	93.556	N/A	-	9,485	9,485	-	-
Temporary Assistance for Needy Families	93.558	N/A	205,566	205,566	174,741	174,741	-
Temporary Assistance for Needy Families - Work Ready	93.558	N/A	2,634	122,400	117,274	(2,492)	117,274
			208,200	327,966	292,015	172,249	117,274
Child Support Enforcement	93.563	N/A	399,741	1,066,360	1,217,395 *	550,776	-
Stephanie Tubbs Jones Child Welfare Services Program	93.645	N/A	-	40,662	40,662	-	-
Foster Care Title IV-E	93.658	N/A	773,986	1,516,154	1,399,264 *	657,096	-
Adoption Assistance	93.659	N/A	380,726	763,092	798,766 *	416,400	-
Social Services Block Grant	93.667	N/A	-	66,575	66,575	-	-

County of Monroe, Pennsylvania

Schedule of Expenditures of Federal Awards (continued)

Year Ended December 31, 2017

Federal Grantor/ Pass-Through Grantor/ Program Title	Federal CFDA Number	Pass-Through Grantor's Number	December 31, 2016 Receivable (Deferral)	Receipts	Expenditures	December 31, 2017 Receivable (Deferral)	Subrecipient Awards
U.S. Department of Health and Human Services (continued)							
Passed through the Commonwealth of Pennsylvania, Department of Health and Human Services (continued)							
Chafee Foster Care Independence Program	93.674	N/A	-	11,130	19,782	8,652	-
Medical Assistance Program - Child Welfare	93.778	N/A	5,635	9,100	7,284	3,819	-
Medical Assistance Transportation Program	93.778	N/A	-	411,613	410,792	(821)	410,792
			5,635	420,713	418,076	2,998	410,792
Total U.S. Department of Health and Human Services			1,985,499	5,838,660	5,939,976	2,086,815	1,418,455
Corporation for National and Community Service							
Retired and Senior Volunteer Program	94.002	#13SRAPA004	38,114	77,142	77,142	38,114	-
Total Corporation for National and Community Service			38,114	77,142	77,142	38,114	-
U.S. Department of Homeland Security							
Passed through the Commonwealth of Pennsylvania, Emergency Management Agency (PEMA)							
Emergency Food and Shelter Program	97.024	N/A	-	444	149	(295)	-
Emergency Management Performance Grants	97.042	N/A	32,780	132,600	129,640	29,820	-
Homeland Security Grant Program	97.067	4100070933	21,813	227,561	249,727	43,979	-
Homeland Security Grant Program	97.067	N/A	-	25,601	25,601	-	-
Homeland Security Grant Program	97.067	4100074025	13,225	349,403	338,531	2,353	-
Total CFDA #97.067			35,038	602,565	613,859	46,332	-
Total U.S. Department of Homeland Security			67,818	735,609	743,648	75,857	-
Total Federal Awards			\$ 2,348,697	\$ 8,621,689	\$ 8,679,142	\$ 2,406,150	\$ 2,868,871

* Denotes major programs under *Uniform Guidance, 2 CFR 200*

County of Monroe, Pennsylvania

Schedule of Pennsylvania Department of Human Services Expenditures December 31, 2017

Program (as Defined in the Pennsylvania Department of Human Services, <i>Single Audit Supplement</i>)	Combined Federal/State Expenditures for Fiscal Year Ended December 31, 2017
Children and Youth Services	\$ 12,182,763*
Child Support Enforcement	1,523,131*
Medical Assistance Transportation Program	821,584
Human Services Development Fund	110,004
Homeless Assistance Program	130,579
	<u>\$ 14,768,061</u>

- * Major Pennsylvania DHS programs. The 2017 threshold for major programs under the federal definition is \$750,000 (the greater of 3% of total federal expenditures or \$750,000). The supplemental schedule of selected DHS awards include various departments, offices and agencies directly governed by the County's Board of Commissioners. The supplement schedule does not include DHS funds received and expended by independent authorities and other organizations included in the reporting entity under the criteria of the Governmental Accounting Standards Board, as described in Note 1 to the County's financial statements for the year ended December 31, 2017. These authorities and organizations are responsible, where necessary, for obtaining separate audits of their DHS award programs.

County of Monroe, Pennsylvania

Notes to Schedule of Expenditures of Federal Awards and Schedule of Pennsylvania
Department of Human Services Expenditures
Year Ended December 31, 2017

Note 1 - Basis of Presentation

The accompanying Schedule of Expenditures of Federal Awards and the Schedule of Pennsylvania DHS expenditures present the activity of all Federal and Pennsylvania DHS financial assistance programs of the County of Monroe. The reporting entity is defined in Note 1 to the County of Monroe's financial statements.

Note 2 - Summary of Significant Accounting Policies

The accompanying Schedule of Expenditures of Federal Awards and the Schedule of Pennsylvania DHS expenditures are presented using the modified accrual basis of accounting, which is described in Note 2 to the County of Monroe's financial statements.

Note 3 - Indirect Cost Rate

The County of Monroe has elected not to use the de minimis 10% indirect cost rate allowed by the Uniform Guidance.

Note 4 - Program Clusters

The following program clusters, as defined by the OMB, *Compliance Supplement*, were treated as single programs, respectively, for determining major programs:

	<u>CFDA #</u>	<u>Expenditures</u>
Food Distribution Cluster	10.568	\$ 19,385
	10.569	327,756
		<u>\$ 347,141</u>
WIOA Cluster	17.258	\$ 224,985
	17.259	202,664
	17.278	227,625
		<u>\$ 655,274</u>
Aging Cluster	93.044	\$ 207,611
	93.045	119,448
	93.053	64,543
		<u>\$ 391,602</u>

County of Monroe, Pennsylvania

Notes to Schedule of Expenditures of Federal Awards and Schedule of Pennsylvania
Department of Human Services Expenditures
Year Ended December 31, 2017

Note 5 - Adjustments to Beginning Balances

As a result of information obtained during 2017, adjustments to the receivable (deferral) balances were necessary for the programs listed below. A schedule of adjustments is as follows:

<u>Grant Program/Title</u>	<u>CFDA Number</u>	<u>December 31, 2016 Receivable (Deferral), as Previously Reported</u>	<u>Adjustments</u>	<u>December 31, 2016 Receivable (Deferral), Adjusted</u>
Caseworker Visitation Grant	93.556	\$ (1,003)	\$ 1,003	\$ -
Child Support Enforcement - Title IV-D - Domestic Relations	93.563	385,859	13,882	399,741
Foster Care, Title IV-E	93.658	<u>484,395</u>	<u>289,591</u>	<u>773,986</u>
		<u>\$ 869,251</u>	<u>\$ 304,476</u>	<u>\$ 1,173,727</u>

Reconciliation of the schedule of expenditures of federal award totals:

Total December 31, 2016 Receivable (Deferral)

As previously reported	\$ 2,044,221
Adjustments	<u>304,476</u>
Adjusted	<u>\$ 2,348,697</u>

County of Monroe, Pennsylvania

Summary Schedule of Prior Audit Findings
Year Ended December 31, 2017

Section II - Financial Statement Findings

		<u>Questioned Costs</u>
Finding 2016-001:	Lack of Internal Controls over Preparation of the Schedule of Expenditures of Federal Awards	N/A
	Criteria	
	<p>The County is required to prepare a schedule of expenditures of federal awards in accordance with the Uniform Guidance. Internal controls must be in place to ensure the County properly reports all federal expenditures and related required information on this schedule.</p>	
	Condition	
	<p>The County failed to properly identify all federal grant expenditures and related information required by the Uniform Guidance to be reported on the 2016 schedule of expenditures of federal awards.</p>	
	Cause	
	<p>The County lacks a system of proper internal controls over the completeness of the information reported on the schedule of expenditures of federal awards.</p>	
	Effect	
	<p>Multiple errors on the schedule of expenditures of federal awards were identified. These errors were significant and were corrected as a result of audit procedures performed and through further review and follow-up with County personnel.</p>	
	Status of Finding	
	<p>The condition did not exist during the year ended December 31, 2017. The finding is considered closed.</p>	

County of Monroe, Pennsylvania

Summary Schedule of Prior Audit Findings (continued)
Year Ended December 31, 2017

Section III - Federal Award Findings and Questioned Costs

		<u>Questioned Costs</u>
Finding 2016-002:	U.S Department of Health and Human Services Passed Through Pennsylvania DHS Foster Care - Title IV-E - CFDA No. 93.658 Adoption Assistance - Title IV-E - CFDA No. 93.659 Child Support Enforcement - CFDA No. 93.563 Criteria <p>The financial management requirements under 2 CFR 200.302 require each non-federal entity maintain effective control over, and accountability for, all funds, property and other assets, including having certain written procedures in place. Specifically, the County is required to maintain written procedures to implement the requirements of Section 200.305 Payment and written procedures for determining the allowability of costs in accordance with Subpart E - Cost Principles and the terms and conditions of the Federal Award.</p> Condition <p>The County of Monroe lacks the required written procedure documentation for its federal cash management in accordance with Section 200.305 Payment and for determining allowability of costs in accordance with Subpart E - Cost Principles and the terms and conditions of the Federal Award.</p> Cause <p>The County lacks a system of proper internal controls that includes written documented procedures covering management of federal funds.</p> Effect <p>The County is not in compliance with 2 CFR 200.302 Financial Management, which requires specific written financial management procedures to be in place.</p> Status of Finding <p>The condition did not exist during the year ended December 31, 2017. The finding is considered closed.</p>	N/A

County of Monroe, Pennsylvania

Summary Schedule of Prior Audit Findings (continued)
Year Ended December 31, 2017

Section III - Federal Award Findings and Questioned Costs (continued)

		<u>Questioned Costs</u>
Finding 2016-003:	U.S Department of Health and Human Services Passed Through Pennsylvania DHS Foster Care - Title IV-E - CFDA No. 93.658 Adoption Assistance - Title IV-E - CFDA No. 93.659 Criteria The financial management requirements under 2 CFR 200.302 require each non-federal entity to maintain a financial management system providing identification, in its accounts, of all Federal awards received and expended and the Federal programs under which they were received. Federal program and Federal award identification must include, as applicable, the CFDA title and number, Federal award identification number and year, name of the Federal agency, and name of the pass-through, if any. Condition The County of Monroe does not separately identify all federal grants received and expended by its Children and Youth Department in its accounts. Cause Several of the County's departments, including the Children and Youth Department, operate state grant programs that are funded through multiple local, state, and federal revenue sources. The revenues and expenditures associated with each federal grant program and CFDA No. are not always separately identified within the County's accounting system. Specific to this federal program, the federal revenue for Foster Care CFDA No. 93.658 is combined with revenue from Adoption Assistance CFDA No. 93.659 under a single revenue account for Title IV-E. Currently, separate schedules outside the main chart of accounts are utilized to track the identification of federal award revenues and expenditures for reporting purposes. Effect The County is not in compliance with CFR 200.302 Financial Management, which requires federal program identification within its accounts. Status of Finding The condition did not exist during the year ended December 31, 2017. The finding is considered closed.	N/A

County of Monroe, Pennsylvania

Summary Schedule of Prior Audit Findings (continued)

Year Ended December 31, 2017

Section III - Federal Award Findings and Questioned Costs (continued)

		<u>Questioned Costs</u>
Finding 2016-004:	U.S Department of Health and Human Services Passed Through Pennsylvania Department of Drug and Alcohol Programs Block Grants for Prevention and Treatment of Substance Abuse - CFDA No. 93.959 Criteria The subrecipient monitoring and management requirements under 2 CFR 200.330 require each pass-through entity to evaluate each subrecipient's risk of noncompliance with Federal statutes, regulations, and the terms and conditions of the subaward for purposes of determining the appropriate subrecipient monitoring. In addition, the pass-through entity is required to 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 subaward performance goals are achieved. Pass-through entity monitoring of the subrecipient must include following-up and ensuring that the subrecipient takes timely and appropriate action on all deficiencies pertaining to the Federal award, issuing a management decision for audit findings and considering whether the results indicate conditions that necessitate adjustments to the pass-through entity's own records. Condition The County of Monroe does not document its subrecipient pre-award risk assessment and post-award monitoring procedures. Cause The County of Monroe generally performs its subrecipient monitoring through board-level management and oversight of activities. However, there are no written procedures in place to document the County's subrecipient monitoring processes, including its pre-award noncompliance risk assessments and post-award monitoring activities. Effect The County is not in compliance with 2 CFR 200.330 Subrecipient Monitoring requirements. Status of Finding The condition did not exist during the year ended December 31, 2017. The finding is considered closed.	N/A

County of Monroe, Pennsylvania

Schedule of Findings and Questioned Costs

Year Ended December 31, 2017

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? Yes No

Significant deficiency(ies) identified that are not considered to be (a) material weakness(es)? 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 deficiency(ies) identified that are not considered to be (a) material weakness(es)? 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 the Uniform Guidance? Yes No

Identification of Major Programs

CFDA Numbers	Name of Federal Program	Amount Expended
14.228	Community Development Block Grants/State's Program	\$ 307,212
93.563	Child Support Enforcement - Title IV-D - Domestic Relations	1,217,395
93.658	Foster Care, Title IV-E	1,399,264
93.659	Adoption Assistance, Title IV-E	798,766
Dollar threshold used to distinguish between Type A and Type B programs:		\$ 750,000
Auditee qualified as low-risk auditee?		<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No

County of Monroe, Pennsylvania

Schedule of Findings and Questioned Costs (continued)

Year Ended December 31, 2017

Section II - Financial Statement Findings

None.

Section III - Federal Award Findings and Questioned Costs

None.