

**COUNTY OF ADAMS,  
PENNSYLVANIA**

**SINGLE AUDIT REPORT**

**YEAR ENDED DECEMBER 31, 2011**

COUNTY OF ADAMS, PENNSYLVANIA  
SINGLE AUDIT REPORT  
YEAR ENDED DECEMBER 31, 2011

CONTENTS

	<u>Page</u>
Independent Auditors' Report on the Supplementary Schedules of Expenditures of Federal and Pennsylvania Department of Public Welfare Awards	1
Schedule of Expenditures of Federal Awards	2-4
Schedule of Pennsylvania Department of Public Welfare Expenditures	5
Notes to Schedules of Expenditures of Awards	6
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>	7-8
Independent Auditors' Report on Compliance with Requirements That Could Have a Direct And Material Effect on Each Major Program and on Internal Control Over Compliance in Accordance with OMB Circular A-133 and the Pennsylvania Department of Public Welfare Single Audit Supplement	9-10
Independent Accountant's Report on Applying Agreed-upon Procedures to the Financial Schedules and Exhibits Required by the Pennsylvania Department of Public Welfare	11-12
Pennsylvania Department of Public Welfare Schedules and Exhibits	13-17
Schedule of Findings and Questioned Costs	18-24
Summary Schedule of Prior Audit Findings	25

# Zelenkofske Axelrod LLC

## INDEPENDENT AUDITORS' REPORT ON THE SUPPLEMENTARY SCHEDULES OF EXPENDITURES OF FEDERAL AND PENNSYLVANIA DEPARTMENT OF PUBLIC WELFARE AWARDS

County Commissioners  
County of Adams, Pennsylvania

We have audited the financial statements of the governmental activities, business type activities, the aggregate discretely presented component units, each major fund, and the aggregate remaining fund information of the COUNTY OF ADAMS, PENNSYLVANIA, ("County"), as of and for the year ended December 31, 2011, which collectively comprise the COUNTY OF ADAMS, PENNSYLVANIA basic financial statements, and have issued our report thereon dated December 19, 2012. These financial statements are the responsibility of the COUNTY OF ADAMS, PENNSYLVANIA's management. Our responsibility is to express opinions on these financial statements based on our audit. We did not audit the discretely presented component unit financial statements for the Adams County Transit Authority and Adams County Housing Authority, which represents 100% of the assets, net assets, and revenues of the aggregate discretely presented component units. Those financial statements were audited by other auditors whose reports thereon have been furnished to us, and our opinions expressed in our report on the financial statements dated December 19, 2012, insofar as it relates to the amounts included for those aggregate discretely presented component units, is based upon the reports of the other auditors.

We conducted our audit in accordance with auditing standards generally accepted in the United States of America and standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and the significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinions.

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the COUNTY OF ADAMS, PENNSYLVANIA, basic financial statements. The accompanying Schedules of Expenditures of Federal and Pennsylvania Department of Public Welfare Awards are presented for purposes of additional analysis as required by U.S. Office of Management and Budget Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations* and the Pennsylvania Department of Public Welfare *Single Audit Supplement*, and are not a required part of the basic financial statements of the COUNTY OF ADAMS, PENNSYLVANIA. The Schedules of Expenditures of Federal and Pennsylvania Department of Public Welfare Awards are the responsibility of management and were derived from and relate directly to the underlying accounting and other records used to prepare the financial statements. This 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 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, this information is fairly stated in all material respects in relation to the financial statements as a whole.

*Zelenkofske Axelrod LLC*

ZELENKOFKSKE AXELROD LLC

Harrisburg, Pennsylvania  
December 19, 2012

<u>Harrisburg</u>	<u>Lehigh Valley</u>	<u>Philadelphia</u>	<u>Pittsburgh</u>
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COUNTY OF ADAMS PENNSYLVANIA  
 SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS  
 FOR THE YEAR ENDED DECEMBER 31, 2011

Federal Grantor/Pass-through Grantor	Federal CFDA Number	Program Name	County Fund	(Accrued)/Deferred Revenue December 31, 2010	Federal Grant Receipts	Expenditures	Accrued/Deferred Revenue December 31, 2011
U.S. Department of Agriculture Emergency Food Assistance Cluster PA Department of Agriculture	10.568	Emergency Food Assistance Program (Administrative Costs)	Block Grant	\$ -	\$ 13,186	\$ 13,186	\$ -
PA Department of Agriculture	10.568	Emergency Food Assistance Program (Administrative Costs) ARRA	Block Grant	-	788	788	-
Total CFDA 10.568				-	13,974	13,974	-
U.S. Department of Agriculture Emergency Food Assistance Cluster PA Department of Agriculture	10.569	Emergency Food Assistance Program (Food Commodities)	Block Grant	-	78,834	78,834	-
PA Department of Agriculture	10.569	Emergency Food Assistance Program (Food Commodities)	Block Grant	-	78,834	78,834	-
Total CFDA 10.569				-	157,668	157,668	-
Total Emergency Food Assistance Cluster				-	157,668	157,668	-
Total U.S. Department of Agriculture				-	157,668	157,668	-
U.S. Department of Defense				-	92,808	92,808	-
Direct Payments				-	92,808	92,808	-
Total CFDA 12.112				-	92,808	92,808	-
Total U.S. Department of Defense				-	92,808	92,808	-
U.S. Department of Housing and Urban Development				-	21,143	21,143	-
State-Administered Small Cities Program Cluster: Department of Community and Economic Development	14.228	Payments to States in Lieu of Real Estate Taxes	General Fund	-	21,143	21,143	-
Department of Community and Economic Development	14.228	Payments to States in Lieu of Real Estate Taxes	General Fund	-	21,143	21,143	-
Total CFDA 14.228				-	21,143	21,143	-
U.S. Department of Housing and Urban Development				-	21,143	21,143	-
State-Administered Small Cities Program Cluster: Department of Community and Economic Development	14.228	Community Development Block Grant 2006 (C000022548)	CDBG	-	6,936	6,936	-
Department of Community and Economic Development	14.228	Community Development Block Grant 2007 (C000029548)	CDBG	-	574	574	-
Department of Community and Economic Development	14.228	Community Development Block Grant 2008 (C000036498)	CDBG	-	13,054	13,054	-
Department of Community and Economic Development	14.228	Community Development Block Grant 2009 (C000038498)	CDBG	800	54,410	55,210	-
Department of Community and Economic Development	14.228	Community Development Block Grant 2010 (C000050350)	CDBG	-	131,862	133,862	2,200
Total CFDA 14.228 (CDBG- State-Administered Small Cities Program Cluster)				800	206,636	209,636	2,200
Department of Community and Economic Development	14.231	Emergency Shelter Grants Program (C4000014575)	Emergency Shelter	-	57,690	57,690	-
Total CFDA 14.231				-	57,690	57,690	-
Department of Community and Economic Development	14.257	Homeless Prevention & Rapid Re-Housing Project (Recovery Act Funded) (C000046123)	Emergency Shelter	(13,501)	189,025	164,350	(11,174)
Total CFDA 14.257				(13,501)	189,025	164,350	(11,174)
Total U.S. Department of Housing and Urban Development				(13,501)	453,351	431,676	(9,974)
U.S. Department of Justice				-	2,500	7,500	5,000
PA Commission on Crime and Delinquency	16.523	Juvenile Accountability Incentive Block Grant	General	-	2,500	7,500	5,000
Total CFDA 16.523				-	2,500	7,500	5,000

• Denotes Program Traced as Major

See accompanying notes to schedule of expenditures of federal awards.

COUNTY OF ADAMS, PENNSYLVANIA  
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS (CONTINUED)  
FOR THE YEAR ENDED DECEMBER 31, 2011

Federal Grantor/Pass-through Grantor	Federal CFDA Number	Program Name	County Fund	(Accrued)/Deferred Revenue December 31, 2010	Federal Grant Receipts	Expenditures	Accrued/(Deferred) Revenue December 31, 2011
U.S. Department of Justice (Continued)							
PA Commission on Crime and Delinquency Total CFDA 16.575	16.575	Crime Victim Assistance	General	(15,422) (15,422)	40,806 40,806	59,061 59,061	33,677 33,677
PA Commission on Crime and Delinquency Total CFDA 16.588	16.588	STOP Violence Against Women Grant	General	(45,554) (45,554)	148,392 148,392	159,198 159,198	56,318 56,318
Direct Payments Total CFDA 16.606	16.606	State Criminal Alien Assistance	General	-	14,565 14,565	14,565 14,565	-
Bureau of Justice Assistance Total CFDA 16.607	16.607	Bulletproof Vest Partnership Program	General	-	545 545	545	-
U.S. Department of Justice Total CFDA 16.710	16.710	Public Safety Partnership and Community Policing Grants	911	-	78,624 78,624	78,624 78,624	-
JAG Program Cluster: PA Commission on Crime and Delinquency Total CFDA 16.738	16.738	Edward Byrne Memorial Justice Assistance	General	(9,757) (9,757)	58,146 58,146	75,014 75,014	20,625 20,625
PA Commission on Crime and Delinquency Total CFDA 16.803	16.803	Recovery Act-Edward Byrne Memorial Justice Assistance	General	(15,789) (15,789)	178,921 178,921	221,714 221,714	58,682 58,682
Total JAG Program Cluster				(19,546)	236,967	296,728	79,307
Total U.S. Department of Justice				(80,522)	522,369	616,179	174,902
U.S. Department of Transportation							
Highway Planning and Construction Cluster: PA Department of Transportation Total CFDA 20.205	20.205	Highway and Planning Construction	Liquid Fuels General Fund	(1,838) (1,838)	60,759 621,490	56,921 639,951	\$ - 31,518
PA Department of Emergency Services Total CFDA 20.703	20.703	Interagency Hazardous Material Public Sector Training and Planning Grants	Hazardous Materials	-	8,640 8,640	8,640 8,640	-
Total U.S. Department of Transportation				(14,895)	690,889	707,512	\$ 31,518
U.S. Environmental Protection Agency							
PA Environmental Protection Agency Total CFDA 10.912	10.912	Environmental Quality Incentives Program	Conservation District	-	688 688	688	-
PA Environmental Protection Agency Total CFDA 66.466	66.466	Chesapeake Bay Program	Conservation District	-	27,955 27,955	27,955	-
Total U.S. Environmental Protection Agency				-	28,643	28,643	\$ -
U.S. Department of Health and Human Services							
PA Department of Public Welfare Total CFDA 93.558 (TANF Cluster)	93.558	Temporary Assistance for Needy Families	Children & Youth	(179,921) (179,921)	320,463 320,463	248,247 248,247	\$ 107,605 107,605
PA Department of Public Welfare Total CFDA 93.563	93.563	Child Support Enforcement Title IV-D & Incentives (4100053446)	Domestic Relations	(253,488) (253,488)	1,038,767 1,038,767	1,028,297 1,028,297	243,018 243,018

\* Denotes Program Tested as Major

See accompanying notes to schedule of expenditures of federal awards.

COUNTY OF ADAMS, PENNSYLVANIA  
 SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS (CONTINUED)  
 FOR THE YEAR ENDED DECEMBER 31, 2011

Federal Grantor/Pass-through Grantor U.S. Department of Health and Human Services (Continued)	Federal CFDA Number	Program Name	County Fund	(Accrued)/Deferred Revenue December 31, 2010	Federal Grant Receipts	Expenditures	Accrued/(Deferred) Revenue December 31, 2011
PA Department of Public Welfare Total CFDA 93.617	93.617	Voting Access for individuals with disabilities	General	-	1,073	1,073	-
PA Department of Public Welfare Total CFDA 93.645	93.645	Child Welfare Services Title IV-B	Children & Youth	-	1,073	1,073	-
PA Department of Public Welfare	93.658	Foster Care Title IV-E	General Fund	(7,100)	13,827	9,540	2,813
PA Department of Public Welfare	93.658	Foster Care Title IV AFARS Reimb.	Children & Youth	(4,303)	4,303	-	-
PA Department of Public Welfare	93.658	Foster Care Title IV-E-ARRA	Children & Youth	-	19,371	19,371	-
PA Department of Public Welfare Total CFDA 93.658	93.658	Foster Care Title IV-E	Children & Youth	(66,428)	797,980	704,982	3,441
				(107,832)	835,481	733,903	6,254
PA Department of Public Welfare Total CFDA 93.659	93.659	Adoption Assistance - ARRA	Children & Youth	-	17,673	17,673	-
PA Department of Public Welfare Total CFDA 93.659	93.659	Adoption Assistance	Children & Youth	-	288,789	288,789	-
PA Department of Public Welfare Total CFDA 93.667	93.667	Social Services Block Grant Title XX	Children & Youth	-	306,472	306,472	-
PA Department of Public Welfare Total CFDA 93.674	93.674	Chafee Foster Care Independence Program Title IV-E	Children & Youth	-	51,465	51,465	-
				-	51,465	51,465	-
				-	74,528	74,528	-
				-	74,528	74,528	-
Medicaid Cluster: PA Department of Public Welfare PA Department of Public Welfare Total Medicaid Cluster Total U.S. Department of Health and Human Services	93.778 93.778	Medicaid Administrative Reimbursement Medical Assistance Program	Children & Youth Block Grant	(105,609) (105,609)	2,711 339,046 341,757	2,711 233,437 236,148	- - -
				\$ (646,750)	\$ 3,102,304	\$ 2,812,431	\$ 356,877
U.S. Department of Homeland Security PA Department of Emergency Services Total CFDA 97.042	97.042	Emergency Management Performance Grants	General	-	59,961	59,961	-
				-	59,961	59,961	-
				-	59,961	59,961	-
Total U.S. Department of Homeland Security							
U.S. Election Assistance Commission PA Department of State Total CFDA 90.401	90.401	Help America Vote Act Grants, Title II, Section 251	General	(727)	7,829	7,102	-
				(727)	7,829	7,102	-
				(727)	7,829	7,102	-
				(755,695)	4,979,327	4,777,455	553,723
Total U.S. Election Assistance Commission Total Federal Grants							

\* Denotes Program Treated as Major

See accompanying notes to schedule of expenditures of federal awards.

COUNTY OF ADAMS, PENNSYLVANIA  
 SCHEDULE OF PENNSYLVANIA DEPARTMENT OF  
 PUBLIC WELFARE EXPENDITURES  
 FOR THE YEAR ENDED DECEMBER 31, 2011

<u>Fund or Program</u>	<u>Combined Federal and State Expenditures</u>
Children and Youth	\$ 6,002,053 *
Child Support Enforcement	1,028,297 *
Human Service Development	89,484
Combined Homeless Assistance Program	112,977
Medical Assistance Transportation	<u>490,704 *</u>
Total Assistance	<u>\$ 7,723,515</u>

\* Denotes a major program for Pennsylvania Department of Public Welfare purposes. The 2011 threshold for Type A programs is \$300,000. The amount expended under major Pennsylvania Department of Public Welfare programs for the year ended December 31, 2011, totaled \$7,521,054 or 97.38% of total Pennsylvania Department of Public Welfare financial assistance.

COUNTY OF ADAMS, PENNSYLVANIA  
 NOTES TO SCHEDULES OF EXPENDITURES OF AWARDS  
 FOR THE YEAR ENDED DECEMBER 31, 2011

NOTE 1: REPORTING ENTITY

The County of Adams, Pennsylvania (the "County") as the reporting entity for financial reporting purposes is defined in Note 1A to the County's financial statements. For purposes of preparing the schedules of expenditures of awards, the County's reporting entity is the same as was used for financial purposes.

NOTE 2: BASIS OF ACCOUNTING

The accompanying schedules of expenditures of awards are presented using the modified accrual basis of accounting, which is described in Note 1 to the County's financial statements.

NOTE 3: RISK-BASED AUDIT APPROACH

The 2011 threshold for determining Type A and Type B programs is \$300,000. The following Type A and Type B Programs were audited as major:

<u>CFDA</u>	<u>Program</u>
93.563	Child Support Enforcement
93.658	Foster Care Title IV-E
93.659	Adoption Assistance Title IV-E
20.205	Highway Planning & Construction
93.778	Medicaid Cluster
DPW	Children & Youth Program
DPW	Child Support Enforcement
DPW	Medical Assistance Transportation Program

The amount expended under programs audited as major federal programs for the year ended December 31, 2011, totaled \$3,003,692 or 62.87% of total federal awards.

# Zelenkofske Axelrod LLC

Page 7

## 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

County Commissioners  
County of Adams, Pennsylvania

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 OF ADAMS as of and for the year ended December 31, 2011, which collectively comprise the COUNTY OF ADAMS's basic financial statements and have issued our report thereon dated December 19, 2012. We did not audit the discretely presented component unit financial statements for the Adams County Transit Authority and Adams County Housing Authority, which represents 100% of the assets, net assets, and revenues of the aggregate discretely presented component units. Those financial statements were audited by other auditors whose reports thereon have been furnished to us, and our opinions expressed in our report on the financial statements dated December 19, 2012, insofar as it relates to the amounts included for those aggregate discretely presented component units, is based upon the reports of the other auditors. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States.

### Internal Control Over Financial Reporting

Management of the COUNTY OF ADAMS is responsible for establishing and maintaining effective internal control over financial reporting. In planning and performing our audit, we considered the COUNTY OF ADAMS' internal control over financial reporting as a basis for designing our audit procedures 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 OF ADAMS's internal control over financial reporting. Accordingly, we do not express an opinion on the effectiveness of the COUNTY OF ADAMS's internal control over financial reporting.

Our consideration of internal control over financial reporting was for the limited purpose described in the preceding paragraph and was not designed to identify all deficiencies in internal control over financial reporting that might be significant deficiencies or material weaknesses and therefore, there can be no assurance that all deficiencies, significant deficiencies, or material weaknesses have been identified. However, as described in the accompanying schedule of findings and questioned costs, we identified certain deficiencies in internal control over financial reporting that we consider to be material weaknesses.

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. We consider the deficiencies described in the accompanying schedule of findings and questioned costs as Findings 11-01, 11-03, and 11-06 to be material weaknesses.

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# Zelenkofske Axelrod LLC

Page 8

County Commissioners  
County of Adams, Pennsylvania

## Compliance and Other Matters

As part of obtaining reasonable assurance about whether the COUNTY OF ADAMS' financial statements are free of material misstatement, we performed tests of its compliance with certain provision 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 *Governmental Auditing Standards*.

COUNTY OF ADAMS's responses to the findings identified in our audit are described in the accompanying schedule of findings and questioned costs. We did not audit the COUNTY OF ADAMS's responses and, accordingly, we express no opinion on the responses.

This report is intended solely for the information and use of management, the County Commissioners, federal awarding agencies, pass-through entities, and the Pennsylvania Department of Public Welfare, and is not intended to be and should not be used by anyone other than these specified parties.

*Zelenkofske Axelrod LLC*

ZELENKOFKSKE AXELROD LLC

Harrisburg, Pennsylvania  
December 19, 2012

# Zelenkofske Axelrod LLC

Page 9

INDEPENDENT AUDITORS' REPORT ON COMPLIANCE WITH REQUIREMENTS  
THAT COULD HAVE A DIRECT AND MATERIAL EFFECT ON EACH MAJOR PROGRAM  
AND ON INTERNAL CONTROL OVER COMPLIANCE IN ACCORDANCE WITH OMB CIRCULAR A-133  
AND THE PENNSYLVANIA DEPARTMENT OF PUBLIC WELFARE SINGLE AUDIT SUPPLEMENT

County Commissioners  
County of Adams, Pennsylvania

## Compliance

We have audited the COUNTY OF ADAMS' compliance with the types of compliance requirements described in the *OMB Circular A-133 Compliance Supplement* and the Pennsylvania Department of Public Welfare *Single Audit Supplement* that could have direct and material effects on each of the COUNTY OF ADAMS' major federal and Pennsylvania Department of Public Welfare programs for the year ended December 31, 2011. The COUNTY OF ADAMS's major federal and Pennsylvania Department of Public Welfare programs are identified in the summary of auditors' results section of the accompanying Schedule of Findings and Questioned Costs. Compliance with the requirements of laws, regulations, contracts, and grants applicable to each of its major federal and Pennsylvania Department of Public Welfare programs is the responsibility of COUNTY OF ADAMS' management. Our responsibility is to express an opinion on COUNTY OF ADAMS' compliance based on our audit.

We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; and OMB Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations* and the Pennsylvania Department of Public Welfare Single Audit Supplement. Those standards, OMB Circular A-133, and the Pennsylvania Department of Public Welfare 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 Department of Public Welfare program occurred. An audit includes examining, on a test basis, evidence about the COUNTY OF ADAMS'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. Our audit does not provide a legal determination of COUNTY OF ADAMS compliance with those requirements.

As described in items 11-02, 11-03, 11-04, 11-05 and 11-06 in the accompanying schedule of findings and questioned costs, COUNTY OF ADAMS, did not comply with the requirements regarding eligibility, special tests and provisions R3 subrecipient monitoring, and special tests and provisions R1 separate accountability for ARRA funding, procurement, suspension, and debarment, and reporting that are applicable to its major Federal and Pennsylvania Department of Public Welfare Program listed in the respective findings. Compliance with such requirements is necessary, in our opinion, for COUNTY OF ADAMS to comply with the requirements applicable to these programs.

In our opinion, except for the noncompliance described in the preceding paragraph, COUNTY OF ADAMS complied, in all material respects, with the compliance requirements referred to above that could have a direct and material effect on each of its major federal and Pennsylvania Department of Public Welfare programs for the year ended December 31, 2011.

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Page 10

County Commissioners  
County of Adams, Pennsylvania

## Internal Control Over Compliance

Management of COUNTY OF ADAMS is responsible for establishing and maintaining effective internal control over compliance with the requirements of laws, regulations, contracts, and grants applicable to federal and Pennsylvania Department of Public Welfare programs. In planning and performing our audit, we considered COUNTY OF ADAMS's internal control over compliance with the requirements that could have a direct and material effect on a major federal or Pennsylvania Department of Public Welfare program to determine the auditing procedures for the purpose of expressing our opinion on compliance and to test and report on internal control over compliance in accordance with OMB Circular A-133 and Pennsylvania Department of Public Welfare 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 COUNTY OF ADAMS's internal control over compliance.

Our consideration of internal control over compliance was for the limited purpose described in the preceding paragraph and was not designed to identify all deficiencies in internal control over compliance that might be significant deficiencies or material weaknesses and therefore, there can be no assurance that all deficiencies, significant deficiencies, or material weaknesses have been identified. However, as discussed below, we identified 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 their 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 Department of Public Welfare 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 Department of Public Welfare 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 items 11-02, 11-03, 11-04, 11-05 and 11-06 to be material weaknesses.

The COUNTY OF ADAMS' responses to the findings identified in our audit are described in the accompanying schedule of findings and questioned costs. We did not audit the COUNTY OF ADAMS' responses and, accordingly, we express no opinion on the responses.

This report is intended solely for the information and use of management, the County Commissioners, federal awarding agencies, pass-through entities, and the Pennsylvania Department of Public Welfare, and is not intended to be and should not be used by anyone other than these specified parties.

*Zelenkofske Axelrod LLC*

ZELENKOFSCHE AXELROD LLC

Harrisburg, Pennsylvania  
December 19, 2012

# Zelenkofske Axelrod LLC

INDEPENDENT ACCOUNTANT'S REPORT ON APPLYING  
AGREED-UPON PROCEDURES TO THE FINANCIAL SCHEDULES  
AND EXHIBITS REQUIRED BY THE PENNSYLVANIA  
DEPARTMENT OF PUBLIC WELFARE

County Commissioners  
County of Adams, Pennsylvania

We have performed the procedures enumerated below, which were agreed to by the Commonwealth of Pennsylvania, Department of Public Welfare ("DPW") and COUNTY OF ADAMS, PENNSYLVANIA, solely to assist you with respect to the financial schedules and exhibits required by the DPW Single Audit Supplement for the fiscal year ended June 30, 2011. This agreed-upon procedures engagement was conducted in accordance with attestation standards established by the American Institute of Certified Public Accountants. The sufficiency of these procedures is solely the responsibility of DPW. Consequently, we make no representation regarding the sufficiency of the procedures described below either for the purpose for which this report has been requested or for any other purpose.

The procedures and associated findings are as follows:

- a) We have verified by comparison of the amounts and classifications that the supplemental financial schedules listed below, which summarize amounts reported to DPW for fiscal year ended June 30, 2011, have been accurately compiled and reflect the audited books and records of COUNTY OF ADAMS, PENNSYLVANIA. We have also verified by comparison to the example schedules that these schedules are presented, at a minimum, at the level of detail and in the format required by the DPW Single Audit Supplement pertaining to this period.

<u>Program Name</u>	<u>Exhibit Number</u>	<u>Referenced Schedule/Exhibit</u>
Title IV-D Child Support Enforcement Program	A-1	Summary of Expenditures
Title IV-D Child Support Enforcement Program	A-1(b)	PACSES OSCE 157 Data Reliability Validation
County Children and Youth	I	Schedule of Revenues and Expenditures
Medical Assistance Transportation Program	III	Schedule of Revenues and Expenditures
Combined Homeless Assistance Programs	XIX	Schedule of Revenues and Expenditures

- b) We have inquired of management regarding adjustments to reported revenues or expenditures which were not reflected on the reports submitted to DPW for the period in question.
- c) The processes detailed in paragraphs (a) and (b) above disclosed reported amounts on schedule I did not agree to the accounting records (See Finding 11-6).

# Zelenkofske Axelrod LLC

Page 12

County Commissioners  
County of Adams, Pennsylvania

We were not engaged to, and did not perform an audit, the objective of which would be the expression of an opinion on the specified elements, accounts, or items. Accordingly, we do not express such an opinion. Had we performed additional procedures, other matters might have come to our attention that would have been reported to you.

This report is intended solely for the information and use of the Department of Public Welfare and the County Commissioners and is not intended to be and should not be used by anyone other than those specified parties.

*Zelenkofske Axelrod LLC*

ZELENKOFKSKE AXELROD LLC

Harrisburg, Pennsylvania  
December 19, 2012

COUNTY OF ADAMS  
SUMMARY OF EXPENDITURES - TITLE IV-D CHILD SUPPORT ENFORCEMENT PROGRAM  
FOR THE FISCAL YEAR ENDED JUNE 30, 2011

	Single Audit Expenditures					Reported Expenditures					Single Audit Over(Under) Reported				
	(A) Total	(B) Unallowable	(C) Net (A-B)	(D) FFP	(E) Amount Paid (C x D)	(A) Total	(B) Unallowable	(C) Net (A-B)	(D) FFP	(E) Amount Paid (C x D)	(A) Total	(B) Unallowable	(C) Net (A-B)	(D) FFP	(E) Amount Paid (C x D)
<b>Calendar Quarter Ended 9/30/10</b>															
Salary/Overhead (Exclude Blood Tests)	\$ 334,743	\$ 11,110	\$ 323,633	66%	\$ 213,598	\$ 334,743	\$ 11,110	\$ 323,633	66%	\$ 213,598	\$ -	\$ -	\$ -	66%	\$ -
Fees/Costs	2	-	2	66%	2	2	-	2	66%	2	-	-	-	66%	-
Interest/Program Income	22,219	750	21,469	66%	14,170	22,219	750	21,469	66%	14,170	-	-	-	66%	-
Blood Testing Fees	795	-	795	66%	525	795	-	795	66%	525	-	-	-	66%	-
Subtotal (1-2-3-4)	311,727	10,360	301,367	-	198,901	311,727	10,360	301,367	-	198,901	-	-	-	-	-
Blood Testing	928	-	928	66%	612	928	-	928	66%	612	-	-	-	66%	-
ADP	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Net Total (5+6+7)	\$ 312,655	\$ 10,360	\$ 302,295	-	\$ 199,513	\$ 312,655	\$ 10,360	\$ 302,295	-	\$ 199,513	\$ -	\$ -	\$ -	-	\$ -
<b>Calendar Quarter Ended 12/31/10</b>															
Salary/Overhead (Exclude Blood Tests)	\$ 374,421	\$ 12,195	\$ 362,226	66%	\$ 239,069	\$ 374,421	\$ 12,195	\$ 362,226	66%	\$ 239,069	\$ -	\$ -	\$ -	66%	\$ -
Fees/Costs	2	-	2	66%	2	2	-	2	66%	2	-	-	-	66%	-
Interest/Program Income	19,746	657	19,089	66%	12,600	19,746	657	19,089	66%	12,600	-	-	-	66%	-
Blood Testing Fees	1,205	-	1,205	66%	796	1,205	-	1,205	66%	796	-	-	-	66%	-
Subtotal (1-2-3-4)	353,468	11,538	341,930	-	225,671	353,468	11,538	341,930	-	225,671	-	-	-	-	-
Blood Testing	1,920	-	1,920	66%	1,267	1,920	-	1,920	66%	1,267	-	-	-	66%	-
ADP	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Net Total (5+6+7)	\$ 355,388	\$ 11,538	\$ 343,850	-	\$ 226,938	\$ 355,388	\$ 11,538	\$ 343,850	-	\$ 226,938	\$ -	\$ -	\$ -	-	\$ -
<b>Calendar Quarter Ended 3/31/11</b>															
Salary/Overhead (Exclude Blood Tests)	\$ 312,987	\$ 10,058	\$ 302,929	66%	\$ 199,933	\$ 312,987	\$ 10,058	\$ 302,929	66%	\$ 199,933	\$ -	\$ -	\$ -	66%	\$ -
Fees/Costs	2	-	2	66%	2	2	-	2	66%	2	-	-	-	66%	-
Interest/Program Income	20,614	672	19,942	66%	13,162	20,614	672	19,942	66%	13,162	-	-	-	66%	-
Blood Testing Fees	489	-	489	66%	323	489	-	489	66%	323	-	-	-	66%	-
Subtotal (1-2-3-4)	291,882	9,386	282,496	-	186,446	291,882	9,386	282,496	-	186,446	-	-	-	-	-
Blood Testing	704	-	704	66%	465	704	-	704	66%	465	-	-	-	66%	-
ADP	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Net Total (5+6+7)	\$ 292,586	\$ 9,386	\$ 283,200	-	\$ 186,911	\$ 292,586	\$ 9,386	\$ 283,200	-	\$ 186,911	\$ -	\$ -	\$ -	-	\$ -
<b>Calendar Quarter Ended 6/30/11</b>															
Salary/Overhead (Exclude Blood Tests)	\$ 347,907	\$ 10,731	\$ 337,176	66%	\$ 222,536	\$ 347,907	\$ 10,731	\$ 337,176	66%	\$ 222,536	\$ -	\$ -	\$ -	66%	\$ -
Fees/Costs	1	-	1	66%	1	1	-	1	66%	1	-	-	-	66%	-
Interest/Program Income	21,308	667	20,641	66%	13,622	21,308	667	20,641	66%	13,622	-	-	-	66%	-
Blood Testing Fees	1,101	-	1,101	66%	726	1,101	-	1,101	66%	726	-	-	-	66%	-
Subtotal (1-2-3-4)	325,497	10,064	315,433	-	208,187	325,497	10,064	315,433	-	208,187	-	-	-	-	-
Blood Testing	544	-	544	66%	359	544	-	544	66%	359	-	-	-	66%	-
ADP	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Net Total (5+6+7)	\$ 326,041	\$ 10,064	\$ 315,977	-	\$ 208,546	\$ 326,041	\$ 10,064	\$ 315,977	-	\$ 208,546	\$ -	\$ -	\$ -	-	\$ -

COUNTY OF ADAMS  
 CHILD SUPPORT ENFORCEMENT  
 PACSES OCSE 157 DATA RELIABILITY VALIDATION  
 FOR THE YEAR ENDED  
 JUNE 30, 2011

Exhibit A-1(b)

County	Adams County	Year Ended	2011
Line #	OCSE 157 Report Line Number	Number of Cases Reviewed	Case Problems Found
Line #1	IV-D cases open at the end of the fiscal year.	25	None
Line #2	IV-D cases open at the end of the fiscal year with support orders established.	25	None
Line #5	Children in IV-D cases open at the end of the fiscal year that were born out of wedlock.	16	None
Line #6	Children in IV-D cases open during or at the end of the fiscal year with paternity established or acknowledged	25	None
Line #21	IV-D cases open at the end of the fiscal year with medical support ordered.	19	None
Line #23	IV-D cases open at the end of the fiscal year with health insurance provided as ordered.	14	None
Line #24	Total amount of current support due for the fiscal year (for IV-D cases, excluding emancipated children)	22	None
Line #25	Total amount of support disbursed as current support during the fiscal year for IV-D cases, excluding emancipated children.	21	None
Line #28	Cases with arrears due during the fiscal year (01/01/11-12/31/11)	24	None
Line #29	Cases paying toward arrears during the fiscal year (01/01/11-12/31/11)	24	None

EXHIBIT I

COUNTY OF ADAMS, PENNSYLVANIA  
 SCHEDULE OF REVENUES AND EXPENDITURES - COUNTY CHILDREN AND YOUTH SOCIAL SERVICES PROGRAM  
 FOR THE FISCAL YEAR ENDED JUNE 30, 2011

	A	B	C	D	E	F	G	H	I	J
	Grand	Program	Federal	Federal	Title	Title	Medical	Net	State	Local
	Total	Income	Title IV-E	IANF	XX	Title IV-B	Assistance	Total	Act 148	Share
<b>NET CHILD WELFARE EXPEND.</b>										
01. 100% Reimbursement	\$ 21,031	\$ -	\$ 3,552	\$ -	\$ -	\$ -	\$ -	\$ 17,479	\$ 17,479	\$ -
02. 90% Reimbursement	318,276	6,378	33,774	70,848	-	-	-	207,276	186,551	20,725
03. 80% Reimbursement	4,498,704	98,986	909,445	75,247	51,465	132,298	-	3,231,263	2,585,008	646,255
04. 60% Reimbursement	1,196,331	30,722	129,835	-	-	-	2,712	1,033,062	619,839	413,223
05. 50% Reimbursement	96,660	191	-	-	-	-	-	96,469	48,237	48,232
<b>06. Total Net Child Welfare Expenditures</b>	<b>6,131,002</b>	<b>136,277</b>	<b>1,076,606</b>	<b>146,095</b>	<b>51,465</b>	<b>132,298</b>	<b>2,712</b>	<b>4,565,549</b>	<b>3,457,114</b>	<b>1,128,435</b>
<b>YDC/YFC PLACEMENT COSTS</b>										
07. 60% DPW Participation	26,137	10	-	-	-	-	-	26,127	15,676	10,451
08. Non-Reimbursable Expenditures	43,575	127	-	-	-	-	-	43,448	-	43,448
09. Total Expenditures	\$ 6,200,714	\$ 136,414	\$ 1,076,606	\$ 146,095	\$ 51,465	\$ 132,298	\$ 2,712	\$ 4,655,124	\$ 3,472,790	\$ 1,182,334
14. Total HSDF Used for Child Welfare	\$ -	-	15. Total Title IV-D Collections	\$ 116,267	-	-	-	16. Title IV-D Collections for Title IV-E Eligible Children	\$ 24,598	-
a. State Act 148 - Line 7	\$ 3,457,114	b. State Act 148 Allocation	\$ 4,128,046	-	-	-	-	17. Adjusted State Share	\$ 3,457,114	-

## EXHIBIT III

COUNTY OF ADAMS, PENNSYLVANIA  
 SCHEDULE OF REVENUES AND EXPENDITURES  
 MEDICAL ASSISTANCE TRANSPORTATION PROGRAM  
 FOR THE FISCAL YEAR ENDED JUNE 30, 2011

	<u>Reported</u>	<u>Actual</u>
<u>Service Data:</u>		
Expenditures		
Group I Clients	\$ 538,347	\$ 538,347
Group II Clients	<u>7,808</u>	<u>7,808</u>
Total Expenditures	<u>\$ 546,155</u>	<u>\$ 546,155</u>
<u>Allocation Data:</u>		
Revenues		
Department of Public Welfare	\$ 546,072	\$ 546,072
Interest Income	<u>83</u>	<u>83</u>
Total Revenues	<u>546,155</u>	<u>546,155</u>
Funds Expended		
Service Costs	504,278	504,278
Administrative Costs	<u>41,877</u>	<u>41,877</u>
Total Funds Expended	<u>546,155</u>	<u>546,155</u>
Excess of Revenues Over Expenditures	<u>\$ -</u>	<u>\$ -</u>

COUNTY OF ADAMS, PENNSYLVANIA  
 SCHEDULE OF REVENUES AND EXPENDITURES  
 COMBINED HOMELESS ASSISTANCE PROGRAM  
 FOR THE FISCAL YEAR ENDED JUNE 30, 2011

<u>Sources of Funding</u>								Total HAP Funding (A + B + C + D = E)	Total Available Funds										
DPW Allocation (Must Equal Total County HAP Allocation)	Client Contributions	Other	Interest Earned	<u>Bridge Housing</u>	<u>Case Management</u>	<u>Rental Assistance</u>	<u>Emergency Shelter</u>	<u>Innovative Supportive Housing</u>	A	B	C	D	E	F	G	H	I	J	
				\$ -	\$ -	\$ -	\$ 15,837	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 114,759	\$ 15,837	67,057	37,365	-	-	120,259
				67,057	-	-	-	-	-	-	-	-	5,500	67,057	37,365	-	-	-	-
				37,365	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
				-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
				\$ 104,422	\$ -	\$ -	\$ 15,837	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 120,259	\$ 15,837	67,057	37,365	-	-	120,259
				<u>Expenses</u>															
				On Behalf of Clients															
				Personnel															
				Operating															
				Fixed Assets/Equipment															
				Subtotal															
				County Administration (Max 10% Total HAP Funding)															
				Total HAP Expenses (J + K = L)															
				Total Unexpended Funds (E - L)															
				\$ -															

COUNTY OF ADAMS, PENNSYLVANIA  
SCHEDULE OF FINDINGS AND QUESTIONED COSTS  
FOR THE YEAR ENDED DECEMBER 31, 2011

Section I – Summary of Auditors' Results

*Financial Statements*

Type of auditors' report issued: Unqualified

Internal control over financial reporting:

Material weakness(es) identified?  yes  no

Significant Deficiency (ies) 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 deficiency (ies) identified not considered to be material weaknesses?  
 yes  none reported

Type of auditors' report issued on compliance for major programs: Qualified

Any audit findings disclosed that are required to be reported in accordance with Section .510(a) of OMB Circular A-133?  yes  no

Identification of major programs:

<u>CFDA Number(s)</u>	<u>Name of Federal Program or Cluster</u>
93.563	Child Support Enforcement
93.658	Foster Care Title IV-E
93.659	Adoption Assistance Title IV-E
20.205	Highway Planning and Construction
93.778	Medicaid Cluster
DPW	Children and Youth Program
DPW	Child Support Enforcement
DPW	Medical Assistance Transportation Program

Dollar threshold used to distinguish between Type A and Type B programs: \$300,000

Auditee qualified as low-risk auditee?  yes  no

COUNTY OF ADAMS  
SCHEDULE OF FINDINGS AND QUESTIONED COSTS (CONTINUED)  
FOR THE YEAR ENDED DECEMBER 31, 2011

Section II - Financial Statement Findings

Finding Summary

The following is a summary of the Financial Statement Findings.

Finding 11-01:

Accounting Records

Criteria:

The accounts of the County should include all significant transactions in the period of benefit.

Condition:

During the audit, certain audit adjustments were required to record additional receivables/revenues and to reverse prior year accruals after the County's year-end close of the accounting records.

Cause:

Transactions were not recorded in the period of benefit.

Effect:

The financial records did not reflect the correct financial activity of the period which would result in a material misstatement of the financial statements.

Questioned Costs:

None.

Recommendation:

The County should ensure that internal control procedures over financial reporting are sufficient to identify and record all material adjustments.

Management's Response:

The County will ensure that internal control procedures over financial reporting are implemented to identify and record all material adjustments.

COUNTY OF ADAMS  
SCHEDULE OF FINDINGS AND QUESTIONED COSTS (CONTINUED)  
FOR THE YEAR ENDED DECEMBER 31, 2011

The following findings in this section are presented in detail in Section III-Federal and Pennsylvania Department of Public Welfare Awards' and Questioned Costs.

<u>Finding Reference</u>	<u>Finding Summary</u>
11-03	Title IV-E Foster Care and Title IV-E Adoption Assistance – Special Tests and Provisions R3 Subrecipient Monitoring
11-05	Highway Planning and Construction – Procurement, Suspension and Debarment
11-06	Adoption Assistance and Foster Care Title IV-E - Reporting

Section III - Federal and Pennsylvania Department of Public Welfare Awards Findings and Questioned Costs

<u>Finding 11-02:</u>	<u>Eligibility</u>
	CFDA #93.659 Adoption Assistance Title IV-E PA Department of Public Welfare - Children and Youth Program
Criteria:	OMB A-133 and the Pennsylvania Department of Public Welfare ("DPW") require that the Children and Youth program contain necessary case file information for the respective participants.
Condition:	During our audit testing, we noted that for 1 of the 9 adoption assistance case files tested the annual eligibility form was not in the respective case file.
Cause:	The annual eligibility form was misplace and therefore not included in the child's case file.
Effect:	The County is not in compliance with Federal and DPW eligibility requirements.
Questioned Costs:	The amount of questioned costs, if any, is undeterminable.
Recommendation:	The County should follow their internal control procedures to ensure all necessary case file information is obtained.
Management's Response:	The Children and Youth Program will implement the appropriate procedures to ensure all required forms are placed in each perspective case file.

COUNTY OF ADAMS  
 SCHEDULE OF FINDINGS AND QUESTIONED COSTS (CONTINUED)  
 FOR THE YEAR ENDED DECEMBER 31, 2011

Section III – Federal and Pennsylvania Department of Public Welfare Awards Findings and Questioned Costs (Continued)

<u>Finding 11-03:</u>	<u>Special Tests and Provisions R3 Subrecipient Monitoring</u>
	CFDA #93.658 Foster Care Title IV-E - ARRA PA Department of Public Welfare - Children and Youth Program
Criteria:	Pursuant to Office of Management and Budget Circular A-133 the County is required at the time of award to 1) separately identify to each subrecipient, and document at the time of the subaward and disbursement of funds, the Federal award number, CFDA number, and the amount of ARRA funds; and (2) require their subrecipient to provide similar identification in their SEFA and the data collection form.
Condition:	The County did not inform its subrecipients of the amount of ARRA funding disbursed to them.
Cause:	The County has not implemented adequate subrecipient monitoring procedures to ensure subrecipient are notified of the amount of ARRA funding disbursed to them.
Effect:	The County is not in compliance with the requirements of Special Tests and Provisions R3 Subrecipient Monitoring and there are no internal control procedures in place for this requirement.
Questioned Costs:	None.
Recommendation:	The County should implement procedures to ensure that subrecipients are notified of the amount of ARRA funds they received.
Management's Response:	The County will implement procedures to ensure that subrecipients are notified of the amount of ARRA funds received.

COUNTY OF ADAMS  
SCHEDULE OF FINDINGS AND QUESTIONED COSTS (CONTINUED)  
FOR THE YEAR ENDED DECEMBER 31, 2011

Section III – Federal and Pennsylvania Department of Public Welfare Awards Findings and Questioned Costs (Continued)

<u>Finding 11-04:</u>	<u>Special Tests and Provisions R1 Separate Accountability for ARRA Funding</u>  CFDA #93.658 Foster Care Title IV-E - ARRA CFDA #93.659 Adoption Assistance Title IV-E – ARRA PA Department of Public Welfare - Children and Youth Program
Criteria:	Pursuant to Office of Management and Budget Circular A-133 in 2 CFR section 176.210, the County must maintain records that adequately identify the source and application of ARRA awards.
Condition:	During our audit testing, we noted that ARRA revenues and expenditures were not separately identified on the County's General Ledger.
Cause:	The Children and Youth Program did not record ARRA revenues and expenditures separately on the general ledger.
Effect:	The County is not in compliance with the requirements of Special Tests and Provisions R1 Separate Accountability for ARRA Funding and there are no internal control procedures in place for this requirement.
Questioned Costs:	None.
Recommendation:	The County should implement procedures to separately identify ARRA revenues and expenditures separately on the County's general ledger.
Management's Response:	The County will implement procedures to separately identify ARRA revenues and expenditures separately on the County's General Ledger.

COUNTY OF ADAMS  
 SCHEDULE OF FINDINGS AND QUESTIONED COSTS (CONTINUED)  
 FOR THE YEAR ENDED DECEMBER 31, 2011

Section III – Federal and Pennsylvania Department of Public Welfare Awards Findings and Questioned Costs (Continued)

<u>Finding 11-05:</u>	<u>Procurement, Suspension, and Debarment</u>
	CFDA #20.205 Highway Planning and Construction
Criteria:	OMB Circular A-133 requires the county to not contract with providers of service that are suspended or debarred.
Condition:	As a result of our testing, we noted that 2 out of the 4 provider contracts selected testing for the program did not contain a suspension/debarment clause nor was the county able to provide documentation to confirm that the county ensured that the provider was not suspended or debarred prior to contracting with the provider.
Cause:	The County did not have proper controls in place to ensure that the provider of service was not suspended or debarred prior to contracting with the provider.
Effect:	The County is not in compliance with OMB Circular A-133 Compliance Requirements over Procurement, Suspension, and Debarment and the internal controls are not operating effectively. However, we viewed the government's website noting that the providers were not on the list of suspended/debarred contractors.
Questioned Costs:	None
Recommendation:	The County should include a clause in their contracts with providers to ensure that all providers receiving funds certify that they are not suspended or debarred.
Management's Response:	The County will include a clause in their contracts with providers to ensure that all providers receiving funds certify that they are not suspended or debarred.

COUNTY OF ADAMS  
 SCHEDULE OF FINDINGS AND QUESTIONED COSTS (CONTINUED)  
 FOR THE YEAR ENDED DECEMBER 31, 2011

Section III – Federal and Pennsylvania Department of Public Welfare Awards Findings and Questioned Costs (Continued)

Finding 11-06

Reporting

CFDA #93.658 Foster Care Title IV-E  
 CFDA #93.659 Adoption Assistance Title IV-E  
 PA Department of Public Welfare - Children and Youth Program

**Criteria:** Pursuant to Office of Management and Budget Circular A-133, and Pennsylvania Department of Public Welfare Single Audit Supplement, the County is required to ensure all reports filed with granting agencies accurately reflect the program's revenues and expenditures recorded on the County's General Ledger.

**Condition:** As a result of our testing of reporting requirements, we noted the expenditure reports for the County's Children and Youth Department did not agree to the revenues and expenditures recorded on the County's General ledger.

**Cause:** The Children & Youth Program did not prepare a written reconciliation of revenues and expenditures per their report to the revenues and expenditures recorded on the County's General Ledger.

**Effect:** The Children & Youth Program is not in compliance with OMB A-133 and the Pennsylvania Department of Public Welfare Single Audit Supplement reporting requirements.

**Questioned Costs:** The amount of questioned costs, if any, is undeterminable.

**Recommendation:** The County should implement procedures to ensure that all filed reports are reconciled to the County's General Ledger prior to submission.

**Management's Response:** The County will implement reconciliation procedures to ensure revenues and expenditures from the general ledger equal the expenditure reports from The Children and Youth program.

COUNTY OF ADAMS  
SUMMARY SCHEDULE OF PRIOR AUDIT FINDINGS  
FOR THE YEAR ENDED DECEMBER 31, 2011

The summary which follows indicates the current year status of findings identified in the prior year single audit report.

<u>County Program</u>	<u>Prior Year Finding</u>	<u>Brief Description of Finding</u>	<u>Current Year Status</u>
None	10-01	Accounting Records	See current year finding 11-01
Green Acres	10-02	Cash Disbursements	Resolved
Green Acres	10-03	Cash Receipts	Resolved
Green Acres	10-04	Accounts Receivable	Resolved
Medical Assistance Transportation Program	10-05	Procurement, Suspension, and Debarment	Resolved
Medical Assistance Transportation Program	10-06	Drug Free Workplace Act	Resolved
Medical Assistance Transportation Program	10-07	Subrecipient Monitoring	Resolved
Foster Care Title IV-E and Adoption Assistance Title IV-E	10-8 & 10- 09	Special Tests and Provisions for Awards with American Recovery and ARRA Funding	See current year findings 11-03 & 11-04