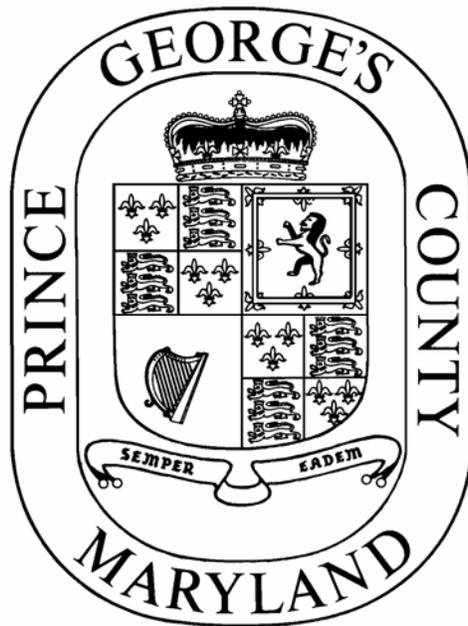


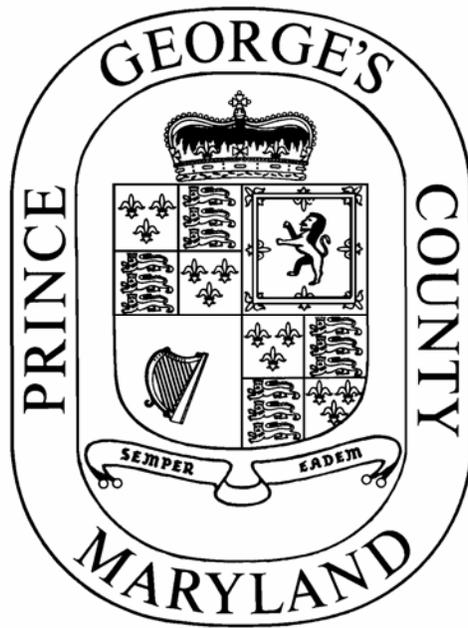
**PRINCE GEORGE'S COUNTY,
MARYLAND**



**AUDIT OF FEDERAL AWARD
PROGRAMS
(SINGLE AUDIT)**

For the Year Ended June 30, 2009

PRINCE GEORGE'S COUNTY, MARYLAND



Audit of Federal Award Programs
(Single Audit)

For the Year Ended June 30, 2009

PRINCE GEORGE’S COUNTY, MARYLAND
AUDIT OF FEDERAL AWARD PROGRAMS
YEAR ENDED JUNE 30, 2009

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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***

The Honorable County Council
Prince George's County, Maryland

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 Prince George's County, Maryland (the County) as of and for the year ended June 30, 2009 (collectively referred to as the "basic financial statements"), and have issued our report thereon dated December 3, 2009. Our report was modified to include a reference to other auditors. We conducted our audit of the basic financial statements 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. Other auditors audited the financial statements of the Board of Education of Prince George's County, Maryland; the Prince George's County Memorial Library System; Prince George's Community College; and Prince George's Community Television Inc., as described in our report on the County's basic 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.

Internal Control Over Financial Reporting

In planning and performing our audit, we considered the County's internal control over financial reporting as a basis for designing our auditing procedures for the purpose of expressing our opinions on the basic financial statements, but not for the purpose of expressing an opinion on the effectiveness of the County's internal control over financial reporting. Accordingly, we do not express an opinion on the effectiveness of the County's internal control over financial reporting.

A control deficiency 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 misstatements on a timely basis. A significant deficiency is a control deficiency, or combination of control deficiencies, that adversely affects the entity's ability to initiate, authorize, record, process, or report financial data reliably in accordance with generally accepted accounting principles such that there is more than a remote likelihood that a misstatement of the entity's financial statements that is more than inconsequential will not be prevented or detected by the entity's internal control.

A material weakness is a significant deficiency, or combination of significant deficiencies, that results in more than a remote likelihood that a material misstatement of the financial statements will not be prevented or detected by the entity's internal control.

Our consideration of internal control over financial reporting was for the limited purpose described in the first paragraph of this section and would not necessarily identify all deficiencies in internal control that might be significant deficiencies or material weaknesses. We did not identify any deficiencies in internal control over financial reporting that we consider to be material weaknesses, as defined above.

Compliance and Other Matters

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

We noted certain matters that we reported to management of the County in a separate letter dated December 3, 2009.

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

Washington, D.C.
December 3, 2009

Thompson, Cobb, Bazilio & Associates, PC

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**INDEPENDENT AUDITOR'S REPORT ON COMPLIANCE WITH REQUIREMENTS
APPLICABLE TO EACH MAJOR PROGRAM AND ON INTERNAL CONTROL
OVER COMPLIANCE IN ACCORDANCE WITH OMB CIRCULAR A-133**

The Honorable County Council
Prince George's County, Maryland

Compliance

We have audited the compliance of Prince George's County, Maryland (the County) with the types of compliance requirements described in the U.S. Office of Management and Budget (OMB) Circular A-133, *Compliance Supplement* that are applicable to each of its major federal programs for the year ended June 30, 2009. 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*. Compliance with the requirements of laws, regulations, contracts, and grants applicable to each of its major federal programs is the responsibility of the County's management. Our responsibility is to express an opinion on the County's 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*. Those standards and OMB Circular A-133 require that we plan and perform the audit to obtain reasonable assurance about whether noncompliance with the types of compliance requirements referred to above that could have a direct and material effect on a major federal program occurred. An audit includes examining, on a test basis, evidence about the County's compliance with those requirements and performing such other procedures as we considered necessary in the circumstances. We believe that our audit provides a reasonable basis for our opinion. Our audit does not provide a legal determination of the County's compliance with those requirements.

As described below and in the accompanying *Schedule of Findings and Questioned Costs*, the County did not comply with certain requirements applicable to certain major federal programs. Compliance with such requirements is necessary, in our opinion, for the County to comply with the requirements applicable to the identified major programs. The following are compliance requirements, by program, that the County did not comply with:

<u>Finding No.</u>	<u>Program</u>	<u>Compliance Requirement</u>
2009-2	Special Program for the Aging	Eligibility
2009-4	HIV Emergency Relief Project Grant/Ryan White Care	Reporting
2009-7	Substance Abuse Prevention and Treatment Block Grant	Sub-recipient Monitoring
2009-10	HOME Improvement Partnerships Program	Special Tests and Provision
2009-11	HOME Improvement Partnerships Program	Special Tests and Provision

In our opinion, except for the noncompliance described in the preceding paragraph, the County complied, in all material respects, with the requirements referred to above that are applicable to each of its major federal programs for the year ended June 30, 2009.

The results of our auditing procedures also disclosed other instances of noncompliance with those requirements that are required to be reported in accordance with OMB Circular A-133 and which are described in the accompanying *Schedule of Findings and Questioned Costs* as items 2009-1, 2009-3, 2009-5, 2009-6, 2009-8 and 2009-9.

Internal Control Over Compliance

The management of the County is responsible for establishing and maintaining effective internal control over compliance with the requirements of laws, regulations, contracts, and grants applicable to federal programs. In planning and performing our audit, we considered the County's internal control over compliance with the requirements that could have a direct and material effect on a major federal program in order to determine our auditing procedures for the purpose of expressing our opinion on compliance, 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.

Our consideration of internal control over compliance was for the limited purpose described in the preceding paragraph and would not necessarily identify all deficiencies in the County's internal control that might be significant deficiencies or material weaknesses as defined below. However, as discussed below, we identified certain deficiencies in internal control over compliance that we consider to be significant deficiencies.

A control deficiency in an entity's internal control over compliance 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 noncompliance with a type of compliance requirement of a federal program on a timely basis. A significant deficiency is a control deficiency, or combination of control deficiencies, that adversely affects the entity's ability to administer a federal program such that there is more than a remote likelihood that noncompliance with a type of compliance requirement of a federal program that is more than inconsequential will not be prevented or detected by the entity's internal control. We consider the deficiencies in internal control over compliance described in the accompanying *Schedule of Findings and Questioned Costs* as items 2009-2, 2009-4, 2009-7, 2009-10 and 2009-11 to be significant deficiencies.

A material weakness is a significant deficiency, or combination of significant deficiencies, that results in more than a remote likelihood that material noncompliance with a type of compliance requirement of a federal program will not be prevented or detected by the entity's internal control. We did not consider any of the deficiencies described in the accompanying *Schedule of Findings and Questioned Costs* to be material weaknesses.

Schedule of Expenditures of Federal Awards

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 June 30, 2009, which collectively comprise the County's basic financial statements and have issued our report thereon dated December 3, 2009. Our report was modified to include a reference to other auditors. Our audit was performed for the purpose of forming our opinions on the financial statements taken as a whole. The accompanying schedule of expenditures of federal awards is presented for purposes of additional analysis as required by OMB

Circular A-133 and is not a required part of the basic financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and, in our opinion, is fairly stated, in all material respects, in relation to the basic financial statements taken as a whole.

The County'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's response and, accordingly, we express no opinion on it.

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

Washington D.C.
March 19, 2010

Thompson, Cobb, Bazilio & Associates, PC

PRINCE GEORGE'S COUNTY, MARYLAND
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
YEAR ENDED JUNE 30, 2009

<u>Federal Department/Pass-through Entity/Program Title</u>	<u>Federal CFDA Number</u>	<u>Federal Expenditures</u>
U.S. DEPARTMENT OF AGRICULTURE (USDA)		
Pass-through payments:		
Emergency Food Assistance Cluster:		
Maryland State Department of Education:		
Emergency Food Assistance	10.568	\$ 68,554
Maryland Department of Human Resources:		
Food and Nutrition Service - Food Donation	10.569	237,234
Subtotal		<u>305,788</u>
Maryland Department of Health and Mental Hygiene:		
Special Supplemental Food Program for Women, Infants, and Children	10.557	20,740,401
Child and Adult Care Food Program	10.558	52,969
Maryland State Department of Education:		
Summer Food Service Program for Children	10.559	272,467
TOTAL U.S. DEPARTMENT OF AGRICULTURE		<u>\$ 21,371,625</u>
U.S. DEPARTMENT OF COMMERCE (DOC)		
Maryland Emergency Management Agency:		
Public Safety Inoperable Communications Grant	11.555	\$ 1,294,310
TOTAL U.S. DEPARTMENT OF COMMERCE		<u>\$ 1,294,310</u>
U.S. DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT (HUD)		
Direct payments:		
Community Development Block Grant (CDBG)	14.218	\$ 7,169,608
Emergency Shelter Grant Program (ESG)	14.231	226,773
Supportive Housing Program	14.235	1,884,889
Shelter Plus Care	14.238	424,249
HOME Investment Partnerships (HOME) Program	14.239	2,107,901
Economic Development Initiative	14.246	711,898
TOTAL U.S. DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT		<u>\$ 12,525,318</u>
FEDERAL BUREAU OF INVESTIGATION (FBI)		
Direct payments:		
Violent Crimes Task Force	16.xxx	\$ 31,711
TOTAL FEDERAL BUREAU OF INVESTIGATION		<u>\$ 31,711</u>
BUREAU of ALCOHOL, TOBACCO AND FIREARMS (ATF)		
Direct payments:		
Regional Gang Initiative	16.580	\$ 5,357
TOTAL BUREAU OF ALCOHOL, TOBACCO AND FIREARMS		<u>\$ 5,357</u>
U.S. DEPARTMENT OF JUSTICE (DOJ)		
Direct payments:		
Office of Justice Programs:		
Metro Area Task Force	16.560	\$ 41,647
Organized Crime Drug Enforcement Task Force	16.560	57,566
DNA Backlog Reduction	16.560	9,762
DNA Capacity Enhancement	16.741	201,781
Prisoner Re-entry	16.580	62,813
Firearms Reduction	16.580	35,000
Subtotal		<u>408,569</u>

The accompanying notes are an integral part of this schedule.

PRINCE GEORGE'S COUNTY, MARYLAND
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
YEAR ENDED JUNE 30, 2009

<u>Federal Department/Pass-through Entity/Program Title</u>	<u>Federal CFDA Number</u>	<u>Federal Expenditures</u>
U.S. DEPARTMENT OF JUSTICE (DOJ) (Continued)		
Domestic Violence-Response Team	16.590	38,798
Project Safe Neighborhood MD Exile	16.609	27,999
Bryne Memorial Justice Assistance	16.738	308,544
Project Safe Neighborhoods Anti-Gang	16.744	48,405
Total direct payments		<u>832,315</u>
Pass-through payments:		
University of Maryland:		
High Intensity Drug Trafficking Area	16.579	138,197
Maryland Crime Control & Prevention:		
DMC Planning and Reduction Program	16.540	63,393
CSAFE-MDA: Communities Initiative	16.579	12,647
Juvenile Drug Court	16.579	2,235
Domestic Violence Intake Advocacy Project	16.588	24,255
Domestic Violence Council Coordinator	16.588	13,057
Stop Violence Program	16.588	99,445
Adult Drug Court	16.588	1,825
Community Conferencing	16.738	35,648
Maryland Department of Human Resources:		
Victims of Crime	16.575	49,151
Montgomery County, Maryland:		
Maryland Regional Gang Initiative	16.580	392,953
Community Oriented Policing Service:		
COPS Technology	16.710	2,024
Total pass-through payments		<u>834,830</u>
TOTAL U.S. DEPARTMENT OF JUSTICE		<u>\$ 1,667,145</u>
U.S. DEPARTMENT OF LABOR (DOL)		
Pass-through payments:		
Senior Service America, Inc.:		
Senior Community Service Employment Program	17.235	\$ 478,388
TOTAL U.S. DEPARTMENT OF LABOR		<u>\$ 478,388</u>
U.S. DEPARTMENT OF TRANSPORTATION (DOT)		
Pass-through payments:		
Maryland Department of Transportation:		
Section 5309-Capital Assistance Program	20.500	\$ 407,410
Highway Planning and Construction - Bridge/Road Repair	20.205	816,659
Federal Transit: Formula Grants - Ride-Sharing	20.507	189,162
Formula Grants for Urbanized Areas	20.509	156,506
TOTAL U.S. DEPARTMENT OF TRANSPORTATION		<u>\$ 1,569,737</u>

The accompanying notes are an integral part of this schedule.

PRINCE GEORGE'S COUNTY, MARYLAND
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
YEAR ENDED JUNE 30, 2009

<u>Federal Department/Pass-through Entity/Program Title</u>	<u>Federal CFDA Number</u>	<u>Federal Expenditures</u>
U.S. DEPARTMENT OF HEALTH AND HUMAN SERVICES (HHS) (Continued)		
Maryland Department of Health and Mental Hygiene:		
Epidemiology TB Grant	93.116	239,916
Path Project	93.150	62,872
AIDS Pediatric	93.153	131,387
Family Planning Services	93.217	398,902
Immunization Grants	93.268	292,773
Centers for Disease Control and Prevention	93.283	1,108,154
Refugee and Entrant Assistance Discretionary Grants	93.576	156,075
Medical Assistance Program	93.778	3,304,963
Ryan White C.A.R.E. - Title II	93.917	1,122,060
HIV Prevention Activities: Health Department Based	93.940	945,706
Block Grants for Community Mental Health Services	93.958	1,350,638
Block Grants for Prevention and Treatment of Substance Abuse	93.959	2,019,908
Preventive Health Services: Sexually Transmitted Diseases Control Grant	93.977	313,983
Diabetes Earmark	93.988	7,000
Preventive Health and Health Services Block Grant	93.991	48,405
Maternal and Child Services Block Grant	93.994	171,232
Maryland Department of Human Resources:		
Child Support Enforcement	93.563	1,561,114
Low Income Home Energy Assistance	93.568	501,440
Healthy Families-Home Visitation/TANF	93.558	159,035
Maryland Institute for Emergency Medical Services Systems:		
Emergency Medical Services	93.889	32,640
District of Columbia Department of Health:		
HIV Emergency Relief Project Grants	93.914	5,989,417
TOTAL U.S. DEPARTMENT OF HEALTH AND HUMAN SERVICES		\$ <u><u>22,091,457</u></u>
CORPORATION FOR NATIONAL AND COMMUNITY SERVICE		
Direct payments:		
Retired and Seniors Volunteer Program	94.002	\$ 90,647
Foster Grandparents Program	94.011	247,997
TOTAL CORPORATION FOR NATIONAL AND COMMUNITY SERVICE		\$ <u><u>338,644</u></u>
U.S. DEPARTMENT OF HOMELAND SECURITY (DHS)		
Direct payments:		
Assistance Prevention	97.044	\$ <u>160,000</u>
Total direct payments		<u>160,000</u>
Pass-through payments:		
Homeland Security Cluster:		
Maryland Emergency Management Agency:		
Homeland Security Grant Program	97.067	61,065
Citizen Corp Mini Grants	97.067	1,500
LETPP	97.067	75,590
Improvised Explosive Mitigation	97.067	10,759
District of Columbia Office of the Deputy Mayor for Public Safety and Justice:		
Urban Area Security Initiatives - WARN	97.067	73,506
Exercise and Training Officer	97.067	119,490
Urban Area Security Initiatives - NIMS	97.067	91,018
Subtotal		<u><u>432,928</u></u>

The accompanying notes are an integral part of this schedule.

PRINCE GEORGE'S COUNTY, MARYLAND
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
YEAR ENDED JUNE 30, 2009

<u>Federal Department/Pass-through Entity/Program Title</u>	<u>Federal CFDA Number</u>	<u>Federal Expenditures</u>
U.S. DEPARTMENT OF HOMELAND SECURITY (DHS) (Continued)		
Maryland Emergency Management Agency:		
Buffer Zone Protection	97.078	100,243
District of Columbia Office of the Deputy Mayor for Public Safety and Justice:		
Urban Area Security Initiatives - Intergration of Communication Tools for EOC's and ECC's	97.008	457,462
5D Volunteer Grant	97.008	29,566
Urban Area Security Initiatives - National Capital Region Patient Tracking	97.008	461,273
Urban Area Security Initiatives - Intergration of Communication Tools	97.008	63,423
NIMS Compliance Officer	97.008	103,244
District of Columbia Homeland Security Emergency Management Agency:		
Emergency Food and Shelter Program Board:		
Emergency Food and Shelter	97.024	192,035
Housing Authority of Prince George's County:		
Disaster Housing Assistance Program	97.109	21,045
TOTAL U.S. DEPARTMENT OF HOMELAND SECURITY		\$ <u>2,021,219</u>
TOTAL ALL FEDERAL AWARDS		\$ <u>64,614,942</u>

The accompanying notes are an integral part of this schedule.

PRINCE GEORGE'S COUNTY, MARYLAND
NOTES TO SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
FOR THE YEAR ENDED JUNE 30, 2009

NOTE 1: SCOPE OF AUDIT PURSUANT TO OMB CIRCULAR A-133

The Schedule of Expenditures of Federal Awards presents the activity of all Federal award programs of Prince George's County, Maryland (the County), as defined in note 1a to the County's basic financial statements. All Federal awards received directly from Federal agencies as well as Federal awards passed through other government agencies or other entities are included in the schedule, except for the outstanding loan balances discussed in note 3(a).

NOTE 2: BASIS OF ACCOUNTING

The accompanying Schedule of Expenditures of Federal Awards is presented using the modified accrual basis of accounting. It includes all Federal awards to the County which had expenditure activity during the year ended June 30, 2009. Several programs are jointly funded by State of Maryland appropriations and Federal awards. The Schedule of Expenditures of Federal Awards reflects only that part of the grant activity funded by Federal awards.

NOTE 3: LOAN PROGRAMS AND NONCASH FEDERAL AWARDS

(a) Loan Programs – U.S. Department of Housing and Urban Development (HUD)

The County administers loans under the HOME Investment Partnerships (HOME) Program and the Section 108 Commercial Building Loan Fund which have continuing compliance requirements, and therefore, are considered to be Federal awards at June 30, 2009. The outstanding balance on the HOME and Section 108 loans at June 30, 2009 is \$5,764,389 and \$6,361,000, respectively. These amounts are excluded from the accompanying Schedule of Expenditures of Federal Awards.

(b) Food Vouchers – U.S. Department of Agriculture (USDA)

The Special Supplemental Food Program for Women, Infants and Children (WIC) is a State of Maryland administered program that uses local governments to assist in screening participant eligibility and distribution of WIC vouchers. Distributed WIC vouchers are issued, controlled, collected, valued, audited, and canceled by the State of Maryland. State of Maryland representatives confirmed that the value of WIC vouchers redeemed by Maryland residents living in Prince George's County, Maryland totaled \$18,805,962 for fiscal year 2009. These amounts are included in the Schedule of Expenditures of Federal Awards.

PRINCE GEORGE'S COUNTY, MARYLAND
NOTES TO THE SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
YEAR ENDED JUNE 30, 2009

NOTE 3: LOAN PROGRAMS AND NONCASH FEDERAL AWARDS (Continued)

(c) Food Commodities - USDA

During fiscal year 2009, the County received \$237,234 in surplus food from the Federal government. This amount is included in the Schedule of Expenditures of Federal Awards.

NOTE 4: SUBRECIPIENTS

Of the federal expenditures presented in the Schedule of Expenditures of Federal Awards, the County provided federal awards to subrecipients as follows:

<u>CFDA#</u>	<u>Grant Program</u>	<u>Amounts provided to Subrecipients</u>
14.218	HUD - Community Development Block Grant Program	\$ 5,364,159
14.231	HUD - Emergency Shelter Grant Program	224,882
84.027	DOE - Special Education Grants to States Part B	91,290
84.173	DOE - Special Education Grants to States Part B 619	4,500
84.181	DOE - Special Education: Grants for Infants and Families with Disabilities	23,321
93.044	HHS - Title III, Part B - Grants for Supportive Services and Senior Centers	47,880
93.914	HHS - HIV Emergency Relief Project Grants	5,632,418
93.958	HHS - Block Grants for Community Mental Health Services	1,307,849
		<u>\$ 12,696,299</u>

**PRINCE GEORGE'S COUNTY, MARYLAND
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
YEAR ENDED JUNE 30, 2009**

I. Summary of Auditor's Results

Financial Statements

The type of auditor's report issued on the financial statements: Unqualified Opinion

Internal Control Over Financial Reporting

- Material weaknesses identified: No
- Significant deficiencies identified that are not considered to be material weaknesses: None reported

Noncompliance material to the financial statements noted: No

Federal Awards

The type of auditor's report issued on compliance for major programs: Qualified opinion

Internal control over major programs

- Material weaknesses identified: No
- Significant deficiencies identified that are not considered to be material weaknesses: Yes

Any audit findings disclosed that are required to be reported in accordance with Section 510(a) of OMB Circular A-133: Yes

The major programs are as follows:

<u>Program</u>	<u>CFDA No.</u>
USDA - Special Supplemental Food Program for Women, Infants and Children	10.557
HUD - Community Development Block Grant	14.218
HUD - HOME Investment Partnerships Program	14.239
HHS - Aging Cluster	93.044/93.045
HHS - Medical Assistance Program	93.778
HHS - HIV Emergency Relief Project Grants	93.914
HHS - Block Grants for Prevention and Treatment of Substance Abuse	93.959

Dollar threshold used to distinguish between Type A and Type B programs: \$1,938,448

The County did not qualify as a low-risk auditee under Section 530 of OMB Circular A-133.

II. Financial Statement Findings

None

**PRINCE GEORGE'S COUNTY, MARYLAND
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
YEAR ENDED JUNE 30, 2009**

III. Federal Award Findings and Questioned Costs

<u>No.</u>	<u>Program</u>	<u>Findings/Noncompliance</u>	<u>Questioned Costs</u>
2009-1	Medical Assistance Program	Eligibility	None

Condition

Certain individuals receiving transportation assistance for medical services may not be eligible and certain transportation services were not necessary. For example, there was no physician certification for transportation on file for twenty-eight of the forty recipients tested for eligibility. Also, five of the forty recipients tested for eligibility obtained transportation services which were unnecessary as these individuals lived within three quarters of a mile from the nearest fixed route stop.

Criteria

A physician certification for transportation is necessary for the recipient to receive transportation services for needed medical care. Also, the Maryland Medical Assistance Program Guide to the medical transportation program indicates that recipients whose home and provider are within three quarters of a mile of the nearest fixed route stop, and who have no medical reasons why such transportation cannot be used, are expected to use public transportation.

Effect

The program may be made available to non-eligible recipients of transportation services.

Cause

Due to inadequate staffing, the County failed to consistently perform the verification of physicians' recommendations regarding special medical transportation. Also, operators did not adequately screen participants due to the high volume of calls that are processed each day.

Recommendation

We recommend that the County ensure that individuals requiring special medical transportation are adequately screened and the service is necessary in accordance with the Maryland Medical Assistance Program Guide. The County should ensure that the required documentation, such as, a physician certification, is maintained to substantiate eligibility.

Views of Responsible Official

The Health Department has purchased software that should assist with real-time eligibility verification. This should ensure that participants use the most effective mode of transportation. COMAR 10.09.1 does not refer to special transportation and 10.09.19.05 Limitation: (reasons for denying medical assistance trips) does not cite the inability of clients to secure auxiliary data, specifically "Physician Certification" as a reason for trip denial. Trips are provided based upon the medical conditions and/or nature of visits or release. Physician Certification is not one of the criteria for denying trips to our clients. However, it remains a major bottleneck for programs statewide. This decision is weighed against clients' needs for critical medical treatment. Despite the yearly campaign aimed at enforcement, it is difficult to get the Primary Providers to complete this form. The program has now employed an RN who is working with doctors' offices to secure appropriate physician recommendations.

**PRINCE GEORGE'S COUNTY, MARYLAND
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
YEAR ENDED JUNE 30, 2009**

I. III. Federal Award Findings and Questioned Costs (Continued)

<u>No.</u>	<u>Program</u>	<u>Findings/Control Deficiency</u>	<u>Questioned Costs</u>
2009- 2	Special Programs for the Aging	Eligibility	None

Condition

The approval of sub-recipient grant awards was not performed in a timely manner. For example, contracts were approved twenty-eight days before the end of the contract term for two of the three sub-recipients grants reviewed. Also, modifications of certain grant agreements were performed forty-one days after the contract expired.

Criteria

Approved contracts ensure compliance with the requirements of the Federal regulations and the jurisdiction. Also, before disbursing funds to sub-recipients, participating jurisdiction should enter into a written agreement with the sub-recipient.

Effect

The implementation of the programs for the aging may be delayed and contractors may not be held liable for breach of contract. Also, the program monitors may not be able to perform their function within the grant period, and sub-recipients may bill the County for services performed without a contract.

Cause

The documents were submitted to the Office of Law for review by the Department three months prior to the end of the grant period. Also, the Department's final approval was done several months after the completion of the Office of Law review.

Recommendation

We recommend that the County implement procedures to ensure that the grant approval process is initiated timely, the required documents are promptly submitted for review, and the required approvals are done timely.

Views of Responsible Official

The Department of Family Services met with our County's Office of Law to streamline the contracts development and review process, in an effort to ensure completion of agreements in a timely fashion.

**PRINCE GEORGE'S COUNTY, MARYLAND
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
YEAR ENDED JUNE 30, 2009**

III. Federal Award Findings and Questioned Costs (Continued)

<u>No.</u>	<u>Program</u>	<u>Findings/Control Deficiency</u>	<u>Questioned Costs</u>
2009-3	HIV Emergency Relief Project Grant/Ryan White Care	Eligibility	None

Condition

Three sub-recipients contracts that were reviewed for eligibility were approved several months after the commencement of the grant period. For example, although the sub-recipients submitted the required documents timely, as required by the Request for Application (RFA), one contract was approved in August and the other two contracts were approved in September. The grant period for the HIV Program commences on March 1st of each year.

Criteria

The grant agreement with the District of Columbia, Department of Health requires the Administrative Agent (the County) to ensure that all sub-recipients have a signed grant agreement for service provisions which should address specific client targets for each service category awarded. Although the agreement does not have a deadline by when the sub-recipient contracts should be signed, it is imperative that the grant agreements with the sub-recipients/service providers be signed either before the start of the grant period or as soon as the grant period begins.

Effect

When contracts are approved very late in the grant year, disbursements to sub-recipients may not be made timely. Therefore, the service providers may experience liquidity problems and this may impact the ability of the service providers to continue to serve the potential recipients. Also, grant objectives may not be achieved when contracts are approved late into the grant year.

Cause

The County did not always ensure that sub-recipient contracts are submitted for review timely. Also, the review process sometimes causes delay.

Recommendation

We recommend that the County review the process required for the preparation and approval of grants and contracts. Also, the County should ensure that timely planning is undertaken and adequate lead time be implemented to ensure that contracts with sub-recipients are approved timely.

Views of Responsible Official

The Health Department will continue to work with The District of Columbia Department of Health to receive the Intergovernmental Agreement so that related subrecipient awards can be executed prior to the grant start date.

PRINCE GEORGE'S COUNTY, MARYLAND
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
YEAR ENDED JUNE 30, 2009

III. Federal Award Findings and Questioned Costs (Continued)

<u>No.</u>	<u>Program</u>	<u>Findings/Control Deficiency</u>	<u>Questioned Costs</u>
2009-4	HIV Emergency Relief Project Grant/Ryan White Care	Reporting	None

Condition

The Administrative Agency (the County) did not submit timely, monthly invoices, narrative reports, and quarterly reports to the District of Columbia, Department of Health. For example, all four monthly fiscal narrative reports selected for testing were submitted 19 to 23 days after the due date. Also, all four monthly invoice/expenditure reimbursement requests reviewed were submitted 23 to 84 days after the due date. Additionally, the two quarterly reports reviewed were submitted 37 to 45 days after the due date.

Criteria

The agreement requires the County to submit monthly, quarterly, and close-out reports within the specified period in the grant agreement.

Effect

Untimely submission of reports may lead to ineffective management decisions and the cessation of future funding. Also, the County's cash flows and opportunity costs associated with cash balances may be negatively impacted by the untimely submission of reimbursement requests.

Cause

The reports from sub-recipients/service providers were not received timely and as a result, this caused the delay in the preparation and submission of the reports.

Recommendation

We recommend that the County ensure the timely submission of monthly invoices, narrative reports, and quarterly reports. The County should implement new procedures to ensure the effective monitoring of sub-recipients' reporting requirements.

Views of Responsible Official

The Health Department will start sending reminder notices to subrecipients; continue to transmit electronic delinquency notices; begin contacting subrecipients by telephone after transmitting the second delinquency notice; and enforce the current policy of withholding reimbursement until required reports are submitted.

**PRINCE GEORGE'S COUNTY, MARYLAND
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
YEAR ENDED JUNE 30, 2009**

III. Federal Award Findings and Questioned Costs (Continued)

<u>No.</u>	<u>Program</u>	<u>Findings/Noncompliance/Control Deficiency</u>	<u>Questioned Costs</u>
2009-5	Special Supplemental Nutrition Program for Women, Infants, and Children (WIC)	Reporting	None

Condition

Of the two quarterly financial reports (DHMH 438) and closing financial report (DHMH 440) examined, there was no evidence that one of the quarterly reports (DHMH 438) was reviewed. Additionally, one quarterly financial report (DHMH 438) and the closing financial report (DHMH 440) were submitted 18 days after the due date.

Criteria

Reports should be reviewed and approved by appropriate personnel for completeness and accuracy. The grant agreement requires submission of interim and closing reports on the designated due dates, which are, 30 and 45 days after the end of the periods, respectively.

Effect

The quarterly reports submitted to the State may contain inaccurate and/or incomplete information. Also, since quarterly financial reports are also submitted as invoices, the County may not be receiving reimbursement for expenditures in a timely manner.

Cause

The County did not designate personnel to perform the review. Also, personnel responsible for preparing and submitting reports overlooked the due dates.

Recommendation

We recommend that the County designate persons to review reports submitted to the State. The preparer and reviewer should also be mindful of the due dates to ensure compliance with the reporting requirement of the grant.

Views of Responsible Official

Based on an audit finding issued toward the end of the program year under audit, all reports were signed/approved on the actual quarterly report documents. The final quarterly report and the closing financial report could not be completed until the County's final June 2009 General Ledger reports had been run and received. The Health Department did not receive the final June 2009 County General Ledger reports until August 23, 2009; after the closing report's due date of August 15, 2009. The previous month's reports are typically not available until the 2nd or 3rd week of the current month. A request for extension of the reports' due date was made to the State but was not granted. Upon receipt of the County's General Ledger reports, the WIC closing report was prepared and approved by August 31, 2009. The completed report was sent to the State on September 1, 2009.

**PRINCE GEORGE'S COUNTY, MARYLAND
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
YEAR ENDED JUNE 30, 2009**

III. Federal Award Findings and Questioned Costs (Continued)

<u>No.</u>	<u>Program</u>	<u>Findings/Noncompliance</u>	<u>Questioned Costs</u>
2009-6	Substance Abuse Prevention and Treatment Block Grant (SAPT)	Reporting	None

Condition

Interim financial reports (DHMH 438) and closing reports (DHMH 440) were submitted to the State Department of Health and Mental Hygiene 23 to 62 days after the due date.

Criteria

The grant agreement requires submission of interim and closing reports on the designated due dates, which are, 30 and 45 days after the end of the periods, respectively.

Effect

Late submission of reports prevents the County from getting timely reimbursements of program expenditures, and may affect the efficient and effective operations of the program. The delay in submission of the required reports may also lead to reductions in future funding.

Cause

Reports were submitted late because the inputs required, such as the general ledger reports, were received late. It is customary for the general ledger reports to be processed the 3rd week of each month. Also, reports were submitted late because of staff illness.

Recommendation

We recommend that the County review and adjust its internal reporting schedule, in order to ensure that information required to prepare compliance reports is received timely. County departments should improve its monitoring and communication of the compliance reporting requirement with other departments. Also, the County should designate other personnel to complete tasks during emergencies.

Views of Responsible Official

Interim financial reports (DHMH 438) and closing reports (DHMH 440) are usually submitted to the State Department of Health and Mental Hygiene (DHMH) during the requested timeframe. The general ledger reports used to prepare the DHMH financial reports are generally run during the 3rd week of each month. Therefore, the Health Department can only submit the financial reports once the staff receive and review the County's general ledger reports for accuracy.

The closing report (DHMH 440) for fiscal year 2009 was submitted late due to staff illnesses. The Budget Analyst for the program contacted the State notifying the required parties that the required closing report would be late.

PRINCE GEORGE'S COUNTY, MARYLAND
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
YEAR ENDED JUNE 30, 2009

III. Federal Award Findings and Questioned Costs (Continued)

<u>No.</u>	<u>Program</u>	<u>Findings/Noncompliance</u>	<u>Questioned Costs</u>
2009-7	Substance Abuse Prevention and Treatment Block Grant (SAPT)	Sub-recipient Monitoring	None

Condition

Sub-recipients were not sufficiently monitored through reporting and site visits. For example, only one site visit was conducted for two of the five sub-recipients selected for testing. Additionally, one of the five sub-recipients selected for testing and expending over \$500,000 of grant funds did not submit its single audit report, which was a requirement of the sub-recipient contract.

Criteria

Laws, regulations, and the provisions of contracts or grant agreements requires monitoring of sub-recipient's use of Federal awards through reporting, site visits, regular contact, or other means in order to provide reasonable assurance that the sub-recipient administers Federal awards and that performance goals are achieved.

Effect

Lack of sub-recipient monitoring may lead to sub-recipients not meeting their performance goals which could jeopardize future grant funding.

Cause

The County did not consistently conduct site visits due to inadequate staff. The County explained that site visits were focused on riskier areas; therefore, those considered less risky were monitored less frequently. Also, the County explained that grant funds remitted to the sub-recipient not submitting the single audit report, were a combination of State and Federal funding. The County did not account for Federal funds separately.

Recommendation

We recommend that the County review the adequacy of program staff to ensure compliance with the monitoring requirements of federal awards. The County should review its site visit plan and ensure that this is congruent with the compliance requirements. We also recommend that the County obtain single audit reports for sub-recipients expending \$500,000 or more grant awards.

Views of Responsible Official

Based on an audit finding issued toward the end of the program year under audit, Addictions Treatment Network staff (the Health Department) initiated quarterly site visits for Reality, Inc., which serves Prince George's County exclusively, and bi-annual site visits for all other adult residential treatment sub-recipients, each of which serves multiple counties, during the first quarter of fiscal year 2010. A form provided by the Maryland Alcohol and Drug Abuse Administration is utilized for these site visits to corroborate the information presented in monthly reports, and to assess the ongoing operations of the residential treatment providers. Previously, sub-recipient site visits were completed monthly only for providers of outpatient services. The missing single audit report was obtained by the Health Department in February 2010.

**PRINCE GEORGE'S COUNTY, MARYLAND
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
YEAR ENDED JUNE 30, 2009**

III. Federal Award Findings and Questioned Costs (Continued)

<u>No.</u>	<u>Program</u>	<u>Findings/Noncompliance/Control Deficiency</u>	<u>Questioned Costs</u>
2009-8	Special Programs for the Aging	Reporting	None

Condition

There was no evidence that three monthly meal reports (July and September 2008, and January 2009) and two quarterly nutrition reports (December 2008 and June 2009) were reviewed. Also, one monthly meal report (July 2008) and a quarterly nutrition report (December 2008) were submitted eight and seventeen days after the due dates, respectively.

Criteria

Reports should be reviewed and approved by appropriate personnel to ensure their accuracy and completeness. Also, the County is required to submit programmatic reports to the Maryland Department of Aging on specified due dates.

Effect

The programmatic reports submitted to the grantor may contain inaccurate and incomplete information. A lack of timely submission of reports could result in consequences of reduction of future funding.

Cause

Prior to April 2009, the County did not designate personnel to perform the review. Also, the delay in submission of reports may be due to verifications required, which at times may lead to the return of invoices to the caterers for additional reconciliation.

Recommendation

We note the efforts of the County since April 2009 to designate personnel to review reports. However, we recommend that the County make additional efforts to ensure that all reports are reviewed and submitted timely. The County should implement lead times with caterers and work to ensure the quick resolution of all matters so that reports are submitted timely.

Views of Responsible Official

The Department of Family Services (DFS) formally revised the reports in April 2009 to add signature (reviewer and preparer) lines to clearly document the internal approval and review process. DFS will work to ensure that all reports are submitted by the established deadlines.

PRINCE GEORGE'S COUNTY, MARYLAND
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
YEAR ENDED JUNE 30, 2009

III. Federal Award Findings and Questioned Costs (Continued)

<u>No.</u>	<u>Program</u>	<u>Findings/Noncompliance/Control Deficiency</u>	<u>Questioned Costs</u>
2009-9	HOME Improvement Partnerships (HOME) Program	Special Tests and Provisions	None

Condition

A review of the Integrated Disbursement and Information Systems (IDIS) report number PR02 (IDIS - PR02) as of June 30, 2009 and March 19, 2010, indicates that while the County may have committed funds, there is a significant amount of funds remaining to be expended. The reports indicate that the County has, on average, in excess of \$12 million of funds committed but not expended. The County must expend approximately \$2.7 million by September 30, 2010 or its annual allocations will be reduced. We noted that the annual allocation for fiscal year 2010 was reduced by approximately \$2.2 million because the County failed to expend funds within the stipulated timeframe.

Criteria

Participating jurisdictions have two years to commit funds (including reserving funds for Community Housing Development Organizations) and five years to spend funds.

Effect

The County's annual allocations may be reduced if funds are not expended within the timeframe specified. Also, projects may be cancelled from the IDIS system if there are no draw downs within twelve months of the project set up date.

Cause

The tightening of the credit market and the corresponding reduction in the demand for housing contributed to a reduction in commitments. Also, committed funds were not disbursed timely because projects failed to commence within a reasonable time or because of construction delays.

Recommendation

We note the efforts of the County in monitoring and actively seeking to expend HOME funds. However, we recommend that the County review and strengthen its current practices for monitoring, committing and disbursing HOME funds. The County should review its tracking mechanism, conduct more regular monitoring sessions, and review its program strategy in light of the conditions of the market. Also, where projects did not commence within a reasonable time, these projects should be cancelled.

Views of Responsible Official

Improved communication has enabled the Department of Housing and Community Development to be aware of the status of HOME funding in IDIS. There is improved monitoring of projects and follow-up of expiring commitments/agreements. Better monitoring of projects enables staff to determine whether extensions should be granted or funds reallocated for each project. Status of funds reports and disbursement projections are reviewed on a monthly basis. Current projections indicate that the \$2.7 million will be disbursed before September 30, 2010.

**PRINCE GEORGE'S COUNTY, MARYLAND
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
YEAR ENDED JUNE 30, 2009**

III. Federal Award Findings and Questioned Costs (Continued)

<u>No.</u>	<u>Program</u>	<u>Findings/Noncompliance/Control Deficiency</u>	<u>Questioned Costs</u>
2009-10	HOME Improvement Partnerships (HOME) Program	Special Tests and Provision	None

Condition

There was inadequate evidence that the HOME Program awards were evaluated in accordance with the maximum per unit subsidy guidelines. For example, of the two project files reviewed, there was no documentation of the required evaluation of the maximum per unit subsidy.

Criteria

The per unit investment of HOME funds may not exceed the Federal Housing Administration (FHA) mortgage limits in Subsection 221(d)(3) of the National Housing Act, including any area-wide high cost exceptions approved by HUD. This information should be available from the grantee or the local HUD field office. In mixed-income or mixed-use projects, the average per unit investment in HOME-assisted units may not exceed the applicable Subsection 221(d)(3) limit. Participating jurisdictions are required to evaluate each housing project in accordance with guidelines that it adopts to ensure that the combination of Federal assistance to the project is not any more than is necessary to provide affordable housing (24 CFR Section 92.250).

Effect

Federal funds committed and disbursed may exceed the amount allowed by the FHA if projects are not evaluated and reviewed. Also, this may result in reductions of future grant funding.

Cause

The program did not have adequate staff to properly monitor projects, and as a result, evaluations were not adequately documented.

Recommendation

We recommend that the County, through the Department of Housing and Community Development, review the adequacy of staff assigned to projects. We also recommend that the County review the controls surrounding the per unit subsidy compliance requirement. The County should ensure that an evaluation is completed for each project, reviewed for accuracy and compliance with the regulations, and maintained as evidence in accordance with the compliance requirements.

Views of Responsible Official

A study of the HOME regulation requirements is in process. The Department of Community Development will implement a procedure that satisfies these requirements. This will include proper documentation in each project file that will be reviewed and approved and signed by the responsible parties. This will also be addressed in the Department of Housing and Urban Development's "Procedures" that are currently being developed for the program.

PRINCE GEORGE'S COUNTY, MARYLAND
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
YEAR ENDED JUNE 30, 2009

III. Federal Award Findings and Questioned Costs (Continued)

<u>No.</u>	<u>Program</u>	<u>Findings/Noncompliance/Control Deficiency</u>	<u>Questioned Costs</u>
2009-11	HOME Improvement Partnerships (HOME) Program	Special Tests and Provision	None

Condition

Project funds were approved and disbursed for a project that was behind schedule. The final payment was made when the project was fifty-four percent complete rather than upon substantial completion as required by the loan agreement.

Criteria

Disbursements are to be made in accordance with the requirements of the HOME loan agreements. These agreements include a payment schedule for the disbursement of HOME funds.

Effect

Payment schedules are controls used to monitor projects during the construction and development phase, and assist in ensuring that certain Borrower covenants, such as, to use all disbursements for the purpose or purposes set forth in the HOME regulations, are done. If funds are disbursed prior to the agreed payment schedule, the County monitoring exercise may become ineffective and developers may use funds inappropriately.

Cause

The County did not consistently ensure that payments were made in accordance with payment schedules of executed loan agreements.

Recommendation

We recommend that the County review the controls over the approval and disbursement of project funds and ensure that disbursements are made in accordance with payment schedules of executed loan agreements.

Views of Responsible Official

The Department of Housing and Community Development's new procedures require a disbursement form and several levels of approval. All disbursements of HOME funds must conform with the terms of the HOME Building Loan Agreements.

**PRINCE GEORGE'S COUNTY, MARYLAND
MANAGEMENT'S ASSESSMENT OF STATUS OF PRIOR
AUDIT FINDINGS AND QUESTIONED COSTS
YEAR ENDED JUNE 30, 2009**

IV. Management's Assessment of Status of Prior Audit Findings and Questioned Costs

Compliance

Requirement: Subrecipient Monitoring

Program: Community Development Block Grant (CDBG)

CFDA No.: 14.218

Finding: One of the nine subrecipients did not submit monthly activity reports. For
08-1 three of the nine subrecipients, there was no evidence of review of the monthly activity reports; For four of the nine subrecipients, there was no evidence of site visits performed by the respective project managers. Lack of sufficient monitoring may lead to subrecipients not meeting their performance goals which could prevent the County from meeting program goals and objectives.

Status: This finding has been corrected.

Compliance

Requirement: Allowable Costs and Cash Management

Program: Community Development Block Grant (CDBG)

CFDA No.: 14.218

Finding: Two of the 40 disbursements reviewed, totaling \$227,627, were not adequately
08-2 supported by appropriate documentation such as approved purchase orders, receiving reports, vendor invoices, and canceled checks. One of the two not adequately supported was made to subrecipient prior to the subrecipient incurring the actual expense.

Status: This finding has been corrected.

**PRINCE GEORGE'S COUNTY, MARYLAND
MANAGEMENT'S ASSESSMENT OF STATUS OF PRIOR
AUDIT FINDINGS AND QUESTIONED COSTS
YEAR ENDED JUNE 30, 2009**

**IV. Management's Assessment of Status of Prior Audit Findings and Questioned Costs
(Continued)**

Compliance

Requirement: Program Income

Program: Supportive Housing Program

CFDA No.: 14.235

Finding: Program income generated by the Supportive Housing Program was not timely
08-3 remitted to the Department of Social Services (DSS) Office of Finance for deposit. Rent payments are collected by staff at the various supportive housing facilities throughout the County and are processed in batches. The batches have taken between 4 to 37 days from the date the funds were originally collected to be remitted to the DSS Office of Finance.

Status: This finding has been corrected.

Compliance

Requirement: Subrecipient Monitoring

Program: Supportive Housing Program

CFDA No.: 14.235

Finding: The County, through DSS, did not consistently conduct annual home
08-4 inspections to ensure compliance with habitability standards as required by the Department of Housing and Urban Development (HUD). DSS conducted home inspections for all units reviewed prior to tenant occupancy, however 7 of the 21 rental home units did not have follow-up annual inspections performed during the 12 month period reviewed.

Status: This finding has been corrected.

**PRINCE GEORGE'S COUNTY, MARYLAND
MANAGEMENT'S ASSESSMENT OF STATUS OF PRIOR
AUDIT FINDINGS AND QUESTIONED COSTS
YEAR ENDED JUNE 30, 2009**

**IV. Management's Assessment of Status of Prior Audit Findings and Questioned Costs
(Continued)**

Compliance

Requirement: Special Tests and Provisions

Program: HOME Investment Partnership Program

CFDA No.: 14.239

Finding: One project of the Home Investment Partnership program did not have sufficient supporting documentation to demonstrate reviews of the weekly payrolls and interviews of the contractor's employees were performed in compliance with the Davis Bacon Act. Contractors and subcontractors should submit weekly certified payrolls and statements of compliance for review to the Department of Housing and Community Development (DHCD) to document employees are being paid the prevailing wage rates as required by the Davis Bacon Act.
08-5

Status: This finding has been corrected.

Compliance

Requirement: Subrecipient Monitoring

Program: HOME Investment Partnership Program

CFDA No.: 14.239

Finding: Subrecipients were not adequately monitored through site visits and activity reports.
08-6

Status: This finding has been corrected.

**PRINCE GEORGE'S COUNTY, MARYLAND
MANAGEMENT'S ASSESSMENT OF STATUS OF PRIOR
AUDIT FINDINGS AND QUESTIONED COSTS
YEAR ENDED JUNE 30, 2009**

**IV. Management's Assessment of Status of Prior Audit Findings and Questioned Costs
(Continued)**

Compliance

Requirement: Special Tests and Provisions

Program: HOME Investment Partnerships Program

CFDA No.: 14.239

Finding: Three of the four housing projects reviewed did not have sufficient
08-7 documentation to support evaluations and reviews of the per unit investment calculations. The calculation worksheets did not indicate whether the projects were compliant with this requirement and there was no evidence of supervisory review performed.

Status: See finding 2009-10. The County will implement new procedures to satisfy these requirements.

Compliance

Requirement: Special Tests and Provisions

Program: HOME Investment Partnerships Program

CFDA No.: 14.239

Finding: Housing Quality inspection results were not reviewed by a designated official
08-8 at the Department of Housing and Community Development. There was no evidence of supervisory review of two home quality inspection reports.

Status: This finding has been corrected.

**PRINCE GEORGE'S COUNTY, MARYLAND
MANAGEMENT'S ASSESSMENT OF STATUS OF PRIOR
AUDIT FINDINGS AND QUESTIONED COSTS
YEAR ENDED JUNE 30, 2009**

**IV. Management's Assessment of Status of Prior Audit Findings and Questioned Costs
(Continued)**

Compliance

Requirement: Special Tests and Provisions

Program: HOME Investment Partnerships Program

CFDA No.: 14.239

Finding: Six of nine subrecipient contracts were approved by the County's
08-9 Administrative Review Committee and provided to the Department of Family Services Agency on Aging, 49 to 98 days after the grant expiration date.

Status: This finding has been corrected.

Compliance

Requirement: Program Income

Program: Special Programs for the Aging

CFDA No.: 93.044/93.045

Finding: The County did not implement adequate controls over program income as
08-10 evidenced by the following: In 10 of 25 donation envelopes tested, there was no signature on the contribution tally sheet to document the opening and counting of the donation envelopes which should be witnessed by a program volunteer. None of the five transmittal forms used to remit the 25 donation envelopes to the Office of Finance were reviewed and approved by supervisory personnel.

Status: This finding has been corrected.

**PRINCE GEORGE'S COUNTY, MARYLAND
MANAGEMENT'S ASSESSMENT OF STATUS OF PRIOR
AUDIT FINDINGS AND QUESTIONED COSTS
YEAR ENDED JUNE 30, 2009**

**IV. Management's Assessment of Status of Prior Audit Findings and Questioned Costs
(Continued)**

Compliance

Requirement: Subrecipient Monitoring

Program: Special Programs for the Aging

CFDA No.: 93.044/93.045

Finding: Two out of the nine subrecipients did not have site visits performed. In
08-11 addition, seven of nine subrecipients failed to submit expenditure reports on or before the reporting due date.

Status: This finding has been corrected.

Compliance

Requirement: Reporting

Program: HIV Emergency Relief

CFDA No.: 93.914

Finding: Quarterly performance and financial reports do not appear to be reviewed and
08-12 approved by someone other than the preparer. We found no evidence that there was a designated person to perform the review. We also noted that these reports were submitted to the District of Columbia 12 to 86 days after the due date.

Status: This finding has been corrected.

**PRINCE GEORGE'S COUNTY, MARYLAND
MANAGEMENT'S ASSESSMENT OF STATUS OF PRIOR
AUDIT FINDINGS AND QUESTIONED COSTS
YEAR ENDED JUNE 30, 2009**

**IV. Management's Assessment of Status of Prior Audit Findings and Questioned Costs
(Continued)**

Compliance Requirement: Subrecipient Monitoring

Program: HIV Emergency Relief

CFDA No.: 93.914

Finding: The HIV Emergency Relief program did not provide adequate monitoring of its
08-13 subrecipients as follows:

- Site visit reports for two of nine subrecipients were not reviewed.
- Three of nine subrecipients' Grant Year 17 3rd quarter narrative reports and one of nine subrecipients Grant Year 18 1st quarter narrative reports were not submitted. There was no evidence that these quarterly reports were requested from the subrecipients.
- One of the nine subrecipients failed to submit the annual Client Survey Summary for Grant Year 17.

Status: This finding has been corrected.