

FREDERICK COUNTY, MARYLAND

**Schedule of Expenditures of Federal Awards Together with
Reports of Independent Public Accountants**

For the Year Ended June 30, 2023

Frederick County, Maryland

**Schedule of Expenditures of Federal Awards Together with
Reports of Independent Public Accountants**

JUNE 30, 2023

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REPORT OF INDEPENDENT PUBLIC ACCOUNTANTS ON THE AUDIT OF THE FINANCIAL STATEMENTS

County Executive, Jessica Fitzwater
Members of the County Council
Frederick County, Maryland

Opinions

We have audited the financial statements of the governmental activities, the business-type activities, the aggregate discretely presented component units, each major fund, the combining and individual Pension/OPEB Trust funds, and the aggregate remaining fund information of Frederick County, Maryland (the County), as of and for the year ended June 30, 2023, and the related notes to the financial statements, which collectively comprise the County's basic financial statements.

In our opinion, based on our audit and the report of the other auditors, the accompanying financial statements present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, the aggregate discretely presented component units, each major fund, the combining and individual Pension/OPEB Trust funds and the aggregate remaining fund information of the County, as of June 30, 2023, and the respective changes in financial position and, where applicable, cash flows thereof and the respective budgetary comparison for the general fund, grants fund and agricultural preservation fund for the year then ended in accordance with accounting principles generally accepted in the United States of America.

We did not audit the financial statements of Scott Key Center, Inc., which represent 0.15 percent, 0.27 percent, and 0.38 percent, respectively, of the assets, net position, and revenues of the discretely presented component units. Those financial statements were audited by other auditors whose report thereon has been furnished to us, and our opinion, insofar as it relates to those amounts included for Scott Key Center, Inc., is based solely on the report of the other auditors.

Basis for Opinions

We conducted our audit in accordance with auditing standards generally accepted in the United States of America (GAAS) and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Our responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Financial Statements* section of our report. We are required to be independent of the County, and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.



Responsibilities of Management for the Financial Statements

The County's management is responsible for the preparation and fair presentation of the financial statements in accordance with accounting principles generally accepted in the United States of America, and for the design, implementation, and maintenance of internal controls relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about the County's ability to continue as a going concern for a year after the financial statements are available to be issued, including any currently known information that may raise substantial doubt shortly thereafter.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinions. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with GAAS and *Government Auditing Standards*, will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal controls. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

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

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal controls relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the County's internal controls. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.



- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about the County's ability to continue as a going concern for a reasonable period of time.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit, significant audit findings, and certain internal controls-related matters that we identified during the audit.

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis, the schedule of changes in net pension liability and related ratios and schedule of employer contributions for the Frederick County Employees Retirement Plan, for the Frederick County Uniformed Employees Retirement Plan, and for the Frederick County Length of Service Awards Program, and the schedule of changes in net OPEB liability and related ratios and schedule of employer contributions for the Frederick County Retiree Health Benefit Plan be presented to supplement the basic financial statements. Such information is the responsibility of management and, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Supplementary Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the County's basic financial statements. The accompanying combining and individual fund statements, budgetary comparison schedules, capital assets used in the operation of governmental funds, and the Schedule of Expenditures of Federal Awards, as required by the audit requirements of Title 2 U.S. Code of Federal Regulations (CFR) Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance) are presented for purposes of additional analysis and are not a required part of the basic financial statements.

The accompanying combining and individual fund statements, budgetary comparison schedules, capital assets used in the operation of governmental funds, and the Schedule of Expenditures of



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Federal Awards are the responsibility of management and were derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the accompanying combining and individual fund statements, budgetary comparison schedules, capital assets used in the operation of governmental funds and the Schedule of Expenditures of Federal Awards are fairly stated, in all material respects, in relation to the basic financial statements as a whole.

Other Information

Management is responsible for the other information included in the Annual Comprehensive Financial Report (ACFR). The other information comprises the introductory and statistical sections but does not include the financial statements and our auditor's report thereon. Our opinions on the financial statements do not cover the other information, and we do not express an opinion or any form of assurance thereon. In connection with our audit of the financial statements, our responsibility is to read the other information and consider whether a material inconsistency exists between the other information and the financial statements, or the other information otherwise appears to be materially misstated. If, based on the work performed, we conclude that an uncorrected material misstatement of the other information exists, we are required to describe it in our report.

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated November 15, 2023, on our consideration of the County's internal controls over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal controls over financial reporting and compliance and the results of that testing, and not to provide an opinion on internal controls over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the County's internal controls over financial reporting and compliance.

Owings Mills, Maryland
November 15, 2023

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**REPORT OF INDEPENDENT PUBLIC ACCOUNTANTS 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 Executive, Jessica Fitzwater
Members of the County Council
Frederick County, Maryland

We have audited, in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States, the 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 Frederick County, Maryland (the County) as of and for the year ended June 30, 2023, and the related notes to the financial statements, which collectively comprise the County's basic financial statements, and have issued our report thereon dated November 15, 2023.

Report on Internal Control over Financial Reporting

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

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

Our consideration of internal control over financial reporting was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control over financial reporting that might be material weaknesses or significant deficiencies. Given these limitations, during our audit we did not identify any deficiencies in internal control over financial reporting that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.



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Report on Compliance and Other Matters

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

Purpose of this Report

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

Owings Mills, Maryland
November 15, 2023

SBC & Company, LLC



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**REPORT OF INDEPENDENT PUBLIC ACCOUNTANTS ON COMPLIANCE FOR
EACH MAJOR FEDERAL PROGRAM AND ON INTERNAL CONTROL OVER
COMPLIANCE IN ACCORDANCE WITH THE UNIFORM GUIDANCE**

County Executive, Jessica Fitzwater
Members of the County Council
Frederick County, Maryland

Report on Compliance for Each Major Federal Program

Opinion on Each Major Federal Program

We have audited Frederick County, Maryland's (the County) compliance with the types of compliance requirements identified as subject to audit in the U.S. Office of Management and Budget (OMB) *Compliance Supplement* that could have a direct and material effect on each of the County's major Federal programs for the year ended June 30, 2023. The County's major Federal programs are identified in the Summary of Independent Public Accountant's Results section of the accompanying Schedule of Findings and Questioned Costs.

In our opinion, the County complied, in all material respects, with the types of compliance requirements referred to above that could have a direct and material effect on each of its major Federal programs for the year ended June 30, 2023.

Basis for Opinion on Each Major Federal Program

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

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



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Responsibilities of Management for Compliance

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

Auditor's Responsibilities for the Audit of Compliance

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

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

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

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



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Report on Internal Control over Compliance

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

Our consideration of internal control over compliance was for the limited purpose described in the *Auditor's Responsibilities for the Audit of Compliance* section above and was not designed to identify all deficiencies in internal control over compliance that might be material weaknesses or significant deficiencies in internal control over compliance. Given these limitations, during our audit we did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses, as defined above. However, material weaknesses or significant deficiencies in internal control over compliance may exist that were not identified.

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

The purpose of this report on internal control over compliance is solely to describe the scope of our testing of internal control over compliance and the results of that testing based on the requirements of the Uniform Guidance. Accordingly, this report is not suitable for any other purpose.

Owings Mills, Maryland
March 18, 2024

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FREDERICK COUNTY, MARYLAND

Schedule of Expenditures of Federal Awards For the Year Ended June 30, 2023

Federal Grantor/Pass-through Grantor/Program or Cluster Title	Federal Assistance Listing Number	Pass-Through Entity Identifying Number	Federal Expenditures	Cluster Total	Amounts Provided to Subrecipients
U.S. Department of Housing and Urban Development					
Pass-through State Department of Housing and Community Development:					
Community Development Block Grant Program	14.228	MD-21-CD-24	\$ 400,000		
COVID-19- Community Development Block Grant Program	14.228	CV-1-6	195,085		\$ 34,062
Community Development Block Grant Program	14.228	MD-20-CD-23	291,948		
Section 8 Project- Based Cluster:					
Lower Income Housing Assistance Program- Section 8 Moderate Rehabilitation	14.856	Unknown	144,292		
<i>Total Section 8 Project- Based Cluster</i>				\$ 144,292	
Housing Voucher Cluster:					
Section 8 Housing Choice Voucher Program	14.871	Unknown	8,168,503		
<i>Total Housing Voucher Cluster</i>				8,168,503	
Total U.S. Department of Housing and Urban Development			<u>9,199,828</u>		
U.S. Department of Interior					
Payments in Lieu of Taxes	15.226	None	31,572		
Pass-through Maryland Historical Trust:					
Historical Preservation Funds- Grant in Aid	15.904	P23AFO1153-00	1,500		
Total U.S. Department of Interior			<u>33,072</u>		
U.S. Department of Justice					
State Criminal Alien Assistance Program	16.606	2020-AP-BX-0816	11,135		
State Criminal Alien Assistance Program	16.606	2019-AP-BX-0787	517		
Pass-through Governor's Office of Crime Prevention, Youth and Victim Services:					
Coronavirus Emergency Supplemental Funding Program	16.034	P23AFO1153-00	6,450		
Juvenile Justice and Delinquency Prevention	16.540	JJAC-2020-0007	7,531		
Crime Victim Assistance	16.575	VOCA-2020-0035	103,942		
Edward Byrne Memorial Justice Assistance Grant Program	16.738	BJAG-2017-0039	45,757		
Total U.S. Department of Justice			<u>175,332</u>		
U.S. Department of Labor					
Pass-through State Department of Labor:					
Employment Service Cluster:					
Employment Service/Wagner-Peyser Funded Activities	17.207	Unknown	25,126		
Disabled Veterans' Outreach Program	17.801	Unknown	5,262		
<i>Total Employment Service Cluster</i>				30,388	
Unemployment Insurance	17.225	Unknown	4,289		
Senior Community Service Employment Program	17.235	Unknown	1,245		
Trade Adjustment Assistance	17.245	Unknown	748		
Reentry Employment Opportunities	17.270	P16-FCWS-FOR-OPIOID	55,212		

The accompanying notes are an integral part of this schedule.

FREDERICK COUNTY, MARYLAND

Schedule of Expenditures of Federal Awards (continued) For the Year Ended June 30, 2023

Federal Grantor/Pass-through Grantor/Program or Cluster Title	Federal Assistance Listing Number	Pass-Through Entity Identifying Number	Federal Expenditures	Cluster Total	Amounts Provided to Subrecipients
WIOA Cluster:					
WIOA Adult Program	17.258	P36-FR-FY23-A	\$ 125,926		
WIOA Adult Program	17.258	P-36-FR-PY22-A	45,636		
WIOA Adult Program	17.258	P26-FR-PY21-A	129,179		
WIOA Youth Activities	17.259	P26-FR-PY21-Y	182,267		
WIOA Youth Activities	17.259	P-36-FR-PY22-Y	96,739		
WIOA Dislocated Workers	17.278	Unknown	3,479		
WIOA Dislocated Workers	17.278	P26-FR-PY21-D	11,222		
WIOA Dislocated Workers	17.278	P-36-FR-PY22-D	59,307		
WIOA Dislocated Workers	17.278	P-36-FR-FY23-D	89,477		
WIOA Dislocated Workers	17.278	P26-FR-FY21-D	96,910		
Total WIOA Cluster:				\$ 840,142	
Total U.S. Department of Labor			932,024		
U.S. Department of Transportation					
Pass-through State Department of Transportation:					
Highway Planning and Construction- Bridge Projects	20.205	FR649ZM1	388,265		
Highway Planning and Construction- Bridge Projects	20.205	FR173M21	83,238		
Highway Planning and Construction- Bridge Projects	20.205	FR893B21	2,937		
Highway Planning and Construction- Bridge Projects	20.205	FR072B21	5,615		
Highway Planning and Construction- Bridge Projects	20.205	FR071ZM1	10,175		
Federal Transit Cluster:					
Federal Transit Formula Grants- Mass Transit/Capital Outlay	20.507	FR085307C2022	237,944		
Federal Transit Formula Grants- Mass Transit/Capital Outlay	20.507	FR085307C2023	228,350		
Federal Transit Formula Grants- Mass Transit/Capital Outlay	20.507	FR085307O2023	2,050,267		
Federal Transit Formula Grants- Mass Transit/Capital Outlay	20.507	FR08CMAQ2023	121,697		
COVID-19- Federal Transit Formula Grants- Mass Transit/Capital Outlay	20.507	FR08CARES2020	1,060,774		
COVID-19- Federal Transit Formula Grants- Mass Transit/Capital Outlay	20.507	FR08CARES2021	12,235		
Total Federal Transit Cluster				3,711,267	
COVID-19- Formula grants for Rural Areas- Rural Public Transportation	20.509	FR08CARES2020	143,191		
COVID-19- Formula grants for Rural Areas- Rural Public Transportation	20.509	FR08CARES2021	510		
Formula grants for Rural Areas- Rural Public Transportation	20.509	FR085311C2021	35,897		
Formula grants for Rural Areas- Rural Public Transportation	20.509	FR085307C2021	758,410		
Formula grants for Rural Areas- Rural Public Transportation	20.509	FR08CRRSAA11O2021	12,118		
Formula grants for Rural Areas- Rural Public Transportation	20.509	FR085311O2023	185,184		
Formula grants for Rural Areas- Rural Public Transportation	20.509	FR085307C2019			
Pass-through Maryland Emergency Management Agency:					
Interagency Hazardous Materials Public Sector Training and Planning Grants	20.703	19-GA 884 7-04	11,900		
Total U.S. Department of Transportation			5,348,707		

The accompanying notes are an integral part of this schedule.

FREDERICK COUNTY, MARYLAND

Schedule of Expenditures of Federal Awards (continued) For the Year Ended June 30, 2023

Federal Grantor/Pass-through Grantor/Program or Cluster Title	Federal Assistance Listing Number	Pass-Through Entity Identifying Number	Federal Expenditures	Cluster Total	Amounts Provided to Subrecipients
U.S. Department of Treasury					
Equitable Sharing Program	21.016	N/A	\$ 28,219		
Emergency Rental Assistance Program	21.023	ERA0244	1,065,918	\$ 1,065,918	
Emergency Rental Assistance Program	21.023	ERAE0456	3,487,100		3,487,100
Coronavirus State and Local Fiscal Recovery Funds	21.027	SLFRP1623	12,837,645		
Pass-through Maryland Department of Health:					
Coronavirus State and Local Fiscal Recovery Funds	21.027	Unknown	485,310		
Pass-through Maryland Department of Labor:					
Coronavirus Relief Fund	21.019	FY21-RELIEFACT-FR	138,479		
Coronavirus State and Local Fiscal Recovery Funds	21.027	FR-ARPA-PY21	163,531		
Pass-through Maryland Department of Housing and Community Development:					
Emergency Rental Assistance Program	21.023	ERA0386	98,416		98,416
Emergency Rental Assistance Program	21.023	ERAE0073	180,878		180,878
Coronavirus State and Local Fiscal Recovery Funds	21.027	Unknown	99,375		99,375
Total U.S. Department of Treasury			<u>18,584,871</u>		
National Endowment for the Humanities					
Pass-through Maryland State Library:					
State Library Program	45.310	1183	68,571		
State Library Program	45.310	1192	25,000		
State Library Program	45.310	1436	31,100		
Total National Endowment for the Humanities			<u>124,671</u>		
U.S. Department of Education					
Pass-through State Department of Education:					
Adult Education - Basic Grants to States	84.002	Unknown	1,245		
Career and Technical Education- Basic Grants to States	84.048	Unknown	1,245		
Special Education (IDEA) Cluster:					
Special Education- Grant to States- Individuals Disabilities Education Act (IDEA part B)	84.027	230457	52,924		
COVID Special Education- Grant to States- Individuals Disabilities Education Act (IDEA part B)	84.027	221945	67,203		
Special Education- Grant to States- Individuals Disabilities Education Act (IDEA part B)	84.173	230518-02	7,000		
Special Education- Grant to States- Individuals Disabilities Education Act (IDEA part B)	84.173	230518-01	10,187		
Total Special Education (IDEA) Cluster:				\$ 137,314	
Rehabilitation Services- DORS Year Round	84.126	221843	30,498		
Rehabilitation Services- DORS Year Round	84.126	Unknown	3,417		
Special Education- Grants for Infants and Families- Individuals Disabilities Education Act (IDEA part C)	84.181	220355-02	50,000		
Special Education- Grants for Infants and Families- Individuals Disabilities Education Act (IDEA part C)	84.181	220355-01	24,005		
Special Education- Grants for Infants and Families- Individuals Disabilities Education Act (IDEA part C)	84.181	221787	24,057		
Special Education- Grants for Infants and Families- Individuals Disabilities Education Act (IDEA part C)	84.181	230624-02	50,000		
Special Education- Grants for Infants and Families- Individuals Disabilities Education Act (IDEA part C)	84.181	221205	55,510		
Special Education- Grants for Infants and Families- Individuals Disabilities Education Act (IDEA part C)	84.181	230624-01	227,194		
Total U.S. Department of Education			<u>604,485</u>		

The accompanying notes are an integral part of this schedule.

FREDERICK COUNTY, MARYLAND

Schedule of Expenditures of Federal Awards (continued) For the Year Ended June 30, 2023

Federal Grantor/Pass-through Grantor/Program or Cluster Title	Federal Assistance Listing Number	Pass-Through Entity Identifying Number	Federal Expenditures	Cluster Total	Amounts Provided to Subrecipients
U.S. Department of Health and Human Services					
Provider Relief Fund and American Rescue Plan (ARP) Rural Distribution	93.498	None	\$ 117,184		
Congressional Directives	93.493	6H79FG000804-01M001	144,549		\$ 144,549
Pass-through State Department of Aging:					
Title VII, Chapter 3- Programs for Prevention of Elder Abuse, Neglect, and Exploitation	93.041	2201MDOAEA	1,537		
Title VII, Chapter 3- Programs for Prevention of Elder Abuse, Neglect, and Exploitation	93.041	2001MDOAEA	16		
Title VII, Chapter 3- Programs for Prevention of Elder Abuse, Neglect, and Exploitation	93.041	2101MDOAEA	1		
Title VII, Chapter 3- Programs for Prevention of Elder Abuse, Neglect, and Exploitation	93.041	2301MDOAEA	2,044		
COVID-19- Title VII, Chapter 2- Long Term Care Ombudsman Services for Older Individuals	93.042	654820/09	914		
Title VII, Chapter 2- Long Term Care Ombudsman Services for Older Individuals	93.042	2201MDOAOM	2,260		
Title VII, Chapter 2- Long Term Care Ombudsman Services for Older Individuals	93.042	2001MDOAOM	62		
Title VII, Chapter 2- Long Term Care Ombudsman Services for Older Individuals	93.042	2101MDOAOM	2		
Title VII, Chapter 2- Long Term Care Ombudsman Services for Older Individuals	93.042	2301MDOAOM	9,418		
Title III, Part D- Disease Prevention and Health Promotion Services	93.043	2001MDOAPH	918		
Title III, Part D- Disease Prevention and Health Promotion Services	93.043	2101MDOAPH	174		
Title III, Part D- Disease Prevention and Health Promotion Services	93.043	2201MDOAPH	2,156		
Aging Cluster:					
Title III, Part B- Grants for Supportive Services and Senior Centers	93.044	2001MDOASS	1,163		
COVID-19- Title III, Part B- Grants for Supportive Services and Senior Centers	93.044	655221/09	14,135		
COVID-19- Title III, Part B- Grants for Supportive Services and Senior Centers	93.044	2201MDOASS	41,676		
Title III, Part B- Grants for Supportive Services and Senior Centers	93.044	2201MDOASS	13,920		
Title III, Part B- Grants for Supportive Services and Senior Centers	93.044	2101MDOASS	4		
Title III, Part B- Grants for Supportive Services and Senior Centers	93.044	2301MDOASS	193,820		
COVID-19- Title III, Part C- Nutrition Services	93.045	655121/09	78,209		
COVID-19- Title III, Part C- Nutrition Services	93.045	2101MDCMC6-00	95,358		
COVID-19- Title III, Part C- Nutrition Services	93.045	2101MDHDC6-00	42,122		
Title III, Part C- Nutrition Services	93.045	2201MDOACM	39,411		
Title III, Part C- Nutrition Services	93.045	2301MDOACM	2,358		
Title III, Part C- Nutrition Services	93.045	2001MDOACM	48,577		
Title III, Part C- Nutrition Services	93.045	2021MDOAHD	41,005		
Title III, Part C- Nutrition Services	93.045	2201MDOAH	52,056		
COVID-19-Title III, Part C- Nutrition Services	93.045	2001MDOFC	4,744		
Title III, Part C- Nutrition Services	93.045	2301MDOAH	24,985		
Families First Coronavirus Response Act Home Delivered Meals	93.045	2001MDHDC2-00	6,150		
Nutrition Services Incentive Program	93.053	2201MDOANS	37,332		
Total Aging Cluster				\$ 737,025	
Title IV and Title II- Discretionary Projects	93.048	90MPG0001-04-00	14,312		
National Family Caregiver Support Title III, Part E	93.052	2201MDOAFC	43,878		
COVID-19- National Family Caregiver Support Title III, Part E	93.052	2101MDFCC6-00	68,892		
National Family Caregiver Support Title III, Part E	93.052	2301MDOAFC	87,248		
Medicare Enrollment Assistance Program- MIPPA	93.071	2101MDMISH-00	16		
Medicare Enrollment Assistance Program- MIPPA	93.071	2101MDMIAA-00	9		
Medicare Enrollment Assistance Program- MIPPA	93.071	2201MDMISH-01	2,855		
Medicare Enrollment Assistance Program- MIPPA	93.071	2201MDMIAA-01	3,218		
Medicare Enrollment Assistance Program- MIPPA	93.071	2201MDMDR-01	2,262		
State Health Insurance Assistance Program	93.324	90SAPG0109-02-00	20,235		
Medicaid Cluster:					
Medical Assistance Program	93.778	Unknown	51,695		
Total Medicaid Cluster				51,695	

The accompanying notes are an integral part of this schedule.

FREDERICK COUNTY, MARYLAND

Schedule of Expenditures of Federal Awards (continued) For the Year Ended June 30, 2023

Federal Grantor/Pass-through Grantor/Program or Cluster Title	Federal Assistance Listing Number	Pass-Through Entity Identifying Number	Federal Expenditures	Cluster Total	Amounts Provided to Subrecipients
U.S. Department of Health and Human Services (continued)					
Pass-through Maryland Family Network:					
Community-Based Child Abuse Prevention Grant- Family Support Center	93.590	2102MDBCAP	\$ 30,000		
Pass-through State Department of Human Resources:					
Promoting Safe and Stable Families	93.556	FCDSS/CW 23-006	127,500		
Temporary Assistance for Needy Families- Family Preservation/Youth Summer Jobs	93.558	FCDSS/FIA 23-002	6,322		
Temporary Assistance for Needy Families- Family Preservation/Youth Summer Jobs	93.558	FCDSS FIA 23-003	2,192		
Temporary Assistance for Needy Families- Family Preservation/Youth Summer Jobs	93.558	Unknown	3,489		
Child Support Enforcement	93.563	CSA/CRA/22-014	248,464		
Child Support Enforcement	93.563	CSA/CRA/23-014	793,857		
Child Support Enforcement	93.563	CSEA/CRA-22-047	2,041		
Pass-through Maryland Department of Health, Prevention and Health Promotion Administration/Frederick County Health Department:					
COVID-19- Immunization Cooperative Agreements	93.268	VC501COV	303,497		
Total U.S. Department of Health and Human Services			<u>2,830,242</u>		
U.S. Department of Homeland Security					
Staffing for Adequate Fire and Emergency Response	97.083	EMW-2018-FH-00325	689,154		
Staffing for Adequate Fire and Emergency Response	97.083	EMW-2019-FF-01520	1,750,160		
Staffing for Adequate Fire and Emergency Response	97.083	EMW-2021-FF-00272	940,630		
Pass-through Maryland Emergency Management Agency:					
COVID-19 Emergency Management Performance Grant	97.042	EMP-2021-EP-00006 S01	36,103		
Emergency Management Performance Grant	97.042	EMP-2020-EP-00003-S01	103,726		
Emergency Management Performance Grant	97.042	EMP-2021-EP-0003-S01	2,000		
Homeland Security Grant Program	97.067	EMW-2021-SS-00047-SHSP/21-SR88	35,586	\$ 24,028	
Homeland Security Grant Program	97.067	EMW-2020-SS-00010-SHSP/20-SR-3	44,169	173	
Homeland Security Grant Program	97.067	EMW-2022-00009-S01	3,144	3,144	
Total U.S. Department of Homeland Security			<u>3,604,672</u>		
Total Expenditures of Federal Awards			<u>\$ 41,437,904</u>		<u>\$ 5,137,643</u>

The accompanying notes are an integral part of this schedule.

FREDERICK COUNTY, MARYLAND

Notes to the Schedule of Expenditures of Federal Awards For the Year Ended June 30, 2023

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

All Federal grant operations of Frederick County, Maryland (the County) are included in the scope of Title 2 U.S. Code of Federal Regulations Part 200, *Uniform Administrative Requirement, Cost Principles, and Audit Requirements for Federal Awards* (the Single Audit). The Single Audit was performed in accordance with the provisions of the U.S. Office of Management and Budget (OMB) Compliance Supplement (the Compliance Supplement). Compliance testing of all requirements, as described in the Compliance Supplement, was performed for the grant programs noted below. The programs on the Schedule of expenditures of Federal awards (the Schedule) represent all Federal award programs with fiscal year 2023, cash or non-cash expenditure activities. For single audit testing, we tested to ensure coverage of at least 20% of Federally granted funds. Actual coverage was 44%. The major programs tested are listed below.

Major Programs	Federal Assistance Listing Number	Federal Expenditures
U.S. Department of Treasury		
Emergency Rental Assistance Program	21.023	\$ 4,832,312
Coronavirus State and Local Fiscal Recovery Funds	21.027	13,585,861
		<u>\$ 18,418,173</u>

Expenditures reported on the Schedule are reported on the accrual basis of accounting. Such expenditures are recognized following, the cost principles contained in Title 2 U.S. Code of Federal Regulations Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (the Uniform Guidance), wherein certain types of expenditures are not allowable or are limited as to reimbursement. Expenditures are also subject to audit by the relevant Federal agency. In the opinion of management, disallowed costs, if any, from such audits will not have a material effect on this Schedule or the financial position of the County.

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

2. BASIS OF PRESENTATION

The accompanying Schedule includes the Federal award activity of the County under programs of the Federal government for the year ended June 30, 2023. The information in the Schedule is presented in accordance with the requirements of the Uniform Guidance. Because the Schedule presents only a selected portion of the operations of the County, it is not intended to and does not present the financial position, changes in net assets, or cash flows of the County.

FREDERICK COUNTY, MARYLAND

Notes to the Schedule of Expenditures of Federal Awards (continued) For the Year Ended June 30, 2023

3. LOAN PROGRAM

The County administers a loan under Capitalization Grants for Clean Water State Revolving Funds from the Maryland Department of the Environment (Assistance Listing Number 66.458) without continuing compliance requirements and therefore the loan is not presented in the Schedule. The loan was used for municipal wastewater treatment plant and landfill cell lining and capping. The outstanding balance of the loan as of June 30, 2023 was \$19,019,765. There were no draws on the loan during 2023.

4. RECONCILIATION TO BASIC FINANCIAL STATEMENTS

Amounts reported in the accompanying Schedule do not agree with amounts reported on the County's Annual Comprehensive Financial Report (ACFR). The reconciling items between ACFR and the Schedule are as follows:

Federal grant revenues per ACFR:

Statement of Revenues, Expenditures and Changes in Fund Balances - Governmental Funds	\$ 30,693,959
Statement of Revenues, Expenses and Changes in Net Position - Proprietary Funds	777,258
	<u>31,471,217</u>

Reconciling items:

Federal expenditures related to loss of revenue previously recognized in the financial statements	12,837,646
Timing differences in reporting for Provider Relief Funding	117,184
Federal reimbursements not subject to Single Audit	(2,988,143)
	<u>9,966,687</u>
Total Expenditures of Federal Awards	<u>\$ 41,437,904</u>

FREDERICK COUNTY, MARYLAND

Schedule of Findings and Questioned Costs For the Year Ended June 30, 2023

Section I - Summary of Independent Public Accountant's Results

Financial Statements

Type of Independent Public Accountants' report issued:	Unmodified
Internal control over financial reporting:	
Material weakness(es) identified?	No
Significant deficiencies?	None reported
Noncompliance material to financial statements?	No

Federal Awards

Type of Independent Public Accountants' report issued on compliance for major programs:	Unmodified
Internal control over major programs:	
Material weakness(es) identified?	No
Significant deficiencies?	None reported
Any audit findings disclosed that are required to be reported in accordance with Section 2 CFR 200.516(a) of the Uniform Guidance?	No

Identification of Major Programs:

Major Programs	Federal Assistance Listing Number	Federal Expenditures
U.S. Department of Treasury		
Emergency Rental Assistance Program	21.023	\$ 4,832,312
Coronavirus State and Local Fiscal Recovery Funds	21.027	<u>13,585,861</u>
		<u>\$ 18,418,173</u>
Threshold for distinguishing between Type A and B programs		\$ 1,243,137
Did the County qualify as a low risk auditee?		Yes

FREDERICK COUNTY, MARYLAND

**Schedule of Findings and Questioned Costs
For the Year Ended June 30, 2023**

Section II - Financial Statement Findings

None noted.

Section III - Federal Award Findings

None noted.

FREDERICK COUNTY, MARYLAND

**Schedule of Prior Year Findings and Questioned Costs
For the Year Ended June 30, 2023**

There were no prior year findings in the June 30, 2022 Single Audit report.