

**FREDERICK COUNTY, MARYLAND**

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

**For the Year Ended June 30, 2024**

**FREDERICK COUNTY, MARYLAND**

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

**JUNE 30, 2024**

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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  
Citizens of 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, 2024, 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, 2024, 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 0.08 percent, 0.24 percent, and 0.42 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***

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 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.



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The information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the 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, 2024, 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, 2024

*SBC & Company, LLC*



**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  
Citizens of 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, 2024, 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, 2024.

***Report on Internal Control over Financial Reporting***

In planning and performing our audit of the financial statements, we considered the County's internal controls 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 controls. Accordingly, we do not express an opinion on the effectiveness of the County's internal controls.

A *deficiency in internal controls* 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 controls, 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 controls that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

Our consideration of internal controls 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 controls 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 controls 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 controls and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the entity's internal controls 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 controls and compliance. Accordingly, this communication is not suitable for any other purpose.

Owings Mills, Maryland  
November 15, 2024

*SBC Company, LLC*



## **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  
Citizens of 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, 2024. 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, 2024.

#### ***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.

### ***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 controls 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 controls 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 controls 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 controls 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 controls over compliance that we identified during the audit.



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## Report on Internal Controls over Compliance

A *deficiency in internal controls 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 controls over compliance* is a deficiency, or a combination of deficiencies, in internal controls 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 controls 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 controls over compliance that might be material weaknesses or significant deficiencies in internal controls 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 controls 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 controls over compliance is solely to describe the scope of our testing of internal controls 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  
January 31, 2025

*SBC Company, LLC*

## FREDERICK COUNTY, MARYLAND

### Schedule of Expenditures of Federal Awards (continued) For the Year Ended June 30, 2024

| 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 |
|--|-----------------------------------|--|----------------------|------------------|-----------------------------------|
| <b>U.S. Department of Housing and Urban Development</b>                        |                                   |  |                      |                  |                                   |
| Pass-through State Department of Housing and Community Development:            |                                   |  |                      |                  |                                   |
| Section 8 Project- Based Cluster:  |                                   |  |                      |                  |                                   |
| Lower Income Housing Assistance Program- Section 8 Moderate Rehabilitation     | 14.856                            | 240914                                 | \$ 146,999           | \$ 146,999       |                                   |
| <i>Total Section 8 Project- Based Cluster</i>                                  |                                   |  |                      |                  |                                   |
| Housing Voucher Cluster:   |                                   |  |                      |                  |                                   |
| Section 8 Housing Choice Voucher Program                                       | 14.871                            | 2407000                                | 8,482,222            |                  |                                   |
| Section 8 Housing Choice Voucher Program                                       | 14.871                            | 240704                                 | 282,594              |                  |                                   |
| Section 8 Housing Choice Voucher Program                                       | 14.871                            | 240705                                 | 54,446               |                  |                                   |
| Section 8 Housing Choice Voucher Program                                       | 14.871                            | Unknown                                | 844,738              |                  |                                   |
| <i>Total Housing Voucher Cluster</i>   |                                   |  |                      | 9,664,000        |                                   |
| Total U.S. Department of Housing and Urban Development                         |                                   |  |                      | <u>9,810,999</u> |                                   |
| <b>U.S. Department of Interior</b>   |                                   |  |                      |                  |                                   |
| Direct Programs:   |                                   |  |                      |                  |                                   |
| Pass-through programs from:  |                                   |  |                      |                  |                                   |
| Historical Preservation Funds- Grant in Aid                                    | 15.904                            | P23AFO1153-00                          | <u>22,750</u>        | <u>22,750</u>    |                                   |
| Total U.S. Department of Interior  |                                   |  |                      |                  |                                   |
| <b>U.S. Department of Justice</b>  |                                   |  |                      |                  |                                   |
| State Criminal Alien Assistance Program  | 16.606                            | 15BJA-20-RR-00205-SCAA                 | 28,306               |                  |                                   |
| Equitable Sharing Program  | 16.922                            | N/A                                    | 13,896               |                  |                                   |
| Pass-through Governor's Office of Crime Prevention, Youth and Victim Services: |                                   |  |                      |                  |                                   |
| Juvenile Justice and Delinquency Prevention                                    | 16.540                            | JJAC-2020-0007                         | 77,414               |                  |                                   |
| Edward Byrne Memorial Justice Assistance Grant Program                         | 16.738                            | BJAG-2019-0029                         | 11,403               |                  |                                   |
| Edward Byrne Memorial Justice Assistance Grant Program                         | 16.738                            | BJNT-2019-001                          | 5,000                |                  |                                   |
| Edward Byrne Memorial Justice Assistance Grant Program                         | 16.738                            | BJAG-2020-0031                         | 90,000               |                  |                                   |
| Total U.S. Department of Justice   |                                   |  |                      | <u>226,019</u>   |                                   |
| <b>U.S. Department of Labor</b>  |                                   |  |                      |                  |                                   |
| Pass-through State Department of Labor:  |                                   |  |                      |                  |                                   |
| Employment Service Cluster:  |                                   |  |                      |                  |                                   |
| Employment Service/Wagner-Peyser Funded Activities                             | 17.207                            | Unknown                                | 31,217               |                  |                                   |
| Disabled Veterans' Outreach Program  | 17.801                            | Unknown                                | 4,356                |                  |                                   |
| <i>Total Employment Service Cluster</i>  |                                   |  |                      | 35,573           |                                   |
| Unemployment Insurance   | 17.225                            | Unknown                                | 1,420                |                  |                                   |
| Senior Community Service Employment Program                                    | 17.235                            | Unknown                                | 1,420                |                  |                                   |
| Trade Adjustment Assistance  | 17.245                            | Unknown                                | 457                  |                  |                                   |
| Reentry Employment Opportunities   | 17.270                            | P16-FCWS-FOR-OPIOID                    | 144,794              |                  |                                   |

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, 2024

| 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 |
|--|-----------------------------------|--|----------------------|---------------|-----------------------------------|
| <b>U.S. Department of Labor (continued)</b>                                |                                   |  |                      |               |                                   |
| Pass-through State Department of Labor: (continued)                        |                                   |  |                      |               |                                   |
| WIOA Cluster:  |                                   |  |                      |               |                                   |
| WIOA Adult Program   | 17.258                            | P36-FR-FY23-A                          | \$ 156,706           |               |                                   |
| WIOA Adult Program   | 17.258                            | P-46-FR-FY24-A                         | 72,630               |               |                                   |
| WIOA Adult Program   | 17.258                            | P-36-FR-PY22-A                         | 5,070                |               |                                   |
| WIOA Youth Activities  | 17.259                            | P-36_FR-PY22-Y                         | 92,980               |               |                                   |
| WIOA Dislocated Workers  | 17.278                            | P-36-FR-PY22-D                         | 42,028               |               |                                   |
| WIOA Dislocated Workers  | 17.278                            | P-46-FR-FY24-A                         | 61,673               |               |                                   |
| WIOA Dislocated Workers  | 17.278                            | P-36-FR-FY23-D                         | 313,105              |               |                                   |
| WIOA Dislocated Workers  | 17.278                            | P-46_FR-PY23-D                         | 79,153               |               |                                   |
| Total WIOA Cluster:  |                                   |  |                      | \$ 823,345    |                                   |
| Total U.S. Department of Labor   |                                   |  | 1,007,009            |               |                                   |
| <b>U.S. Department of Transportation</b>                                   |                                   |  |                      |               |                                   |
| Pass-through State Department of Transportation:                           |                                   |  |                      |               |                                   |
| Highway Planning and Construction- Bridge Projects                         | 20.205                            | FR649ZM1                               | 5,320                |               |                                   |
| Highway Planning and Construction- Bridge Projects                         | 20.205                            | FR173M21                               | 54,616               |               |                                   |
| Highway Planning and Construction- Bridge Projects                         | 20.205                            | FR895ZM1                               | 2,850                |               |                                   |
| Highway Planning and Construction- Bridge Projects                         | 20.205                            | FR072B21                               | 3,655                |               |                                   |
| Highway Planning and Construction- Bridge Projects                         | 20.205                            | FR071ZM1                               | 8,824                |               |                                   |
| Federal Transit Cluster:   |                                   |  |                      |               |                                   |
| Federal Transit_Formula Grants- Mass Transit/Capital Outlay                | 20.507                            | FR085307C2023                          | 311,650              |               |                                   |
| Federal Transit_Formula Grants- Mass Transit/Capital Outlay                | 20.507                            | FR085307O2024                          | 1,966,209            |               |                                   |
| Federal Transit_Formula Grants- Mass Transit/Capital Outlay                | 20.507                            | FR085307C2024                          | 149,063              |               |                                   |
| Federal Transit_Formula Grants- Mass Transit/Capital Outlay                | 20.507                            | FR085307O2024                          | 84,058               |               |                                   |
| Federal Transit_Formula Grants- Mass Transit/Capital Outlay                | 20.507                            | FR08CMAQ2024                           | 123,650              |               |                                   |
| COVID-19- Federal Transit_Formula Grants- Mass Transit/Capital Outlay      | 20.507                            | FR08CARES2020                          | 1,267,236            |               |                                   |
| COVID-19- Federal Transit_Formula Grants- Mass Transit/Capital Outlay      | 20.507                            | FR08CARES2021                          | 203,099              |               |                                   |
| COVID-19- Federal Transit_Formula Grants- Mass Transit/Capital Outlay      | 20.507                            | FR085CARES07C2020                      | 420,000              |               |                                   |
| Total Federal Transit Cluster  |                                   |  |                      | 4,524,965     |                                   |
| Safe Streets and Roads for All   | 20.939                            | 693JJ32340281                          | 59,840               |               |                                   |
| COVID-19- Formula grants for Rural Areas- Rural Public Transportation      | 20.509                            | FR08CARES2020                          | 88,148               |               |                                   |
| Formula grants for Rural Areas- Rural Public Transportation                | 20.509                            | FR085311C2021                          | 19,211               |               |                                   |
| Formula grants for Rural Areas- Rural Public Transportation                | 20.509                            | FR085311C2024                          | 25,600               |               |                                   |
| Formula grants for Rural Areas- Rural Public Transportation                | 20.509                            | FR085311O2024                          | 166,940              |               |                                   |
| Formula grants for Rural Areas- Rural Public Transportation                | 20.509                            | FR08CRRSAA11O2021                      | 49,333               |               |                                   |
| Formula grants for Rural Areas- Rural Public Transportation                | 20.509                            | FR085307C2021                          | 121,528              |               |                                   |
| Pass-through Maryland Emergency Management Agency:                         |                                   |  |                      |               |                                   |
| Interagency Hazardous Materials Public Sector Training and Planning Grants | 20.703                            | 693JK322400008 HMEP/22SR884703         | 15,405               |               |                                   |
| Interagency Hazardous Materials Public Sector Training and Planning Grants | 20.703                            | 22HMEP847                              | 7,302                |               |                                   |
| Total U.S. Department of Transportation                                    |                                   |  |                      | 5,153,537     |                                   |

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, 2024

| 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 |
|--|-----------------------------------|--|----------------------|---------------|-----------------------------------|
| <b>U.S. Department of Treasury</b>   |                                   |  |                      |               |                                   |
| Equitable Sharing Program  | 21.016                            | N/A                                    | \$ 11,160            |               |                                   |
| Emergency Rental Assistance Program  | 21.023                            | ERAE0456                               | 28,765               |               | \$ 28,765                         |
| Coronavirus State and Local Fiscal Recovery Funds  | 21.027                            | SLFRP1623                              | 7,937,832            |               |                                   |
| Coronavirus State and Local Fiscal Recovery Funds  | 21.027                            | N/A                                    | 1,091,671            |               |                                   |
| Pass-through Maryland Department of Labor:   |                                   |  |                      |               |                                   |
| Coronavirus State and Local Fiscal Recovery Funds  | 21.027                            | FR-ARPA-PY21                           | 235,624              |               |                                   |
| Total U.S. Department of Treasury  |                                   |  | <u>9,305,052</u>     |               |                                   |
| <b>National Endowment for the Humanities</b>   |                                   |  |                      |               |                                   |
| Pass-through Maryland State Library:   |                                   |  |                      |               |                                   |
| State Library Program  | 45.310                            | 1471                                   | 31,100               |               |                                   |
| State Library Program  | 32.009                            | Unknown                                | 14,540               |               |                                   |
| Total National Endowment for the Humanities  |                                   |  | <u>45,640</u>        |               |                                   |
| <b>U.S. Environmental Protection Agency</b>  |                                   |  |                      |               |                                   |
| Environmental Justice Government-to-Government (EJG2G) Program   | 66.312                            | 95336701                               | 5,159                |               |                                   |
| Total U.S. Environmental Protection Agency   |                                   |  | <u>5,159</u>         |               |                                   |
| <b>U.S. Department of Education</b>  |                                   |  |                      |               |                                   |
| Pass-through State Department of Education:  |                                   |  |                      |               |                                   |
| Adult Education - Basic Grants to States   | 84.002                            | Unknown                                | 1,420                |               |                                   |
| Career and Technical Education- Basic Grants to States   | 84.048                            | Unknown                                | 1,420                |               |                                   |
| Special Education (IDEA) Cluster:  |                                   |  |                      |               |                                   |
| Special Education- Grant to States- Individuals Disabilities Education Act (IDEA part B)                 | 84.027                            | 230457                                 | 4,906                |               |                                   |
| Special Education- Grant to States- Individuals Disabilities Education Act (IDEA part B)                 | 84.027                            | 240846                                 | 97,966               |               |                                   |
| Special Education- Preschool Grants- Individuals Disabilities Education Act (IDEA part B 619)            | 84.173                            | 240748-01                              | 7,000                |               |                                   |
| Special Education- Preschool Grants- Individuals Disabilities Education Act (IDEA part B 619)            | 84.173                            | 240748-02                              | 9,536                |               |                                   |
| Total Special Education (IDEA) Cluster:  |                                   |  |                      |               | \$ 119,408                        |
| Rehabilitation Services- DORS Year Round   | 84.126                            | Unknown                                | 3,904                |               |                                   |
| Special Education- Grants for Infants and Families- Individuals Disabilities Education Act (IDEA part C) | 84.181                            | 240843-02                              | 35,984               |               |                                   |
| Special Education- Grants for Infants and Families- Individuals Disabilities Education Act (IDEA part C) | 84.181                            | 240843-01                              | 192,034              |               |                                   |
| Special Education- Grants for Infants and Families- Individuals Disabilities Education Act (IDEA part C) | 84.181                            | 221787                                 | 44,779               |               |                                   |
| Special Education- Grants for Infants and Families- Individuals Disabilities Education Act (IDEA part C) | 84.181                            | 221205                                 | 24,092               |               |                                   |
| Special Education- Grants for Infants and Families- Individuals Disabilities Education Act (IDEA part C) | 84.181                            | 230624-01                              | 54,895               |               |                                   |
| Total U.S. Department of Education   |                                   |  | <u>477,936</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, 2024

| 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 |
|---|-----------------------------------|--|----------------------|---------------|-----------------------------------|
| <b>U.S. Department of Health and Human Services</b>                                     |                                   |  |                      |               |                                   |
| Congressional Directives  | 93.493                            | 1H79FG000804-01                        | \$ 705,451           |               | \$ 705,451                        |
| Pass-through State Department of Aging:   |                                   |  |                      |               |                                   |
| Title VII, Chapter 3- Programs for Prevention of Elder Abuse, Neglect, and Exploitation | 93.042                            | 2201MDOAM & 2201MDOAEA                 | 30                   |               |                                   |
| Title VII, Chapter 3- Programs for Prevention of Elder Abuse, Neglect, and Exploitation | 93.042                            | 93.042- 2301MDOAM                      | 2,094                |               |                                   |
| Title VII, Chapter 3- Programs for Prevention of Elder Abuse, Neglect, and Exploitation | 93.041                            | 93.041- 2301MDOAEA                     | 453                  |               |                                   |
| Title VII, Chapter 3- Programs for Prevention of Elder Abuse, Neglect, and Exploitation | 93.042                            | 93.042- 2401MDOAM                      | 6,153                |               |                                   |
| Title VII, Chapter 3- Programs for Prevention of Elder Abuse, Neglect, and Exploitation | 93.041                            | 93.041- 2401MDOAEA                     | 1,258                |               |                                   |
| Title III, Part D- Disease Prevention and Health Promotion Services                     | 93.043                            | 2101MDPHC6-00                          | 5,950                |               |                                   |
| Title III, Part D- Disease Prevention and Health Promotion Services                     | 93.043                            | 2301MDOAPH                             | 5,094                |               |                                   |
| Aging Cluster:  |                                   |  |                      |               |                                   |
| COVID-19- Title III, Part B- Grants for Supportive Services and Senior Centers          | 93.044                            | 2101MDSSC6-00                          | 37,987               |               |                                   |
| Title III, Part B- Grants for Supportive Services and Senior Centers                    | 93.044                            | 2301MDOASS                             | 27,472               |               |                                   |
| Title III, Part B- Grants for Supportive Services and Senior Centers                    | 93.044                            | 2401MDOASS                             | 209,910              |               |                                   |
| COVID-19- Title III, Part C- Nutrition Services   | 93.045                            | 2101MDCMC6-00                          | 12,206               |               |                                   |
| COVID-19- Title III, Part C- Nutrition Services   | 93.045                            | 2101MDHDC6-00                          | 143,673              |               |                                   |
| Title III, Part C- Nutrition Services   | 93.045                            | 2201MDOACM                             | 1,300                |               |                                   |
| Title III, Part C- Nutrition Services   | 93.045                            | 2301MDOACM                             | 25,090               |               |                                   |
| Title III, Part C- Nutrition Services   | 93.045                            | 2001MDOACM                             | 23,000               |               |                                   |
| Title III, Part C- Nutrition Services   | 93.045                            | 2401MDOACM                             | 1,691                |               |                                   |
| Title III, Part C- Nutrition Services   | 93.045                            | 2021MDOAHD                             | 5,612                |               |                                   |
| Title III, Part C- Nutrition Services   | 93.045                            | 2201MDOAHD                             | 32,000               |               |                                   |
| Title III, Part C- Nutrition Services   | 93.045                            | 2301MDOAHD                             | 168,512              |               |                                   |
| Title III, Part C- Nutrition Services   | 93.045                            | 2401MDOAHD                             | 953                  |               |                                   |
| Nutrition Services Incentive Program  | 93.053                            | 2201MDOANS                             | 17,441               |               |                                   |
| Total Aging Cluster:  |                                   |  |                      | \$ 706,847    |                                   |
| Title IV and Title II- Discretionary Projects   | 93.048                            | 90MPPG0106-01-00                       | 14,596               |               |                                   |
| Title IV and Title II- Discretionary Projects   | 93.048                            | 90MPPG0001-05-08                       | 5,554                |               |                                   |
| COVID-19- National Family Caregiver Support Title III, Part E                           | 93.052                            | 2101MDFCC6-00                          | 11,017               |               |                                   |
| National Family Caregiver Support Title III, Part E                                     | 93.052                            | 2301MDOAFC                             | 19,389               |               |                                   |
| National Family Caregiver Support Title III, Part E                                     | 93.052                            | 2401MDOAFC                             | 44,025               |               |                                   |
| Medicare Enrollment Assistance Program- MIPPA   | 93.071                            | 2201MDMISH-01                          | 758                  |               |                                   |
| Medicare Enrollment Assistance Program- MIPPA   | 93.071                            | 2201MDMIAA-01                          | 853                  |               |                                   |
| Medicare Enrollment Assistance Program- MIPPA   | 93.071                            | 2201MDMIDR-01                          | 601                  |               |                                   |
| Medicare Enrollment Assistance Program- MIPPA   | 93.071                            | 2201MDMISH-03                          | 2,911                |               |                                   |
| Medicare Enrollment Assistance Program- MIPPA   | 93.071                            | 2201MDMIAA-03                          | 3,232                |               |                                   |
| Medicare Enrollment Assistance Program- MIPPA   | 93.071                            | 2201MDMIDR-03                          | 2,357                |               |                                   |
| State Health Insurance Assistance Program   | 93.324                            | 90SAPG0109-04-00                       | 20,715               |               |                                   |
| Substance Abuse and Mental Health Services  | 93.243                            | 1H79J1086371-01                        | 30,947               |               |                                   |
| Medicaid Cluster:   |                                   |  |                      |               |                                   |
| Medical Assistance Program  | 93.778                            | Unknown                                | 163,875              |               |                                   |
| Total Medicaid Cluster:   |                                   |  |                      | 163,875       |                                   |
| Pass-through programs from Maryland Family Network:                                     |                                   |  |                      |               |                                   |
| Community-Based Child Abuse Prevention Grant- Family Support Center                     | 93.590                            | 2202MDBCAP                             | 30,000               |               |                                   |

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, 2024

| 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 |
|--|-----------------------------------|--|-----------------------------|---------------|-----------------------------------|
| <b>U.S. Department of Health and Human Services (continued)</b>                |                                   |  |                             |               |                                   |
| Pass-through programs from State Department of Human Resources:                |                                   |  |                             |               |                                   |
| Promoting Safe and Stable Families   | 93.556                            | FCDSS/CW 24-001                        | 126,924                     |               |                                   |
| Temporary Assistance for Needy Families- Family Preservation/Youth Summer Jobs | 93.558                            | FCDSS/FIA 24-002                       | 5,713                       |               |                                   |
| Temporary Assistance for Needy Families- Family Preservation/Youth Summer Jobs | 93.558                            | Unknown                                | 3,985                       |               |                                   |
| Child Support Enforcement  | 93.563                            | CSA/CRA/23-014                         | 308,672                     |               |                                   |
| Child Support Enforcement  | 93.563                            | CSA/CRA/24-014                         | 913,984                     |               |                                   |
| Total U.S Department of Health and Human Services                              |                                   |  | <u>3,143,438</u>            |               |                                   |
| <b>U.S. Department of Homeland Security</b>                                    |                                   |  |                             |               |                                   |
| Staffing for Adequate Fire and Emergency Response                              | 97.083                            | EMW-2019-FF-01520                      | \$ 959,964                  |               |                                   |
| Staffing for Adequate Fire and Emergency Response                              | 97.083                            | EMW-2021-FF-00272                      | 2,801,154                   |               |                                   |
| Staffing for Adequate Fire and Emergency Response                              | 97.083                            | EMW-2022FF-00245                       | 791,360                     |               |                                   |
| Pass-through Maryland Emergency Management Agency:                             |                                   |  |                             |               |                                   |
| Emergency Management Performance Grant   | 97.042                            | EMP-2020-EP-00003-S01                  | 21,353                      |               |                                   |
| Emergency Management Performance Grant   | 97.042                            | EMP-2021-EP-0003-S01                   | 37,826                      |               |                                   |
| Emergency Management Performance Grant   | 97.039                            | FEMA-4491-DR-MD-0019                   | 247,963                     |               |                                   |
| Homeland Security Grant Program  | 97.067                            | EMW-2021-SS-00047-SHSP/21-SR88         | 121,240                     |               | \$ 15,181                         |
| Homeland Security Grant Program  | 97.067                            | EMW-2022-00009-S01                     | 38,844                      |               | 34,439                            |
| Homeland Security Grant Program  | 97.067                            | EMW-2023-SS-00011                      | 16,826                      |               | 13,025                            |
| Total U.S. Department of Homeland Security                                     |                                   |  | <u>5,036,530</u>            |               |                                   |
| <b>Total Expenditures of Federal Awards</b>                                    |                                   |  | <b><u>\$ 34,234,069</u></b> |               | <b><u>\$ 796,861</u></b>          |

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, 2024**

#### **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 2024, 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.

| <b>Major Programs</b>                             | <b>Federal Assistance Listing Number</b> | <b>Federal Expenditures</b> |
|---|--|-----------------------------|
| Coronavirus State and Local Fiscal Recovery Funds | 21.027                                   | \$ 9,265,127                |
| Child Support Enforcement                         | 93.563                                   | 1,222,656                   |
| Staffing for Adequate Fire and Emergency Response | 97.083                                   | 4,552,478                   |
|   |  | <u>\$ 15,040,261</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, 2024. 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, 2024**

#### **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, 2024 was \$17,919,826. There were no draws on the loan during 2024.

#### **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 | \$ 31,209,354            |
| Statement of Revenues, Expenses and Changes in Net Position - Library Fund            | <u>45,640</u>            |
|   | <u><u>31,254,994</u></u> |

Reconciling items:

|   |                                    |
|---|------------------------------------|
| Federal expenditures related to loss of revenue previously recognized in the financial statements | 7,937,833                          |
| Federal reimbursements not subject to Single Audit  | (4,983,813)                        |
| Other   | <u>25,055</u>                      |
|   | <u><u>2,979,075</u></u>            |
| <b>Total Expenditures of Federal Awards</b>   | <b><u><u>\$ 34,234,069</u></u></b> |

# **FREDERICK COUNTY, MARYLAND**

## **Schedule of Findings and Questioned Costs For the Year Ended June 30, 2024**

### **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:**

| <b>Major Programs</b>                                      | <b>Federal Assistance<br/>Listing Number</b> | <b>Federal<br/>Expenditures</b> |
|--|--|---------------------------------|
| Coronavirus State and Local Fiscal Recovery Funds          | 21.027                                       | \$ 9,265,127                    |
| Child Support Enforcement                                  | 93.563                                       | 1,222,656                       |
| Staffing for Adequate Fire and Emergency Response          | 97.083                                       | 4,552,478                       |
|  |  | <u>\$ 15,040,261</u>            |
| Threshold for distinguishing between Type A and B programs |  | <u>\$ 1,027,022</u>             |

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, 2024**

**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, 2024**

There were no prior year findings in the June 30, 2023 Single Audit report.