

ANDERSON COUNTY, SOUTH CAROLINA

**SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
AND COMPLIANCE REPORTS**

YEAR ENDED JUNE 30, 2018

ANDERSON COUNTY, SOUTH CAROLINA

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YEAR ENDED JUNE 30, 2018

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ANDERSON COUNTY, SOUTH CAROLINA

SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS

YEAR ENDED JUNE 30, 2018

Program	Federal CFDA Number	Grant / Contract Number	Expenditures
US DEPARTMENT OF AGRICULTURE			
Passed Through SC Department of Social Services:			
State Administrative Matching Grants for the Supplemental Nutrition Assistance Program - Administrative Expenses	10.561	N/A	\$ 18,911
State Administrative Matching Grants for the Supplemental Nutrition Assistance Program - Employment and Training	10.561	N/A	201
Total 10.561			19,112
TOTAL US DEPARTMENT OF AGRICULTURE			19,112
US DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT			
Direct			
Home Investment Partnerships Program - HOME Program	14.239	M15-DC-45-0212	96,314
TOTAL US DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT			96,314
US DEPARTMENT OF JUSTICE			
Direct			
JAG Grant Cluster			
Edward Byrne Memorial Justice Assistance Grant Program	16.738	2015-DJ-BX-0291	99
Edward Byrne Memorial Justice Assistance Grant Program	16.738	2016-DJ-BX-0671	4,620
Total 16.738			4,719
Equitable Sharing Program	16.922	SC0040000	40,026
TOTAL US DEPARTMENT OF JUSTICE			44,745
US DEPARTMENT OF TRANSPORTATION			
Direct			
Airport Improvement Program	20.106	3-45-0004-020-2016	137,374
Airport Improvement Program	20.106	3-45-0004-021-2017	466,739
Airport Improvement Program	20.106	N/A	50,332
Total 20.106			654,445
TOTAL US DEPARTMENT OF TRANSPORTATION			654,445
US DEPARTMENT OF HOMELAND SECURITY			
Passed through SC Emergency Management Division:			
Pre-Disaster Mitigation (PDM) Competitive Grant Program	97.017	PDMC-PL-04-SC-2015-009	23,510
Disaster Grants - Public Assistance (Presidentially Declared Disasters)	97.036	FEMA-4346-DR	166,234
Emergency Management Performance Grants (EMPG)	97.042	17EMPG01	75,225
Passed through the SC Law Enforcement Division:			
Homeland Security Grant Program (HSGP and THSGP)	97.067	16SHSP03	1,275
Homeland Security Grant Program (HSGP and THSGP)	97.067	16SHSP10	29,127
Homeland Security Grant Program (HSGP and THSGP)	97.067	16SHSP17	7,863
Homeland Security Grant Program (HSGP and THSGP)	97.067	17SHSP09	18,386
Homeland Security Grant Program (HSGP and THSGP)	97.067	17SHSP16	27,280
Total 97.067			83,931
TOTAL US DEPARTMENT OF HOMELAND SECURITY			\$ 348,900

See accompanying notes to the schedule of expenditures federal awards.

(Continued)

ANDERSON COUNTY, SOUTH CAROLINA

SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS

YEAR ENDED JUNE 30, 2018

Program	Federal CFDA Number	Grant / Contract Number	Expenditures
US DEPARTMENT OF HEALTH AND HUMAN SERVICES			
Passed Through SC Department of Social Services:			
Child Support Enforcement IV-D Transaction Reimbursement	93.563	N/A	\$ 648,986
Child Support Enforcement IV-D Incentive Payments	93.563	N/A	80,708
Child Support Enforcement IV-D Service of Process Payments	93.563	N/A	33,363
Child Support Enforcement IV-D Filing Fees	93.563	N/A	36,800
Child Support Enforcement IV-D Administration Expense	93.563	N/A	50
	Total 93.563		<u>799,907</u>
Administration Expense			
Promoting Safe and Stable Families - Title IV-B Part II	93.556	N/A	301
Temporary Assistance for Needy Families (TANF)	93.558	N/A	43,896
Foster Care - Title IV-E	93.658	N/A	13,555
Social Service Block Grant	93.667	N/A	8,435
Child Care Mandatory and Matching Funds of the Child Care and Development Fund	93.596	N/A	485
Centers For Medicare And Medicaid Services (CMS)			
Medical Assistance Program	93.778	N/A	17,170
TOTAL US DEPARTMENT OF HEALTH AND HUMAN SERVICES			<u>883,749</u>
TOTAL FEDERAL FINANCIAL ASSISTANCE			<u>\$ 2,047,265</u>

There were no expenditures to subrecipients for the year ended June 30, 2018.

See accompanying notes to the schedule of expenditures federal awards.

ANDERSON COUNTY, SOUTH CAROLINA

NOTES TO THE SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS

YEAR ENDED JUNE 30, 2018

A. BASIS OF PRESENTATION

The accompanying Schedule of Expenditures of Federal Awards (the "Schedule") presents the activity of all federal award programs of Anderson County, South Carolina (the "County") for the year ended June 30, 2018. Expenditures for federal financial assistance awarded directly from federal agencies, as well as those passed through other government agencies, are included on the Schedule. The information in this Schedule is presented in accordance with the 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").

B. BASIS OF ACCOUNTING

The accompanying Schedule is presented using the modified accrual basis of accounting, which is described in the notes to the County's financial statements.

C. RELATIONSHIP TO THE FINANCIAL STATEMENTS

Federal award expenditures are reported in the County's financial statements generally as expenditures or expenses in the County's General Fund, special revenue funds, and enterprise funds.

D. MATCHING COSTS

Matching costs (i.e., the non-federal share of certain program costs) are not included in the accompanying Schedule.

E. INDIRECT COST RATE

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

F. OUTSTANDING LOAN BALANCES

The County's South Carolina Water Pollution Control Revolving Fund Loans were received in previous fiscal years and have no significant continuing compliance requirements. The County did not make or receive any new loans during the current fiscal year and thus no amounts are shown as federal assistance expended in the accompany Schedule as required by the Uniform Guidance.



Greene Finney, LLP

CERTIFIED PUBLIC ACCOUNTANTS & ADVISORS

REPORT ON INTERNAL CONTROL OVER FINANCIAL REPORTING AND ON COMPLIANCE AND OTHER MATTERS BASED ON AN AUDIT OF FINANCIAL STATEMENTS PERFORMED IN ACCORDANCE WITH *GOVERNMENT AUDITING STANDARDS*

INDEPENDENT AUDITOR'S REPORT

The Members of County Council
Anderson County
Anderson, South Carolina

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States, the financial statements of the governmental activities, the business-type activities, the discretely presented component unit, each major fund, and the aggregate remaining fund information of Anderson County, South Carolina (the "County") as of and for the year ended June 30, 2018, and the related notes to the financial statements, which collectively comprise the County's basic financial statements, and have issued our report thereon dated January 28, 2019.

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

Compliance and Other Matters

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

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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.

A handwritten signature in black ink that reads "Greene Finney, LLP". The script is cursive and fluid, with the letters "G", "F", and "L" being particularly prominent.

Greene Finney, LLP
Mauldin, South Carolina
January 28, 2019



Greene Finney, LLP

CERTIFIED PUBLIC ACCOUNTANTS & ADVISORS

REPORT ON COMPLIANCE FOR EACH MAJOR FEDERAL PROGRAM; REPORT ON INTERNAL CONTROL OVER COMPLIANCE; AND REPORT ON SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS REQUIRED BY THE UNIFORM GUIDANCE

INDEPENDENT AUDITOR'S REPORT

The Members of County Council
Anderson County
Anderson, South Carolina

Report on Compliance for Each Major Federal Program

We have audited Anderson County, South Carolina's (the "County") compliance with the types of compliance requirements described in the *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, 2018. The County's major federal programs are identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs.

Management's Responsibility

Management is responsible for compliance with federal statutes, regulations, and the terms and conditions of its federal awards applicable to its federal programs.

Auditor's Responsibility

Our responsibility is to express an opinion on compliance for each of the County's major federal programs based on our audit of the types of compliance requirements referred to above. We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; 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"). Those standards and the Uniform Guidance require that we plan and perform the audit to obtain reasonable assurance about whether noncompliance with the types of compliance requirements referred to above that could have a direct and material effect on a major federal program occurred. An audit includes examining, on a test basis, evidence about the County's compliance with those requirements and performing such other procedures as we considered necessary in the circumstances.

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

Opinion on Each Major Federal Program

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, 2018.

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Report on Internal Control Over Compliance

Management of the County is responsible for establishing and maintaining effective internal control over compliance with the types of compliance requirements referred to above. In planning and performing our audit of compliance, we considered the County's internal control over compliance with the types of requirements that could have a direct and material effect on each major federal program to determine the auditing procedures that are appropriate in the circumstances for the purpose of expressing an opinion on compliance for each major federal program 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 internal control over compliance. Accordingly, we do not express an opinion on the effectiveness of the County's internal control over compliance.

A deficiency in internal control over compliance exists when the design or operation of a control over compliance does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, noncompliance with a type of compliance requirement of a federal program on a timely basis. A *material weakness in internal control over compliance* is a deficiency, or combination of deficiencies, in internal control over compliance, such that there is a reasonable possibility that material noncompliance with a type of compliance requirement of a federal 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 first paragraph of this section and was not designed to identify all deficiencies in internal control over compliance that might be material weaknesses or significant deficiencies. We did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

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

Report on Schedule of Expenditures of Federal Awards Required by the Uniform Guidance

We have audited the financial statements of the County as of and for the year ended June 30, 2018, and have issued our report thereon dated January 28, 2019, which contained an unmodified opinion on those financial statements. Our audit was conducted for the purpose of forming an opinion on the financial statements as a whole. The accompanying schedule of expenditures of federal awards is presented for purposes of additional analysis as required by the Uniform Guidance and is not a required part of the financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the financial statements. The information has been subjected to the auditing procedures applied in the audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the schedule of expenditures of federal awards is fairly stated in all material respects in relation to the financial statements as a whole.



Greene Finney, LLP
Mauldin, South Carolina
January 28, 2019

ANDERSON COUNTY, SOUTH CAROLINA

SCHEDULE OF FINDINGS AND QUESTIONED COSTS

YEAR ENDED JUNE 30, 2018

Section I - Summary of Auditor's Results

Financial Statements

Type of auditors' report issued: Unmodified

Internal control over financial reporting:

Material weakness(es) identified?	_____ Yes	_____ <u>X</u> No
Significant deficiency(ies) identified that are not considered to be material weaknesses?	_____ Yes	_____ <u>X</u> None Reported
Noncompliance material to financial statements noted?	_____ Yes	_____ <u>X</u> No

Federal Awards

Internal control over major programs:

Material weakness(es) identified?	_____ Yes	_____ <u>X</u> No
Significant deficiency(ies) identified that are not considered to be material weaknesses?	_____ Yes	_____ <u>X</u> None Reported

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

Any audit findings disclosed that are required to be reported in accordance with 2 CFR 200.516 (Uniform Guidance)?	_____ Yes	_____ <u>X</u> No
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Identification of major programs:

<u>CFDA Number(s)</u>	<u>Name of Federal Program or Cluster</u>
93.563	Child Support Enforcement
97.067	Homeland Security Grant Program

Dollar threshold used to distinguish between type A and type B programs:	_____ \$ <u>750,000</u>
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Auditee qualified as low-risk auditee?	_____ Yes	_____ <u>X</u> No
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Section II - Current Year Financial Statement Findings

No matters to report.

Section III - Findings and Questioned Costs - Major Federal Awards Programs Audit

No matters to report.

ANDERSON COUNTY, SOUTH CAROLINA

SUMMARY SCHEDULE OF PRIOR AUDIT FINDINGS

YEAR ENDED JUNE 30, 2018

There were no audit findings in the prior year.