

ANDERSON COUNTY, SOUTH CAROLINA

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

YEAR ENDED JUNE 30, 2020

ANDERSON COUNTY, SOUTH CAROLINA

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YEAR ENDED JUNE 30, 2020

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ANDERSON COUNTY, SOUTH CAROLINA

SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS

YEAR ENDED JUNE 30, 2020

Program	Federal CFDA Number	Grant / Contract Number	Expenditures	Expenditures to Subrecipients
US DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT				
Direct				
Home Investment Partnerships Program - HOME Program	14.239	M16-DC-45-0212	\$ 274,504	\$ -
Passed Through SC Department of Commerce				
Community Development Block Grants/State's Program	14.228	4-CI-18-001	134,396	112,396
Total US Department of Housing and Urban Development			408,900	112,396
US DEPARTMENT OF JUSTICE				
Direct				
COVID-19 - Coronavirus Emergency Supplemental Funding Program	16.034	2020-BD-BX-1230	86,222	-
Equitable Sharing Program	16.922	SC0040000	412,614	-
Edward Byrne Memorial Justice Assistance Grant Program	16.738	2017-DJ-BX-0477	60,426	-
Edward Byrne Memorial Justice Assistance Grant Program	16.738	2018-DJ-BX-0647	63,107	-
Edward Byrne Memorial Justice Assistance Grant Program	16.738	2019-DJ-BX-0470	56,923	-
Passed Through SC Department of Public Safety				
Edward Byrne Memorial Justice Assistance Grant Program	16.738	2017-MU-BX-0073	2,729	-
Edward Byrne Memorial Justice Assistance Grant Program	16.738	2019-MU-BX-0049	13,792	-
Total 16.738			196,977	-
Passed Through SC Department of Crime Victim Assistance Grants				
Victims of Crime Act	16.575	1V16125	54,280	-
Victims of Crime Act	16.575	1V17097	141,763	-
Total 16.575			196,043	-
Total US Department of Justice Programs			891,856	-
US DEPARTMENT OF TRANSPORTATION				
Direct				
Airport Improvement Program	20.106	3-45-0004-020-2016	3,433	-
Airport Improvement Program	20.106	3-45-0004-021-2017	36,181	-
Airport Improvement Program	20.106	3-45-0004-022-2019	290,346	-
COVID-19 - Airport Improvement Program	20.106	3-45-0004-024-2020	69,000	-
Airport Improvement Program	20.106	N/A	40,231	-
Total 20.106			439,191	-
Passed Through South Carolina Emergency Management Division				
Hazardous Materials Emergency Preparedness Training and Planning Grants	20.703	HM-HMP-0566-16-03-00	38,778	-
Total US Department of Transportation			477,969	-
US DEPARTMENT OF TREASURY				
Passed Through State of South Carolina				
COVID-19 - Coronavirus Relief Fund	21.019	SA-0273	414,254	-
Total US Department of Treasury			414,254	-
US ENVIRONMENTAL PROTECTION AGENCY				
Passed Through SC Department of Health and Environmental Control				
Brownfields Multipurpose, Assessment, Revolving Loan Fund, and Cleanup				
Cooperative Agreements - Toxaway - Loan	66.818		399,242	-
Brownfields Multipurpose, Assessment, Revolving Loan Fund, and Cleanup				
Cooperative Agreements - Pelzer - Loan	66.818		160,759	-
Brownfields Multipurpose, Assessment, Revolving Loan Fund, and Cleanup				
Cooperative Agreements - Pelzer - Grant	66.818		48,000	-
Total 66.818			608,001	-
Total US Environmental Protection Agency			\$ 608,001	\$ -

(Continued)

ANDERSON COUNTY, SOUTH CAROLINA

SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS

YEAR ENDED JUNE 30, 2020

Program	Federal CFDA Number	Grant / Contract Number	Expenditures	Expenditures to Subrecipients
US DEPARTMENT OF HEALTH AND HUMAN SERVICES				
Passed Through SC Department of Health and Environmental Control:				
Hospital Preparedness Program (HPP) and Public Health Emergency Preparedness (PHEP) Aligned Cooperative Agreements	93.074	UP-0-283	\$ 167,990	\$ -
Passed Through SC Department of Social Services:				
Child Support Enforcement IV-D Transaction Reimbursement	93.563	N/A	467,783	-
Child Support Enforcement IV-D Incentive Payments	93.563	N/A	42,847	-
Child Support Enforcement IV-D Service of Process Payments	93.563	N/A	18,695	-
Child Support Enforcement IV-D Filing Fees	93.563	N/A	23,900	-
Total 93.563			553,225	-
Total US Department of Health and Human Services			721,215	-
US DEPARTMENT OF HOMELAND SECURITY				
Passed through SC Emergency Management Division:				
Disaster Grants - Public Assistance (Presidentially Declared Disasters)	97.036	FEMA-4479-DR	179,198	-
Disaster Grants - Public Assistance (Presidentially Declared Disasters) - COVID-19	97.036	FEMA-4492-DR	32,039	-
Disaster Grants - Public Assistance (Presidentially Declared Disasters)	97.036	FEMA-4346-DR	7,656	-
Total 97.036			218,893	-
Emergency Management Performance Grants (EMPG)	97.042	18EMPG01	15,820	-
Emergency Management Performance Grants (EMPG)	97.042	19EMPG01	75,771	-
Total 97.042			91,591	-
Passed through the SC Law Enforcement Division:				
Homeland Security Grant Program (HSGP and THSGP)	97.067	17SHSP09	1,394	-
Homeland Security Grant Program (HSGP and THSGP)	97.067	18SHSP02	83,587	-
Homeland Security Grant Program (HSGP and THSGP)	97.067	18SHSP09	62,703	-
Homeland Security Grant Program (HSGP and THSGP)	97.067	18SHSP15	415	-
Homeland Security Grant Program (HSGP and THSGP)	97.067	19SHSP03	32,080	-
Homeland Security Grant Program (HSGP and THSGP)	97.067	19SHSP10	46,311	-
Homeland Security Grant Program (HSGP and THSGP)	97.067	19SHSP17	41,952	-
Total 97.067			268,442	-
Total US Department of Homeland Security			578,926	-
TOTAL FEDERAL FINANCIAL ASSISTANCE			\$ 4,101,121	\$ 112,396

See accompanying notes to the schedule of expenditures of federal awards.

ANDERSON COUNTY, SOUTH CAROLINA

NOTES TO THE SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS

YEAR ENDED JUNE 30, 2020

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, 2020. 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 Brownfields Multipurpose, Assessment, Revolving Loan Fund, and Cleanup Cooperative Agreements – Loans are from federal funds received in the current fiscal year and have an outstanding balance of \$560,001 at June 30, 2020. The loan amounts reported in the accompanying Schedule for the current fiscal year are in accordance with 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, 2020, 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 22, 2021.

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 and therefore, material weaknesses or significant deficiencies may exist that were not identified. We did identify a certain deficiency in internal control, described in the accompanying schedule of findings and questioned costs as item 2020-001, that we consider to be a material weakness.

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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County's Response to the Finding

The County's response to the finding identified in our audit is described in the accompanying schedule of findings and questioned costs. The County's response was not subjected to the auditing procedures applied to the audit of the financial statements and, accordingly, we express no opinion on it.

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 22, 2021



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, 2020. 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, 2020.

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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, 2020, and have issued our report thereon dated January 22, 2021, 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 22, 2021

ANDERSON COUNTY, SOUTH CAROLINA

SUMMARY SCHEDULE OF PRIOR AUDIT FINDINGS

YEAR ENDED JUNE 30, 2020

There were no audit findings in the prior year.

ANDERSON COUNTY, SOUTH CAROLINA

SCHEDULE OF FINDINGS AND QUESTIONED COSTS

YEAR ENDED JUNE 30, 2020

Section I - Summary of Auditor's Results

Financial Statements

Type of auditors' report issued: Unmodified

Internal control over financial reporting:

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

Federal Awards

Internal control over major programs:

Material weakness(es) identified?	<u> </u> Yes	<u> X </u> No
Significant deficiency(ies) identified that are not considered to be material weaknesses?	<u> </u> 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)?	<u> </u> 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>
21.019	COVID-19 - Coronavirus Relief Fund
93.563	Child Support Enforcement

Dollar threshold used to distinguish between type A and type B programs: \$ 750,000

Auditee qualified as low-risk auditee?	<u> X </u> Yes	<u> </u> No
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ANDERSON COUNTY, SOUTH CAROLINA

SCHEDULE OF FINDINGS AND QUESTIONED COSTS

YEAR ENDED JUNE 30, 2020

Section II – Current Year Financial Statement Findings

2020-001: REPORTING INFORMATION IN THE SEFA

Condition:	It was noted that significant information was missing from the original Schedule of Expenditures of Federal Awards (“SEFA”) that was provided to us. The original SEFA was missing the Coronavirus Relief Fund funding and the Brownfields Multipurpose, Assessment, Revolving Loan Fund, and Cleanup Cooperative Agreements funding information, both of which were passed through to the County. These instances were identified through conversations with the Finance staff, review of the minutes, and in audit work performed in various audit sections.
Criteria:	The County should have appropriate internal controls in place to ensure that all federal awards are identified and reported on the SEFA.
Context, Cause and Effect:	The SEFA is a required report that must be in an entity’s audited financial statements and submitted to the Federal Audit Clearing House each year that an entity exceeds \$750,000 in federal award expenditures. This includes any funding that is passed through from the State or other agencies. Both programs that were missed in the original SEFA were passed through programs and the County was not initially aware that this funding should have been included in the SEFA – as the County believed that these funds were State funds and not federal funds. It is important for the County to report all federal program funding and to have procedures in place to ensure that funding is accurately reported.
Recommendation:	We recommend that the County ensure that all federal funds are captured on the SEFA, including those that are passed through the State or any other sources. The County should carefully review all grants and loans received throughout the year to determine their funding source.
Response:	The County will implement the above recommendation as detailed in the related Corrective Action Plan.

Section III – Current Year Federal Award Findings and Questioned Costs

No matters to report.



Corrective Action Plan

Year Ended June 30, 2020

Tommy Dunn
Chairman
Council District 5

Brett Sanders
Vice Chairman
Council District 4

John B. Wright, Jr.
Council District 1

Gracie S. Floyd
Council District 2

Ray Graham
Council District 3

Jimmy Davis
Council District 6

M. Cindy Wilson
Council District 7

Lacey Croegaert
Clerk to Council

Rusty Burns
County Administrator

Section II – Current Year Financial Statement Findings

Finding: 2020-001

Contact Person: Rita Davis, Chief Financial Officer
864-260-4351
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Corrective Action: The County will review all grants and loans received to determine their funding source to ensure that all federal awards are identified and reported on the Schedule of Expenditures of Federal Awards.

Proposed Completion Date: June 30, 2021

ADMINISTRATION DIVISION

Rusty Burns | County Administrator

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