

**CARROLL COUNTY, MARYLAND**  
**SINGLE AUDIT REPORT**  
**YEAR ENDED JUNE 30, 2024**



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**CARROLL COUNTY, MARYLAND  
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**INDEPENDENT AUDITORS' REPORT ON INTERNAL CONTROL OVER  
FINANCIAL REPORTING AND ON COMPLIANCE AND OTHER MATTERS  
BASED ON AN AUDIT OF FINANCIAL STATEMENTS PERFORMED  
IN ACCORDANCE WITH GOVERNMENT AUDITING STANDARDS**

The County Commissioners  
of Carroll County, Maryland  
Westminster, Maryland

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 aggregate discretely presented component units, each major fund, and the aggregate remaining fund information of Carroll 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 27, 2024. This report does not include the results of our testing of internal control over financial reporting or compliance and other matters for the Carroll County Board of Education, Carroll Community College, the Carroll County Public Library, and the Industrial Development Authority of Carroll County as we have issued separate reports for the Carroll County Board of Education, Carroll Community College, the Carroll County Public Library, and the Industrial Development Authority of Carroll County.

**Report on Internal Control Over Financial Reporting**

In planning and performing our audit of the financial statements, we considered the County's internal control over financial reporting (internal control) as a basis for designing 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 the County's internal control. Accordingly, we do not express an opinion on the effectiveness 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.

The County Commissioners  
of Carroll County, Maryland  
Westminster, Maryland

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 have not been identified. We did identify a certain deficiency in internal control, described in the accompanying schedule of findings and responses as item 2024-001 that we consider to be a material weakness.

### **Report on Compliance and Other Matters**

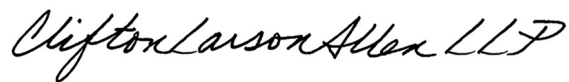
As part of obtaining reasonable assurance about whether the County's financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the financial statements. 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*.

### **The County's Response to Findings**

*Government Auditing Standards* requires the auditor to perform limited procedures on the County's response to the findings identified in our audit and described in the accompanying schedule of findings and responses as finding 2024-01. The County's response was not subjected to the other auditing procedures applied in the audit of the financial statements and, accordingly, we express no opinion on the response.

### **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.



**CliftonLarsonAllen LLP**

Baltimore, Maryland  
November 27, 2024



**INDEPENDENT AUDITORS' REPORT ON COMPLIANCE FOR EACH MAJOR FEDERAL PROGRAM, REPORT ON INTERNAL CONTROL OVER COMPLIANCE, AND REPORT ON THE SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS REQUIRED BY THE UNIFORM GUIDANCE**

The County Commissioners  
of Carroll County, Maryland  
Westminster, Maryland

**Report on Compliance for Each Major Federal Program**

***Opinion on Each Major Federal Program***

We have audited Carroll County, Maryland's (the County) compliance with the types of compliance requirements identified as subject to audit 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, 2024. The County's major federal programs are identified in the summary of auditors' results section of the accompanying schedule of findings and questioned costs.

In our opinion, the County complied, in all material respects, with the 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; 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 Auditors' 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 control over compliance with the requirements of laws, statutes, regulations, rules and provisions of contracts or grant agreements applicable to the County's federal programs.

### ***Auditors' Responsibilities for the Audit of Compliance***

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

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

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

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

### ***Other Matters***

The results of our auditing procedures disclosed an instance of noncompliance, which is required to be reported in accordance with the Uniform Guidance and which is described in the accompanying schedule of findings and questioned costs as item 2024-002. Our opinion on the major federal program is not modified with respect to this matter.

*Government Auditing Standards* requires the auditor to perform limited procedures on the County's response to the noncompliance findings identified in our compliance audit described in the accompanying schedule of findings and questioned costs. The County's response was not subjected to the other auditing procedures applied in the audit of compliance and, accordingly, we express no opinion on the response.

### **Report on Internal Control Over Compliance**

Our consideration of internal control over compliance was for the limited purpose described in the Auditors' Responsibilities for the Audit of Compliance section above and was not designed to identify all deficiencies in internal control over compliance that might be material weaknesses or significant deficiencies in internal control over compliance and therefore, material weaknesses or significant deficiencies may exist that were not identified. We did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses. However, as discussed below, we did identify a certain deficiency in internal control over compliance that we consider to be a significant deficiency.

*A deficiency in internal control over compliance* exists when the design or operation of a control over compliance does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, noncompliance with a type of compliance requirement of a federal program on a timely basis. A *material weakness in internal control over compliance* is a deficiency, or a combination of deficiencies, in internal control over compliance, such that there is a reasonable possibility that material noncompliance with a type of compliance requirement of a federal program will not be prevented, or detected and corrected, on a timely basis. A *significant deficiency in internal control over compliance* is a deficiency, or a combination of deficiencies, in internal control over compliance with a type of compliance requirement of a federal program that is less severe than a material weakness in internal control over compliance, yet important enough to merit attention by those charged with governance. We consider the deficiency in internal control over compliance described in the accompanying schedule of findings and questioned costs as item 2024-002 to be a significant deficiency.

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.

*Government Auditing Standards* requires the auditor to perform limited procedures on the County's response to the internal control over compliance findings identified in our audit described in the accompanying schedule of findings and questioned costs. The County's response was not subjected to the other auditing procedures applied in the audit of compliance and, accordingly, we express no opinion on the response.

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 governmental activities, the business-type activities, the aggregate discretely presented component units, each major fund, and the aggregate remaining fund information of Carroll County as of and for the year ended June 30, 2024, and the related notes to the financial statements, which collectively comprise Carroll County's basic financial statements. We have issued our report thereon, dated November 27, 2024, which contained unmodified opinions on those financial statements. Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the basic financial statements. 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 basic financial statements.

The County Commissioners  
of Carroll County, Maryland  
Westminster, Maryland

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 basic financial statements. 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 GAAS. In our opinion, the schedule of expenditures of federal awards is fairly stated in all material respects in relation to the basic financial statements as a whole.

A handwritten signature in cursive script that reads "CliftonLarsonAllen LLP".

**CliftonLarsonAllen LLP**

Baltimore, Maryland  
March 28, 2025



**CARROLL COUNTY, MARYLAND**  
**SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS**  
**YEAR ENDED JUNE 30, 2024**

Federal Grantor/Program or Cluster Title	Federal Assistance Listing Number	Pass-Through Identifying Number	Federal Expenditures	Passed Through to Subrecipients
<b>U.S. Department of Agriculture</b>				
Watershed Rehabilitation Program	10.916			
Passed through National Resources Conservation Service		NRCS-ADS-093	\$ 142,452	\$ -
<b>Total U.S. Department of Agriculture</b>			<b>142,452</b>	<b>-</b>
<b>U.S. Department of Housing and Urban Development</b>				
COVID-19 - Community Development Block Grants/State's program and Non-Entitlement Grants in Hawaii	14.228			
Passed through Maryland Department of Housing and Community Development		CV-2-6	212,691	159,106
Emergency Solutions Grant Program	14.231			
Passed through Maryland Department of Housing and Community Development				
COVID-19 - Emergency Solutions Grant Program		Not Available	16,667	-
Emergency Solutions Grant Program		Not Available	123,062	119,200
<b>Total ALN 14.231 Emergency Solutions Grant Program</b>			<b>139,729</b>	<b>119,200</b>
Housing Opportunities for Persons with AIDS	14.241		26,567	-
Continuum of Care Program	14.267		20,111	-
Family Self-Sufficiency Program	14.896		103,133	-
<i>Housing Voucher Cluster</i>				
Section 8 Housing Choice Vouchers	14.871		7,308,101	-
Mainstream Vouchers	14.879		1,053,886	-
<b>Total Housing Voucher Cluster</b>			<b>8,361,987</b>	<b>-</b>
<b>Total U.S. Department of Housing and Urban Development</b>			<b>8,864,218</b>	<b>278,306</b>
<b>U.S. Department of Justice</b>				
Joint Law Enforcement Operations (JLEO)	16.111		9,580	-
COVID-19 - Crime Victim Assistance	16.575			
Passed through Governor's Office of Crime Control and Prevention		VOCA-2017-0160	557	-
Violence Against Women Formula Grants	16.588			
Passed through Governor's Office of Crime Control and Prevention		VAWA-2023-0005	49,688	-
Congressionally Recommended Awards	16.753		303,098	-
Byrne Criminal Justice Innovation Program	16.817			
Passed through Governor's Office of Crime Control and Prevention		3 BJAG-2022-0020	33,343	-
		BJAG-2020-0034	10,962	-
<b>Total ALN 16.817 Byrne Criminal Justice Innovation Program</b>			<b>44,305</b>	<b>-</b>
Equitable Sharing Program	16.922		7,640	-
<b>Total U.S. Department of Justice</b>			<b>414,867</b>	<b>-</b>
<b>U.S. Department of Labor</b>				
<i>WIOA Cluster</i>				
Passed through Maryland Department of Labor Licensing and Regulation				
WIOA Adult Program	17.258	P46-CC-PY23-A	266,908	-
WIOA Youth Activities	17.259	P46-CC-PY23-Y	16,533	-
		P36-CC-PY22-Y	56,526	-
		P46-CC-FY23-Y	9,748	-
		P46-CC-PY23-Y	210,594	-
<b>Total ALN 17.259 WIOA Youth Activities</b>			<b>293,401</b>	<b>-</b>
WIOA Dislocated Worker Formula Grants	17.278			
		P36-CC-PY22-D	354,957	-
		P46-CC-PY23-D	6,660	-
		P46-CC-PY23-D	52,510	-
<b>Total ALN 17.278 WIOA Dislocated Worker Formula Grants</b>			<b>414,127</b>	<b>-</b>
<b>Total WIOA Cluster</b>			<b>974,436</b>	<b>-</b>
<b>Total U.S. Department of Labor</b>			<b>974,436</b>	<b>-</b>

See accompanying Notes to Expenditures of Federal Awards

**CARROLL COUNTY, MARYLAND  
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS  
YEAR ENDED JUNE 30, 2024**

Federal Grantor/Program or Cluster Title	Federal Assistance Listing Number	Pass-Through Identifying Number	Federal Expenditures	Passed Through to Subrecipients
<b>U.S. Department of Transportation</b>				
COVID-19 - Airport Improvement Program, COVID-19 Airports Programs, and Infrastructure Investment and Jobs Act Programs	20.106		\$ 22,475	\$ -
Airport Improvement Program, COVID-19 Airports Programs, and Infrastructure Investment and Jobs Act Programs			<u>1,662,483</u>	<u>-</u>
Total ALN 20.106 Airport Improvement Program, COVID-19 Airports Programs, and Infrastructure Investment and Jobs Act Programs			1,684,958	-
Highway Planning and Construction Passed through Maryland Department of Transportation	20.205	HS# HS232B51/ FAP#	7,964	-
Metropolitan Transportation Planning and State and Non-Metropolitan Planning and Research Passed through Baltimore Metropolitan Council	20.505	Not Available	510	-
Formula Grants for Rural Areas and Tribal Transit Program Passed through Maryland Department of Transportation	20.509			
COVID-19 - Formula Grants for Rural Areas and Tribal Transit Program		CL03CRRSAA11O2021	124,466	-
Formula Grants for Rural Areas and Tribal Transit Program		Section 5311 - TBD	<u>100,119</u>	<u>-</u>
Total ALN 20.509 Formula Grants for Rural Areas and Tribal Transit Program			224,585	-
<i>Highway Safety Cluster</i>				
State and Community Highway Safety Passed through Maryland Department of Transportation	20.600			
		LE-Carroll Co Sheriff-2023 - 126	797	-
		LE-Carroll Co Sheriff-2023 - 128	2,374	-
		LE-Carroll Co Sheriff-2024 - 043, 044, 045	<u>6,856</u>	<u>-</u>
Total ALN 20.600 State and Community Highway Safety			10,027	-
National Priority Safety Programs	20.616			
Passed through Maryland Department of Transportation		LE-Carroll Co Sheriff-2023 - 129	4,435	-
		LE-Carroll Co Sheriff-2024 - 043, 044, 045	12,770	-
		LE-Carroll Co Sheriff-2024-042	<u>2,188</u>	<u>-</u>
Total ALN 20.616 National Priority Safety Programs			<u>19,393</u>	<u>-</u>
Total Highway Safety Cluster			<u>29,420</u>	<u>-</u>
<i>FMCSA Cluster</i>				
Motor Carrier Safety Assistance Passed through Maryland Department of Transportation	20.218			
Total FMCSA Cluster		PO2282 C-1	<u>22,056</u>	<u>-</u>
<i>Federal Transit Cluster</i>				
Passed through Maryland Department of Transportation	20.507			
COVID-19 - Federal Transit Formula Grants		CL03CARES07O2020	942,079	-
COVID-19 - Federal Transit Formula Grants		CL03CARES11O2020	233,657	-
Federal Transit Formula Grants		Section 5307 - TBD	325,827	-
		Unknown	<u>150,959</u>	<u>-</u>
Total ALN 20.507 Federal Transit Formula Grants			<u>1,652,522</u>	<u>-</u>
Total Federal Transit Cluster			1,652,522	-
Interagency Hazardous Materials Public Sector Training and Planning Grants Passed through Maryland Department of Emergency Management	20.703	22 SR 8841-04	14,000	-
<b>Total U.S. Department of Transportation</b>			<u><b>3,636,016</b></u>	<u><b>-</b></u>
<b>U.S. Department of the Treasury</b>				
Equitable Sharing	21.016		10,723	-
COVID-19 - Emergency Rental Assistance Program	21.023			
Passed through Maryland Department of Housing and Community Development		Unknown	21,890	-

See accompanying Notes to Expenditures of Federal Awards

**CARROLL COUNTY, MARYLAND**  
**SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS**  
**YEAR ENDED JUNE 30, 2024**

Federal Grantor/Program or Cluster Title	Federal Assistance Listing Number	Pass-Through Identifying Number	Federal Expenditures	Passed Through to Subrecipients
<b>U.S. Department of the Treasury (Continued)</b>				
COVID-19 - Coronavirus State and Local Fiscal Recovery Funds	21.027		\$ 6,341,608	\$ 1,681,855
Passed through Maryland Department of Housing and Community Development		Unknown CC-ARPA-II	1,479,213	10,716
Passed through Maryland Department of Labor Licensing and Regulation		CC-ARPA-PY21	344,904	-
Passed through Maryland Department of Labor Licensing and Regulation			87,691	-
Total ALN 21.027 COVID-19 - Coronavirus State and Local Fiscal Recovery Funds			<u>8,253,416</u>	<u>1,692,571</u>
<b>Total U.S. Department of the Treasury</b>			<b><u>8,286,029</u></b>	<b><u>1,692,571</u></b>
<b>U.S. Department of Veterans Affairs</b>				
VHA Home Care	64.044			
Passed through Maryland Office on Aging		Not Available	8,081	-
Passed through Maryland Office on Aging		Not Available	(2,534)	-
<b>Total U.S. Department of Veterans Affairs</b>			<b><u>5,547</u></b>	<b><u>-</u></b>
<b>U.S. Environmental Protection Agency</b>				
Geographic Programs - Chesapeake Bay Program	66.466			
Passed through U.S. Fish and Wildlife Service		0603.21.072042	5,000	-
Passed through U.S. Fish and Wildlife Service		0603.21.072042	21,914	-
Geographic Programs - Chesapeake Bay Program Implementation, Regulatory/Accountability and Monitoring Grants	66.964			
Passed through Maryland Department of Natural Resources		14-24-4142 IJA 0101	51,832	-
<b>Total U.S. Environmental Protection Agency</b>			<b><u>78,746</u></b>	<b><u>-</u></b>
<b>U.S. Department of Education</b>				
Rehabilitation Services Vocational Rehabilitation Grants to States	84.126			
Passed Through Maryland Department of Education		241724	1,870	-
		Not Available	10,418	-
<b>Total U.S. Department of Education</b>			<b><u>12,288</u></b>	<b><u>-</u></b>
<b>U.S. Department of Health and Human Services</b>				
Special Programs for the Aging, Title VII, Chapter 3, Programs for Prevention of Elder Abuse, Neglect, and Exploitation	93.041			
Passed through Maryland Office on Aging		650922/06	1,050	-
		Unknown	1,553	-
Total ALN 93.041 Special Programs for the Aging, Title VII, Chapter 3, Programs for Prevention of Elder Abuse, Neglect, and Exploitation			<u>2,603</u>	<u>-</u>
Special Programs for the Aging, Title VII, Chapter 2, Long Term Care Ombudsman Services for Older Individuals	93.042			
Passed through Maryland Office on Aging		Unknown	10,631	-
Special Programs for the Aging, Title III, Part D, Disease Prevention and Health Promotion Services	93.043			
Passed through Maryland Office on Aging				
COVID-19 - Special Programs for the Aging, Title III, Part D, Disease Prevention and Health Promotion Services		655521/06	12,452	-
Special Programs for the Aging, Title III, Part D, Disease Prevention and Health Promotion Services		Unknown	6,644	-
Total ALN 93.043 Special Programs for the Aging, Title III, Part D, Disease Prevention and Health Promotion Services			<u>19,096</u>	<u>-</u>
Special Programs for the Aging, Title IV, and Title II, Discretionary Projects	93.048			
Passed through Maryland Office on Aging		653423/06	9,472	-
		Unknown	12,213	-
Total ALN 93.048 Special Programs for the Aging, Title IV, and Title II, Discretionary Projects			<u>21,685</u>	<u>-</u>

See accompanying Notes to Expenditures of Federal Awards

**CARROLL COUNTY, MARYLAND  
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS  
YEAR ENDED JUNE 30, 2024**

Federal Grantor/Program or Cluster Title	Federal Assistance Listing Number	Pass-Through Identifying Number	Federal Expenditures	Passed Through to Subrecipients
<b>U.S. Department of Health and Human Services (Continued)</b>				
National Family Caregiver Support, Title III, Part E	93.052			
Passed through Maryland Office on Aging				
COVID-19 - National Family Caregiver Support, Title III, Part E		655621/06	\$ 45,573	\$ -
National Family Caregiver Support, Title III, Part E		Unknown	22,148	-
Total ALN 93.052 National Family Caregiver Support, Title III, Part E			67,721	-
Medicare Enrollment Assistance Program	93.071			
Passed through Maryland Office on Aging		Not Available	7,924	-
State Health Insurance Assistance Program	93.324			
Passed through Maryland Office on Aging		Not Provided	15,374	-
		Unknown	16,579	-
Total ALN 93.052 National Family Caregiver Support, Title III, Part E			31,953	-
COVID-19 - Low Income Household Water Assistance Program	93.499			
Passed through Maryland Department of Human Services		Unknown	4,540	-
MaryLee Allen Promoting Safe and Stable Families Program	93.556			
Passed through Maryland Department of Human Services		CRRL/SSA 24-012	121,028	121,028
Temporary Assistance for Needy Families	93.558			
Passed through Maryland Department of Human Services		CRRL/SSA 24-003	376,071	-
Child Support Enforcement	93.563			
Passed through Maryland Department of Human Services		CSA.CRA.23-035	29,626	-
		CSA.CRA.24-035	136,829	-
		CSA/CRA-23-010	6,052	-
		CSA/CRA-24-010	17,340	-
Total ALN 93.563 Child Support Enforcement			189,847	-
<i>Aging Cluster</i>				
Passed through Maryland Office on Aging	93.044			
COVID-19 - Special Programs for the Aging, Title III, Part B, Grants for Supportive Services and Senior Centers		655321/06	66,905	-
Special Programs for the Aging, Title III, Part B, Grants for Supportive Services and Senior Centers		650122/06	37,183	-
		652122/06	2,653	-
		652123/06	6,224	-
		Unknown	121,994	-
Total ALN 93.044 Special Programs for the Aging, Title III, Part B, Grants for Supportive Services and Senior Centers			234,960	-
Special Programs for the Aging, Title III, Part C, Nutrition Services	93.045			
Passed through Maryland Office on Aging				
COVID-19 - Special Programs for the Aging, Title III, Part C, Nutrition Services			110,299	-
COVID-19 - Special Programs for the Aging, Title III, Part C, Nutrition Services			57,537	-
Special Programs for the Aging, Title III, Part C, Nutrition Services			406,988	-
Total ALN 93.045 Special Programs for the Aging, Title III, Part C, Nutrition Services			574,824	-
Nutrition Services Incentive Program	93.053			
Passed through Maryland Office on Aging		650522/06	33,181	-
		Unknown	33,097	-
Total ALN 93.053 Nutrition Services Incentive Program			66,278	-
Total Aging Cluster			876,062	-

See accompanying Notes to Expenditures of Federal Awards

**CARROLL COUNTY, MARYLAND  
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS  
YEAR ENDED JUNE 30, 2024**

Federal Grantor/Program or Cluster Title	Federal Assistance Listing Number	Pass-Through Identifying Number	Federal Expenditures	Passed Through to Subrecipients
<b>U.S. Department of Health and Human Services (Continued)</b>				
<i>Medicaid Cluster</i>				
Medical Assistance Program	93.778			
Passed through Maryland Department of Health		Not Available	\$ 449,223	\$ -
		Not Available	134,883	-
Passed through Maryland Office on Aging		Not Available	160,536	-
Total ALN 93.778 Medical Assistance Program			<u>744,642</u>	<u>-</u>
<i>Total Medicaid Cluster</i>			744,642	-
<b>Total U.S. Department of Health and Human Services</b>			<u><b>2,473,803</b></u>	<u><b>121,028</b></u>
<b>Executive Office of the President</b>				
High Intensity Drug Trafficking Areas Program	95.001			
Passed through Mercyhurst University		Not Available	86,978	-
<b>Total Executive Office of the President</b>			<u><b>86,978</b></u>	<u>-</u>
<b>U.S. Department of Homeland Security</b>				
Passed through Maryland Department of Emergency Management	97.042			
Emergency Management Performance Grants		20-SR-8841-01	12,022	-
		22 SR 8841-01	95,144	-
Total ALN 97.042 Emergency Management Performance Grants			<u>107,166</u>	<u>-</u>
Homeland Security Grant Program	97.067			
Passed through Maryland Department of Emergency Management		20-SR 8841-03	93,307	-
		20-SR-8841-04	40,620	-
		21-SR-8841-03	364,680	-
		21-SR-8841-04	46,799	-
		22 SR 8841-02	78,205	-
		22 SR 8841-03	25	-
		23 SR 8841-02	73,607	-
		23 SR 8841-03	17,200	-
Total ALN 97.067 Homeland Security Grant Program			<u>714,443</u>	<u>-</u>
<b>Total U.S. Department of Homeland Security</b>			<u><b>821,609</b></u>	<u>-</u>
<b>Total Expenditures of Federal Awards</b>			<u><b>\$ 25,796,989</b></u>	<u><b>\$ 2,091,905</b></u>

See accompanying Notes to Expenditures of Federal Awards

**CARROLL COUNTY, MARYLAND**  
**NOTES TO SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS**  
**YEAR ENDED JUNE 30, 2024**

**NOTE 1 BASIS OF PRESENTATION**

The accompanying schedule of expenditures of federal awards (the Schedule) includes the federal award activity of Carroll County, Maryland under programs of the federal government for the year ended June 30, 2024, excluding the Carroll County Public Library, Board of Education of Carroll County and Carroll Community College. The County reporting entity is defined in Note 1 to the County's basic financial statements.

**NOTE 2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

Expenditures reported on the Schedule are reported on the modified accrual basis of accounting as described in Note 1 to the County's basic financial statements. 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). Therefore, some amounts presented in this schedule may differ from amounts presented in, or used in, the preparation of the basic financial statements.

**NOTE 3 INDIRECT COST RATE**

Carroll County, Maryland has elected to use the 10 percent de minimis indirect cost rate on certain grants and not to use the 10 percent de minimis indirect cost rate on other grants as allowed under the Uniform Guidance.

**CARROLL COUNTY, MARYLAND  
SCHEDULE OF FINDINGS AND QUESTIONED COSTS  
YEAR ENDED JUNE 30, 2024**

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**Section I – Summary of Auditors’ Results**

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**Financial Statements**

1. Type of auditors’ report issued: Unmodified
2. Internal control over financial reporting:
- Material weakness(es) identified?     x     yes            no
  - Significant deficiency(ies) identified?            yes     x     none reported
3. Noncompliance material to financial statements noted?            yes     x     no

**Federal Awards**

1. Internal control over major federal programs:
- Material weakness(es) identified?            yes     x     no
  - Significant deficiency(ies) identified?     x     yes            none reported
2. Type of auditors’ report issued on compliance for major federal programs: Unmodified
3. Any audit findings disclosed that are required to be reported in accordance with 2 CFR 200.516(a)?     x     yes            no

**Identification of Major Federal Programs**

Assistance Listing Number(s)	Name of Federal Program or Cluster
14.871, 14.879	Housing Voucher Cluster
17.258, 17.259 17.278	WIOA Cluster
21.027	COVID 19: Coronavirus State and Local Fiscal Recovery Funds
93.044, 93.045, 93.053	Aging Cluster

Dollar threshold used to distinguish between Type A and Type B programs:

\$773,910

Auditee qualified as low-risk auditee?

           yes     x     no

**CARROLL COUNTY, MARYLAND  
SCHEDULE OF FINDINGS AND QUESTIONED COSTS (CONTINUED)  
YEAR ENDED JUNE 30, 2024**

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***Section II – Financial Statement Findings***

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**Finding 2024-001 – Corrections of an Error**

**Type of Finding: Material Weakness in Internal Control over Financial Reporting**

***Condition***

The County has had multiple instances where capital assets, including land and subscription-based information technology arrangements were not accurately recorded. This led to two restatements in the current year financial statements.

**Airport Fund:** In the prior year, \$505,191 was recorded to operating expenses for contractual services, including consultant fees, title examinations, legal fees, building maintenance, repairs, and other expenses necessary to prepare land acquisitions for use. However, these expenditures should have been reported as land under capital assets. A restatement was recorded to properly record the capitalization of these costs to the land capital asset category.

**Grants Fund:** In the prior year, the County prepaid several items ahead of their due date in the grants fund; however, since they were related to subscription-based technology arrangements, the accounting for the prepayments was incorrect. This error led to an overstatement of assets in the government-wide financial statements as a prepaid item and a capital asset were recorded for the same prepayments. To address this issue in the prior year, the County reduced prepaid assets and increased expenditures by the net present value of future subscription payments, amounting to \$1,480,328. However, \$223,377 of this amount had already been removed from the prepaid classification and recognized as amortized prepaid expense over the agreement's duration, resulting in this portion being over-reported as expenditures. A restatement was recorded in the grants fund to properly adjust fund balance totaling \$223,377 for the overstatement in prior year expenditures.

***Criteria***

Accurate recording and classification of capital assets, including land and subscription-based information technology arrangements, are required to ensure the integrity of financial statements and compliance with applicable accounting standards.

***Cause***

The County did not have adequate controls in place to ensure the accurate recording and classification of capital assets, leading to misstatements in financial reporting.

***Effect***

Misclassification and inaccurate recording of capital assets led to a correction of errors in prior year financial statements.

***Recommendation***

We recommend the County review their policies and procedures and make adjustments where necessary to ensure the accurate recording and classification of capital assets, including adjustments for items that are prepaid.



**CARROLL COUNTY, MARYLAND**  
**SCHEDULE OF FINDINGS AND QUESTIONED COSTS (CONTINUED)**  
**YEAR ENDED JUNE 30, 2024**

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***Section II – Financial Statement Findings (Continued)***

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***Management Response***

The Accounting office will take the lead in reviewing our policies and procedures to modify, as needed, to ensure accurate recording and classification of capital assets, including adjustments for items that are prepaid. Accounting will work with departments and train staff with fiscal responsibilities of managing and documenting capital assets including prepaids. This topic will also be added to our year-end close process that is shared with departments. In addition, accounting will review the internal controls for booking these entries into our Financial Management System (FMS) so that we have designated employees with the expertise to complete a formal review to ensure the financial data is properly recorded to prevent misstatements from occurring in FY 25 and future fiscal years

**CARROLL COUNTY, MARYLAND  
SCHEDULE OF FINDINGS AND QUESTIONED COSTS (CONTINUED)  
YEAR ENDED JUNE 30, 2024**

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**Section III – Findings and Questioned Costs – Major Federal Programs**

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**Reference Number:** 2024-002  
**Federal Agency:** U.S. Department of Housing and Urban Development  
**Federal Program Name:** Housing Choice Voucher Program  
**Assistance Listing Number:** 14.871 & 14.879  
**Federal Award Identification Number:** MD032VO - 2024  
**Federal Award Year:** 2024  
**Pass-Through Agency:** N/A  
**Pass-Through Number:** N/A  
**Compliance Requirement:** Special Tests and Provisions  
**Award Period:** 7/1/2023 - 6/30/2024  
**Type of Finding:** Significant Deficiency in Internal Control Over Compliance, Other Matters

**Criteria or specific requirement:**

*Compliance Requirements:* Public Housing Agencies (PHAs) must enter into General Depository Agreements (GDA) with their financial institutions, as specified by HUD. These agreements protect federal funds and grant third-party rights to HUD. Many agreements include terms requiring the funds to be placed in interest-bearing accounts (24 CFR section 982.156).

**Condition:**

The County has not established a depository agreement with their financial institution, as mandated by 24 CFR 982.156.

**Context:**

During our review of the County's financial management practices and processes, we found that the County lacks a depository agreement with their financial institution, as required by 24 CFR 982.156.

**Questioned costs:**

None.

**Cause:**

The County was unaware that the General Depository Agreement requirement was applicable to them.

**Effect:**

HUD has not been granted the necessary third-party rights to recover federal funds if needed.

**Repeat Finding:**

No.

**CARROLL COUNTY, MARYLAND  
SCHEDULE OF FINDINGS AND QUESTIONED COSTS (CONTINUED)  
YEAR ENDED JUNE 30, 2024**

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***Section III – Findings and Questioned Costs – Major Federal Programs (Continued)***

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**Recommendation:**

We recommend the County establish procedures to ensure compliance with HUD requirements, including entering into a general depository agreement in the form required by HUD.

**Views of Responsible Officials and Planned Corrective Action:**

The County agrees with this finding.



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