

Washtenaw
County



Year Ended
December 31,
2017

Single Audit Act
Compliance

WASHTENAW COUNTY

■ Table of Contents

	<u>Page</u>
Independent Auditors' Report on the Schedule of Expenditures of Federal Awards Required by the Uniform Guidance	1
Schedule of Expenditures of Federal Awards	2
Notes to Schedule of Expenditures of Federal Awards	6
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 <i>Government Auditing Standards</i>	8
Independent Auditors' Report on Compliance for Each Major Program and on Internal Control over Compliance Required by the Uniform Guidance	10
Schedule of Findings and Questioned Costs	12
Summary Schedule of Prior Audit Findings	15



**INDEPENDENT AUDITORS' REPORT ON THE SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
REQUIRED BY THE UNIFORM GUIDANCE**

April 11, 2018

To the Board of Commissioners
of Washtenaw County
Ann Arbor, Michigan

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 *Washtenaw County, Michigan* (the "County"), as of and for the year ended December 31, 2017, and the related notes to the financial statements, which collectively comprise the basic financial statements. We issued our report thereon dated April 11, 2018, which contained unmodified opinions on those financial statements. Our report includes a reference to other auditors. Our audit was conducted for the purpose of forming opinions on those financial statements that collectively comprise the County's basic financial statements. The accompanying schedule of expenditures of federal awards is presented for purposes of additional analysis as required by Title 2 U.S. Code of Federal Regulations Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance) and is not a required part of the basic 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 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 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 basic financial statements as a whole.

Rehmann Robson LLC

WASHTENAW COUNTY

Schedule of Expenditures of Federal Awards
For the Year Ended December 31, 2017

Federal Agency / Cluster / Program Title	CFDA Number	Passed Through	Pass-through / Grantor Number	Total Subawards	Federal Expenditures
U.S. Department of Agriculture					
Child Nutrition Cluster:					
Food Distribution - Senior Nutrition Program	10.555	AAA1-B	16-9052-CH	\$ -	\$ 151,524
Food Distribution - Senior Nutrition Program	10.555	AAA1-B	17-9052-CH	-	22,896
				<u>-</u>	<u>174,420</u>
Woman, Infants and Children	10.557	MDHHS	IW100342	-	972,466
Woman, Infants and Children - Peer Counselor	10.557	MDHHS	IW100342	-	109,666
				<u>-</u>	<u>1,082,132</u>
Child and Adult Care Food Program	10.558	MDE	-n/a-	-	38,897
				<u>-</u>	<u>38,897</u>
Total U.S. Department of Agriculture				<u>-</u>	<u>1,295,449</u>
U.S. Department of Housing and Urban Development					
Community Development Block Grant/Entitlement Grant Cluster:					
2012 Community Development Block Grant	14.218	Direct	B-12-UC-26-0006	20,089	30,644
2013 Community Development Block Grant	14.218	Direct	B-13-UC-26-0006	39,160	39,160
2014 Community Development Block Grant	14.218	Direct	B-14-UC-26-0006	178,428	234,760
2015 Community Development Block Grant	14.218	Direct	B-15-UC-26-0006	83,727	587,991
2016 Community Development Block Grant	14.218	Direct	B-16-UC-26-0006	524,867	1,016,375
2017 Community Development Block Grant	14.218	Direct	B-17-UC-26-0006	241,857	241,857
				<u>1,088,128</u>	<u>2,150,787</u>
Emergency Shelter Grants Program:					
2016 Emergency Shelter Grants Program	14.231	Direct	E-16-UC-26-0006	122,673	122,673
2017 Emergency Shelter Grants Program	14.231	Direct	E-17-UC-26-0006	33,054	40,846
2016 Emergency Shelter Grants Program	14.231	MSHDA	HML-2016-0783-ESF	211,687	280,177
2017 Emergency Shelter Grants Program	14.231	MSHDA	HML-2017-0783-ESF	85,495	92,405
				<u>452,909</u>	<u>536,101</u>
Home Investment Partnership Program:					
2011 HOME Investment Partnerships Program	14.239	Direct	M-11-UC-26-0006	136,322	212,574
2013 HOME Investment Partnerships Program	14.239	Direct	M-13-UC-26-0006	32,857	32,858
2014 HOME Investment Partnerships Program	14.239	Direct	M-14-UC-26-0006	112,905	112,905
2015 HOME Investment Partnerships Program	14.239	Direct	M-15-UC-26-0006	100,277	100,277
2016 HOME Investment Partnerships Program	14.239	Direct	M-16-UC-26-0006	270,130	412,008
2017 HOME Investment Partnerships Program	14.239	Direct	M-17-UC-26-0006	3,629	79,772
				<u>656,120</u>	<u>950,394</u>
Continuum of Care Planning Grant:					
2016 Continuum of Care Planning Grant	14.267	Direct	MI0485L5F091500	-	97,169
2017 Continuum of Care Planning Grant	14.267	Direct	MI0534L5F901600	-	136,356
2016 Supportive Housing Program	14.267	Direct	MI0486L5F091500	-	94,784
2017 Supportive Housing Program	14.267	Direct	MI0486L5F091601	-	38,191
				<u>-</u>	<u>366,500</u>
Total U.S. Department of Housing and Urban Development				<u>2,197,157</u>	<u>4,003,782</u>
U.S. Department of the Interior National Park Service					
Historic Preservation Fund Grants-In-Aid - Thornoaks Neighborhood	15.904	MSHDA	CG16-433	-	5,671
				<u>-</u>	<u>5,671</u>
U.S. Department of Transportation					
Highway Safety Cluster:					
Strategic Traffic Enforcement Program - BELT/OWI	20.616	MOHSP	PT-17-15	-	84,962
Strategic Traffic Enforcement Program - BELT/OWI	20.616	MOHSP	PT-18-21	-	25,814
Underage Drinking Grant	20.616	MOHSP	AL-17-08	-	17,935
				<u>-</u>	<u>128,711</u>
Total U.S. Department of Transportation				<u>-</u>	<u>128,711</u>

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WASHTENAW COUNTY

Schedule of Expenditures of Federal Awards

For the Year Ended December 31, 2017

Federal Agency / Cluster / Program Title	CFDA Number	Passed Through	Pass-through / Grantor Number	Total Subawards	Federal Expenditures
U.S. Environmental Protection Agency					
Clean Water State Revolving Fund Cluster					
Capitalization Grants for Clean Water State Revolving Funds - HRGI Trees 5504.06	66.458	MDEQ	-n/a-	\$ -	\$ 120,521
Nonpoint Source Implementation Grant	66.460	MDEQ	C9975474-14	-	7,586
Drinking Water State Revolving Fund Cluster					
State Drinking Water Revolving Loan Fund Program - Capacity Development	66.468	MDEQ	FS975487-13	-	600
Performance Partnership Grants:					
2016 Water Stewardship/Clean Sweep	66.605	MDA	791N7700126	-	18,697
2017 Water Stewardship/Clean Sweep	66.605	MDA	791ESD3011	-	11,699
				-	30,396
Total U.S. Environmental Protection Agency				-	159,103
U.S. Department of Energy					
Weatherization Assistance for Low-Income Persons 2016	81.042	MDHHS	WAP16-81029-1	-	216,999
Weatherization Assistance for Low-Income Persons 2017	81.042	MDHHS	WAP16-81029-2	-	145,213
				-	362,212
U.S. Department of Health and Human Services					
Aging Cluster:					
Title III, Part C - Nutrition Services -2015	93.045	AAA1-B	15-9052-CH	-	795
Title III, Part C - Nutrition Services -2016	93.045	AAA1-B	16-9052-CH	120,588	502,768
Title III, Part C - Nutrition Services -2017	93.045	AAA1-B	17-9052-CH	16,662	227,703
				137,250	731,266
* Public Health Emergency Preparedness:					
Ebola Virus Disease Phase II	93.069	MDHHS	NU90TP000528	-	26,556
10/1/16-6/30/17 PH Emergency Prep	93.069	MDHHS	NU90TP000528	-	127,510
Volunteer Reserve Centers	93.069	MDHHS	NU90TP000528	-	6,000
7/1/17-9/30/17 PH Emergency Prep	93.074	MDHHS	NU90TP921906	-	40,521
				-	200,587
* Tuberculosis Control Program - Tuberculosis (TB) Control	93.116	MDHHS	1U52PS00469301	-	27,927
* Projects for Assistance in Transition from Homelessness (PATH)	93.150	MDHHS	20161389-00	-	147,340
* Immunization Cluster:					
Immunization Cooperative Agreements	93.268	MDHHS	H23 CCH522556	-	53,455
Immunization Grants - Vaccines	93.268	MDHHS	H23 CCH522556	-	110,678
Immunization Cooperative Agreements - Fixed Fees	93.268	MDHHS	H23 CCH522556	-	13,350
				-	177,483
* Zika Virus Mosquito Surveillance	93.323	MDHHS	NU50CK000369	-	10,000
* PPHF Capacity Building Assistance	93.539	MDHHS	H23IP000752	-	90,252

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WASHTENAW COUNTY

Schedule of Expenditures of Federal Awards
For the Year Ended December 31, 2017

Federal Agency / Cluster / Program Title	CFDA Number	Passed Through	Pass-through / Grantor Number	Total Subawards	Federal Expenditures
U.S. Department of Health and Human Services (continued)					
* Child Support Enforcement:					
2016 Family Support Payments to States	93.563	MDHHS	CSFOC16-81001	\$ -	\$ 254,265
2016 Friend of the Court	93.563	MDHHS	CSFOC16-81001	-	2,324,586
2016 Prosecuting Attorney	93.563	MDHHS	CSPA16-81002	-	298,718
				<u>-</u>	<u>2,877,569</u>
Low-income Home Energy Assistance:					
2016 Low-Income Home Energy Assistance Program	93.568	MDHHS	WAP16-81029-1 LIHEAP	-	132,052
2017 Low-Income Home Energy Assistance Program	93.568	MDHHS	18B1MILIFA	-	6,417
2016-17 Michigan Energy Assistance Program	93.568	MCAAA/MPSC	MAE-17-07	9,450	78,636
				<u>9,450</u>	<u>217,105</u>
Community Services Block Grant:					
2015 Community Services Block Grant	93.569	MDHHS	CSBG 14-81029-3	-	23
2016 Community Services Block Grant	93.569	MDHHS	CSBG 14-81029-4	-	524,235
2017 Community Services Block Grant	93.569	MDHHS	18B1MICOSI	-	79,954
				<u>-</u>	<u>604,212</u>
ACA - State Innovation Model Testing					
* Community Health Innovation Region	93.624	MDHHS/CHRT	20163703-00	-	51,169
* 2016 Grants to States for Access and Visitation Program	93.597	SCAO	SCAO-2017-033	1,380	1,380
* Medicaid Cluster:					
Child Special Health Care	93.778	MDHHS	05 U05M15ADM	-	86,000
CSHCS Medicaid Outreach	93.778	MDHHS	05 U05M15ADM	-	67,874
Child Special Health Care - Care Coordination	93.778	MDHHS	05 U05M15ADM	-	7,355
CSHCS Medicaid Elevated Blood Lead	93.778	MDHHS	05 1205M15MAP	-	1,310
Medicaid Outreach - Advocate	93.778	MDHHS	05 U05M15ADM	-	347,510
Medicaid Outreach	93.778	MDHHS	05 U05M15ADM	-	68,717
Annual Resident Review (OBRA)	93.778	MDHHS	-n/a-	-	698,299
				<u>-</u>	<u>1,277,065</u>
HIV Prevention Project -					
* HIV Prevention Activities	93.940	CMHPSM	U62 PS003671	-	48,389
* Parent Management Training Oregon (PMTO)	93.958	CMHPSM	12B1MICMHS	-	5,897
* SMI Criminal Justice Involved Persons	93.958	CMHPSM	12B1MICMHS	-	80,628
				<u>-</u>	<u>86,525</u>
* Preventive Health and Health Services:					
Building Healthy Communities	93.758	MDHHS	2B01OT009028	-	360,000
Tobacco Dependence Treatment	93.758	MDHHS	2B01OT009128	-	125,000
Getting to the Heart of the Matter:					
Project Management	93.758	MDHHS	2B01OT009128	-	49,671
Lifestyle Change	93.758	MDHHS	2B01OT009128	180,000	180,000
Tobacco Dental	93.758	MDHHS	2B01OT009128	70,587	70,587
Worksite Wellness	93.758	MDHHS	2B01OT009128	100,000	100,000
Wise Choices	93.758	MDHHS	2B01OT009128	-	22,500
				<u>350,587</u>	<u>907,758</u>
* Maternal and Child Health Services Block Grant:					
CSHCS	93.994	MDHHS	B1M1MCHS	-	26,158
Obesity	93.994	MDHHS	B1M1MCHS	-	95,000
CSHCS Care Coordination	93.994	MDHHS	B1M1MCHS	-	8,500
				<u>-</u>	<u>129,658</u>
Total U.S. Department of Health and Human Services				<u>498,667</u>	<u>7,585,685</u>

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WASHTENAW COUNTY

Schedule of Expenditures of Federal Awards

For the Year Ended December 31, 2017

Federal Agency / Cluster / Program Title	CFDA Number	Passed Through	Pass-through / Grantor Number	Total Subawards	Federal Expenditures
Corporation for National Community Service					
Foster Grandparent/Senior Companion Cluster:					
Foster Grandparent Program - 16-17	94.011	Direct	14SFNMI001	\$ -	\$ 136,963
Foster Grandparent Program - 17-18	94.011	Direct	17SFNMI007	-	177,976
				<u>-</u>	<u>314,939</u>
Office of National Drug Control Policy					
High Intensity Drug Trafficking Area -					
2016 Management and Coordination Initiative	95.001	MDSP	G16SM0003A	-	1,346,196
				<u>-</u>	<u>1,346,196</u>
U.S. Department of Homeland Security					
Emergency Food And Shelter Program					
Emergency Food And Shelter Program	97.024	UWW	33-4832-00	-	4,071
Emergency Food And Shelter Program	97.024	UWW	34-4832-00	-	4,220
				<u>-</u>	<u>8,291</u>
Homeland Security Grant Program:					
2015 Homeland Security Grant Program	97.067	MDSP	2015 HSGP	-	155,727
2016 Homeland Security Grant Program	97.067	MDSP	2016 HSGP	-	303,569
				<u>-</u>	<u>459,296</u>
Total U.S. Department of Homeland Security				<u>-</u>	<u>467,587</u>
Total Expenditures of Federal Awards				<u>\$ 2,695,824</u>	<u>\$ 15,669,335</u>

concluded.

See notes to schedule of expenditures of federal awards.

* See Note 3.

WASHTENAW COUNTY

Notes to Schedule of Expenditures of Federal Awards

1. BASIS OF PRESENTATION

The accompanying schedule of expenditures of federal awards (the "Schedule") includes the federal grant activity of Washtenaw County, Michigan (the "County") under programs of the federal government for the year ended December 31, 2017, except as discussed below in Note 3. 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). 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 position or cash flows of the County.

The County's reporting entity is defined in Note 1 of the County's Comprehensive Annual Financial Report. The County's financial statements include the operations of the Washtenaw County Road Commission, which received federal awards that are not included in the Schedule for the year ended December 31, 2017, as this entity was separately audited.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Expenditures reported on the Schedule are reported on the accrual basis of accounting, which is described in Note 1 to the County's financial statements. Such expenditures are recognized following the cost principles contained in the Uniform Guidance, wherein certain types of expenditures are not allowable or are limited as to reimbursement. Negative amounts shown on the Schedule, if any, represent adjustments or credits made in the normal course of business to amounts reported as expenditures in prior years. Pass-through entity identifying numbers are presented where available.

For purposes of charging indirect costs to federal awards, the County has elected not to use the 10 percent de minimis cost rate as permitted by §200.414 of the Uniform Guidance.

3. FISCAL REPORTING

Certain departments and their grants are reported on a September 30 year-end basis; these are denoted on the Schedule with an asterisk (*).

4. PASS-THROUGH AGENCIES

The County receives certain federal awards as subgrants from non-federal entities. Pass-through entities, where applicable, have been identified in the Schedule with an abbreviation, defined as follows:

Pass-through Agency Abbreviation	Pass-through Agency Name
AAA1-B	Area Agency on Aging 1-B
CMHPSM	Community Mental Health Partnership of Southeast Michigan
MCAAA/MPSC	Michigan Community Action Agency Association / Michigan Public Service Commission
MDA	Michigan Department of Agriculture
MDE	Michigan Department of Education

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WASHTENAW COUNTY

Notes to Schedule of Expenditures of Federal Awards

Pass-through Agency Abbreviation	Pass-through Agency Name
MDEQ	Michigan Department of Environmental Quality
MDHHS	Michigan Department of Health and Human Services
MDHHS/CHRT	Michigan Department of Health and Human Services/Center for Healthcare Research & Transformation
MDSP	Michigan Department of State Police
MOHSP	Michigan Office of Highway Safety Planning
MSHDA	Michigan State Housing Development Authority
SCAO	State Court Administrative Office
UWW	United Way Worldwide

concluded.



**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***

April 11, 2018

To the Board of Commissioners
of Washtenaw County
Ann Arbor, Michigan

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 *Washtenaw County, Michigan* (the "County"), as of and for the year ended December 31, 2017, and the related notes to the financial statements, which collectively comprise the County's basic financial statements, and have issued our report thereon dated April 11, 2018. Our report includes a reference to other auditors who audited the financial statements of the Washtenaw County Road Commission, as described in our report on the County's financial statements. This report does not include the results of the other auditors' testing of internal control over financial reporting or compliance and other matters that are reported on separately by those auditors.

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*.

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 County'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 "Rehmann Lobson LLC". The signature is written in a cursive, flowing style.

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

April 11, 2018

To the Board of Commissioners
of Washtenaw County
Ann Arbor, Michigan

Report on Compliance for Each Major Federal Program

We have audited the compliance of *Washtenaw County, Michigan* (the "County") 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 December 31, 2017. The County's major federal programs are identified in the summary of auditors' 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.

Independent Auditors' 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 December 31, 2017.

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.

Purpose of this Report

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.



WASHTENAW COUNTY

Schedule of Findings and Questioned Costs

For the Year Ended December 31, 2017

SECTION I - SUMMARY OF AUDITORS' RESULTS

Financial Statements

Type of report the auditor issued on whether the financial statements audited were prepared in accordance with GAAP:

Unmodified

Internal control over financial reporting:

Material weakness(es) identified? _____ yes X no

Significant deficiency(ies) identified? _____ yes X none reported

Noncompliance material to financial statements noted _____ yes X no

Federal Awards

Internal control over major programs:

Material weakness(es) identified? _____ yes X no

Significant deficiency(ies) identified? _____ yes X none reported

Any audit findings disclosed that are required to be reported in accordance with 2 CFR 200.516(a)? _____ yes X no

Identification of major programs:

<u>CFDA Number</u>	<u>Name of Federal Program or Cluster</u>	<u>Type of report</u>
14.218	Community Development Block Grant/ Entitlement Grant Cluster	Unmodified
14.239	HOME Investment Partnership Program	Unmodified
93.563	Child Support Enforcement	Unmodified
93.758	Preventive Health and Health Services Block Grant	Unmodified

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

Auditee qualified as low-risk auditee? _____ yes X no

WASHTENAW COUNTY

Schedule of Findings and Questioned Costs For the Year Ended December 31, 2017

SECTION II - FINANCIAL STATEMENT FINDINGS

None noted.

WASHTENAW COUNTY

Schedule of Findings and Questioned Costs

For the Year Ended December 31, 2017

SECTION III - FEDERAL AWARD FINDINGS AND QUESTIONED COSTS

None noted.

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WASHTENAW COUNTY

Summary Schedule of Prior Audit Findings

For the Year Ended December 31, 2017

Finding 2016-001 - Preparation of the Schedule of Expenditures of Federal Awards

During the prior year audit, management was able to provide us with a mostly complete schedule of expenditures of federal awards (SEFA) prior to the start of the prior year audit, several adjustments were ultimately required. These adjustments included a material adjustment near the end of the prior year audit fieldwork for a program that was not initially identified as a federal grant. This resulted in a change to the total federal awards expended. No such adjustments were noted this year, and as such, this matter is considered resolved.

Finding 2016-002 - Material Audit Adjustments

During the prior year audit, we identified and proposed a material adjustment (which was approved and posted by management) to adjust the County's general ledger to the appropriate balances. Revenues in the Community Mental Health fund were overstated by approximately \$447,000 and the related allowance for uncollectible accounts was understated by the same amount. No such adjustments were noted this year, and as such, this matter is considered resolved.

Finding 2016-003 - Suspension and Debarment

During the prior year audit, the County did not obtain a suspension and debarment certification for one contract entered into with a vendor during the year out of two selected for testing. No such issues were noted this year, and as such, this matter is considered resolved.

