

COUNTY OF BLAIR

AUDITOR'S REPORT ON

**SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
AND STATE FINANCIAL ASSISTANCE
PASSED THROUGH THE PENNSYLVANIA
DEPARTMENT OF HUMAN SERVICES
COMPLIANCE AND INTERNAL CONTROL**

FOR THE YEAR ENDED DECEMBER 31, 2018

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**INDEPENDENT AUDITOR'S 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**

Board of Commissioners
County of Blair
Court House
423 Allegheny Street, Suite 441
Hollidaysburg, PA 16648-2022

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 aggregate discretely presented component unit, each major fund, and the aggregate remaining fund information of the County of Blair, as of and for the year ended December 31, 2018, and the related notes to the financial statements, which collectively comprise the County of Blair's basic financial statements and have issued our report thereon dated June 10, 2019. We issued an adverse opinion on the governmental activities because the County did not record certain general infrastructure assets as required by generally accepted accounting principles.

Internal Control Over Financial Reporting

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

Our consideration of internal control was for the limited purpose described in the preceding paragraph 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. However, as described in the accompanying schedule of findings and questioned costs, we identified certain deficiencies in internal control that we consider to be material weaknesses and significant deficiencies.

**INDEPENDENT AUDITOR'S 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*
(CONTINUED)**

Internal Control Over Financial Reporting (Continued)

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. We consider the deficiencies described in the accompanying schedule of findings and questioned costs as items 2018-004, 2018-005, 2018-009, 2018-010, 2018-011, 2018-013, 2018-014, 2018-015, 2018-016, and 2018-018 to be material weaknesses.

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. We consider the deficiencies described in the accompanying schedule of findings and questioned costs as items 2018-001, 2018-002, 2018-003, 2018-006, 2018-007, 2018-008, 2018-012, 2018-017, and 2018-019 to be significant deficiencies.

Compliance and Other Matters

As part of obtaining reasonable assurance about whether the County of Blair'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*.

County of Blair's Response to Findings

The County of Blair's response to the findings identified in our audit is described in the accompanying schedule of findings and questioned costs. The County of Blair's response was not subjected to the auditing procedures applied in 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.

Young, Decker, Brown & Company, P.C.

Altoona, Pennsylvania
June 10, 2019

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

Board of Commissioners
County of Blair
Court House
423 Allegheny Street, Suite 441
Hollidaysburg, PA 16648-2022

Report on Compliance for Each Major Federal and State Program

We have audited the County of Blair's compliance with the types of compliance requirements described in the *OMB Compliance Supplement* and the Pennsylvania Department of Human Services Compliance Supplement that could have a direct and material effect on each of the County of Blair's major federal and state programs for the year ended December 31, 2018. The County of Blair's major federal and state 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 and state awards applicable to its federal and state programs.

Auditor's Responsibility

Our responsibility is to express an opinion on compliance for each of the County of Blair's major federal and state 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; 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), and the Pennsylvania Department of Human Services Compliance Supplement. Those standards, the Uniform Guidance, and the Pennsylvania Department of Human Services Compliance Supplement 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 and state program occurred. An audit includes examining, on a test basis, evidence about the County of Blair'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 and state program. However, our audit does not provide a legal determination of the County of Blair's compliance.

**INDEPENDENT AUDITOR'S REPORT ON COMPLIANCE
FOR EACH MAJOR PROGRAM AND ON INTERNAL CONTROL OVER COMPLIANCE
REQUIRED BY THE UNIFORM GUIDANCE
(CONTINUED)**

Unmodified Opinion on Each Major Federal Program and State Program

In our opinion, the County of Blair 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 and state programs for the year ended December 31, 2018.

Report on Internal Control Over Compliance

Management of the County of Blair 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 of Blair's internal control over compliance with the types of requirements that could have a direct and material effect on each major federal and state 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 and state program and to test and report on internal control over compliance in accordance with the Uniform Guidance and the Pennsylvania Department of Human Services, 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 of Blair's internal control over compliance.

Our consideration of internal control over compliance was for the limited purpose described in the preceding paragraph and was not designed to identify all deficiencies in internal control over compliance that might be material weaknesses or significant deficiencies and therefore, material weaknesses or significant deficiencies may exist that were not identified. However, as discussed below, we identified certain deficiencies in internal control over compliance that we consider to be material weaknesses and significant deficiencies.

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 or state 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 or state program will not be prevented, or detected and corrected, on a timely basis. We consider the deficiencies in internal control over compliance described in the accompanying schedule of findings and questioned costs as items 2018-009, 2018-013, 2018-014, and 2018-018 to be material weaknesses.

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 or state 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 deficiencies in internal control over compliance described in the accompanying schedule of findings and questioned costs as item 2018-2017 to be a significant deficiency.

County of Blair's response to the internal control over compliance findings identified in our audit is described in the accompanying schedule of findings and questioned costs. County of Blair's response was not subjected to the auditing procedures applied in the audit of compliance and, accordingly, we express no opinion on the response.

**INDEPENDENT AUDITOR'S REPORT ON COMPLIANCE
FOR EACH MAJOR PROGRAM AND ON INTERNAL CONTROL OVER COMPLIANCE
REQUIRED BY THE UNIFORM GUIDANCE
(CONTINUED)**

**Report on Schedule of Expenditures of Federal Awards Required by the Uniform Guidance
and the Pennsylvania Department of Human Services**

We have audited the financial statements of the governmental activities, the aggregate discretely presented component unit, each major fund, and the aggregate remaining fund information of the County of Blair, as of and for the year ended December 31, 2018, and the related notes to the financial statements, which collectively comprise the County of Blair's basic financial statements. We issued our report thereon dated June 10, 2019, 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 the Pennsylvania Department of Human Services 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 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 and the Pennsylvania Department of Human Services is fairly stated in all material respects in relation to the basic financial statements as a whole.

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 and the Pennsylvania Department of Human Services. Accordingly, this report is not suitable for any other purpose.

Young, Beck, Brown & Company, P.C.

Altoona, Pennsylvania
June 10, 2019

**COUNTY OF BLAIR
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
FOR THE YEAR ENDED DECEMBER 31, 2018**

<u>Federal Grantor/Pass-Through Grantor/Program Title</u>	<u>Federal CFDA Number</u>	<u>Program Year</u>	<u>Pass-Through Grantor's Number (Description)</u>	<u>Program Receipts</u>	<u>Program Expenditures</u>	<u>Expenditures to Subrecipients</u>
U.S. Department of Health and Human Services						
Passed Through State Department of Human Services:						
Guardianship Assistance	93.090	07/01/17-06/30/18	Title IV-E	\$ 27,122	\$ 14,386	\$ 13,786
Guardianship Assistance	93.090	07/01/18-06/30/19	Title IV-E	-	18,551	18,068
Information Technology Grant	93.090	07/01/16-06/30/17	Title IV-E	4	4	4
Information Technology Grant	93.090	07/01/17-06/30/18	Title IV-E	7	7	7
Total 93.090				\$ 27,133	\$ 32,948	\$ 31,865
Projects for Assistance in Transition from Homelessness (PATH)	93.150	07/01/17-06/30/18	PATH (Homeless)	\$ 23,543	\$ 23,543	\$ 23,543
Projects for Assistance in Transition from Homelessness (PATH)	93.150	07/01/18-06/30/19	PATH (Homeless)	23,544	23,544	23,544
Total 93.150				\$ 47,087	\$ 47,087	\$ 47,087
Promoting Safe and Stable Families	93.556	07/01/17-06/30/18	Family Preservation	\$ 4,247	\$ 4,247	\$ 4,247
Promoting Safe and Stable Families	93.556	07/01/18-06/30/19	Family Preservation	4,081	4,081	4,081
Promoting Safe and Stable Families	93.556	07/01/17-06/30/18	Human Services	63,858	63,858	63,858
Promoting Safe and Stable Families	93.556	07/01/18-06/30/19	Human Services	42,572	42,572	42,572
Total 93.556				\$ 114,758	\$ 114,758	\$ 114,758
Temporary Assistance to Needy Families (TANF)	93.558	07/01/17-06/30/18	Children and Youth	\$ 318,408	\$ 140,463	\$ 140,463
Temporary Assistance to Needy Families (TANF)	93.558	07/01/18-06/30/19	Children and Youth	-	408,912	408,912
Total 93.558/TANF Cluster/477 Cluster				\$ 318,408	\$ 549,375	\$ 549,375
Child Support Enforcement	93.563	01/01/17-12/31/17	Domestic Relations	\$ 47,546	\$ -	\$ -
Child Support Enforcement	93.563	01/01/18-12/31/18	Domestic Relations	343,807	555,710	-
Child Support Enforcement	93.563	07/01/15-06/30/16	Domestic Relations - Incentive	57,965	-	-
Child Support Enforcement	93.563	07/01/17-06/30/18	Domestic Relations - Incentive	180,777	-	-
Total 93.563				\$ 630,095	\$ 555,710	\$ -
Community-Based Child Abuse Prevention Grants	93.590	07/01/17-06/30/18	Children and Youth	\$ 15,180	\$ 611	\$ -
Community-Based Child Abuse Prevention Grants	93.590	07/01/18-06/30/19	Children and Youth	15,300	15,028	-
Total 93.590				\$ 30,480	\$ 15,639	\$ -
Stephanie Tubbs Jones Child Welfare Services Program	93.645	07/01/17-06/30/18	Title IV-B Children and Youth	\$ 21,734	\$ 21,734	\$ 21,734
Stephanie Tubbs Jones Child Welfare Services Program	93.645	07/01/18-06/30/19	Title IV-B Children and Youth	21,734	21,734	21,734
Total 93.645				\$ 43,468	\$ 43,468	\$ 43,468
Administrative - Title IV-E	93.658	07/01/17-06/30/18	Title IV-E	\$ 15,203	\$ 6,556	\$ -
Administrative - Title IV-E	93.658	07/01/18-06/30/19	Title IV-E	-	4,080	-
Foster Care - Title IV-E	93.658	07/01/15-06/30/16	Title IV-E	(28)	(28)	(28)
Foster Care - Title IV-E	93.658	07/01/16-06/30/17	Title IV-E	14,120	7,354	7,354
Foster Care - Title IV-E	93.658	07/01/17-06/30/18	Title IV-E	1,474,050	1,031,813	456,762
Foster Care - Title IV-E	93.658	07/01/18-06/30/19	Title IV-E	-	436,188	-
Information Technology Grant - Title IV-E	93.658	07/01/16-06/30/17	Title IV-E	8,649	8,649	8,649
Information Technology Grant - Title IV-E	93.658	07/01/17-06/30/18	Title IV-E	7,720	(18,916)	(18,916)
Information Technology Grant - Title IV-E	93.658	07/01/18-06/30/19	Title IV-E	-	7,387	7,387
Total 93.658				\$1,519,714	\$1,483,083	\$ 461,208
Adoption Assistance - Title IV-E	93.659	07/01/16-06/30/17	Title IV-E	\$ 6,783	\$ 6,783	\$ 6,783
Adoption Assistance - Title IV-E	93.659	07/01/17-06/30/18	Title IV-E	895,595	300,195	286,086
Adoption Assistance - Title IV-E	93.659	07/01/18-06/30/19	Title IV-E	294,755	611,254	585,306
Information Technology Grant	93.659	07/01/16-06/30/17	Title IV-E	332	332	-
Information Technology Grant	93.659	07/01/17-06/30/18	Title IV-E	253	253	-
Total 93.659				\$1,197,718	\$ 918,817	\$ 878,175

COUNTY OF BLAIR
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
FOR THE YEAR ENDED DECEMBER 31, 2018
(CONTINUED)

<u>Federal Grantor/Pass-Through Grantor/Program Title</u>	<u>Federal CFDA Number</u>	<u>Program Year</u>	<u>Pass-Through Grantor's Number (Description)</u>	<u>Program Receipts</u>	<u>Program Expenditures</u>	<u>Expenditures to Subrecipients</u>
U.S. Department of Health and Human Services (Continued)						
Passed Through State Department of Human Services: (Cont.)						
Social Services Block Grant	93.667	07/01/17-06/30/18	Mental Health	\$ 7,940	\$ 7,940	\$ 7,940
Social Services Block Grant	93.667	07/01/18-06/30/19	Mental Health	7,940	7,940	7,940
Social Services Block Grant	93.667	07/01/17-06/30/18	Intellectual Disabilities	55,484	55,484	55,484
Social Services Block Grant	93.667	07/01/18-06/30/19	Intellectual Disabilities	55,484	55,484	55,484
Social Services Block Grant	93.667	07/01/17-06/30/18	Title XX - Children and Youth	49,806	49,806	49,806
Social Services Block Grant	93.667	07/01/18-06/30/19	Title XX - Children and Youth	49,804	49,804	49,804
Total 93.667				\$ 226,458	\$ 226,458	\$ 226,458
Independent Living Services	93.674	07/01/17-06/30/18	Independent Living	\$ 29,949	\$ 44,923	\$ 44,923
Independent Living Services	93.674	07/01/18-06/30/19	Independent Living	14,975	29,948	29,948
Total 93.674				\$ 44,924	\$ 74,871	\$ 74,871
Medical Assistance Program	93.778	07/01/17-06/30/18	Intellectual Disabilities Waiver	\$ 234,896	\$ 234,896	\$ 234,896
Medical Assistance Program	93.778	07/01/18-06/30/19	Intellectual Disabilities Waiver	234,770	234,770	234,770
Medical Assistance Program	93.778	07/01/17-06/30/18	Senior Services	324,876	324,876	324,876
Medical Assistance Program	93.778	07/01/18-06/30/19	Senior Services	373,972	373,972	373,972
Medical Assistance Program	93.778	07/01/17-06/30/18	Mental Health Administration	31,962	31,962	31,962
Medical Assistance Program	93.778	07/01/17-06/30/18	Intellectual Disabilities Administration	9,475	9,475	9,475
Medical Assistance Program	93.778	07/01/17-06/30/18	Early Intervention	5,504	5,504	5,504
Medical Assistance Program	93.778	07/01/18-06/30/19	Early Intervention	5,504	5,504	5,504
Medical Assistance Program	93.778	07/01/16-06/30/17	Children and Youth	992	992	-
Medical Assistance Program	93.778	07/01/17-06/30/18	Children and Youth	4,896	2,934	-
Medical Assistance Program	93.778	07/01/18-06/30/19	Children and Youth	-	2,584	-
Total 93.778				\$1,226,847	\$1,227,469	\$1,220,959
Block Grants for Community Mental Health Services	93.958	07/01/17-06/30/18	Mental Health	\$ 58,644	\$ 58,644	\$ 58,644
Block Grants for Community Mental Health Services	93.958	07/01/18-06/30/19	Mental Health	85,982	85,982	85,982
Total 93.958				\$ 144,626	\$ 144,626	\$ 144,626
Passed Through State Commission on Crime and Delinquency:						
Opioid STR	93.788	07/01/18-06/30/19	2018-GO/CU-DC/01-28747	\$ 16,333	\$ 16,333	\$ -
Total U.S. Department of Health and Human Services				\$5,588,049	\$5,450,642	\$3,792,850
U.S. Department of Education						
Passed Through State Department of Human Services:						
Special Education - Grants for Infants and Families	84.181	07/01/17-06/30/18	Early Intervention	\$ 45,692	\$ 45,692	\$ 45,692
Special Education - Grants for Infants and Families	84.181	07/01/18-06/30/19	Early Intervention	45,692	45,692	45,692
Total 84.181				\$ 91,384	\$ 91,384	\$ 91,384
Total U.S. Department of Education				\$ 91,384	\$ 91,384	\$ 91,384
U.S. Department of Justice						
Passed Through State Commission on Crime and Delinquency:						
Crime Victim Assistance	16.575	07/01/16-06/30/19	26662	\$ 71,935	\$ 87,167	\$ -
Total U.S. Department of Justice				\$ 71,935	\$ 87,167	\$ -

**COUNTY OF BLAIR
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
FOR THE YEAR ENDED DECEMBER 31, 2018
(CONTINUED)**

<u>Federal Grantor/Pass-Through Grantor/Program Title</u>	<u>Federal CFDA Number</u>	<u>Program Year</u>	<u>Pass-Through Grantor's Number (Description)</u>	<u>Program Receipts</u>	<u>Program Expenditures</u>	<u>Expenditures to Subrecipients</u>
<u>U.S. Department of Housing and Urban Development</u>						
Direct Programs:						
Community Development Block Grant	14.228	12/21/12-12/20/17	C000053406	\$ 6,146	\$ 4,327	\$ -
Community Development Block Grant	14.228	06/30/14-06/29/19	C000059083	210,102	210,102	-
Community Development Block Grant	14.228	08/05/15-08/04/20	C000061796	42,138	43,381	-
Community Development Block Grant	14.228	10/17/16-10/16/21	C000064337	199,170	195,524	-
Community Development Block Grant	14.228	10/18/17-10/17/22	C000066602	99,496	99,496	-
Community Development Block Grant	14.228	03/08/17-03/07/21	C000064947	811,757	811,757	-
Community Development Block Grant	14.228	03/16/18-03/15/22	C000069656	14,054	14,054	-
Total 14.228				\$1,382,863	\$1,378,641	\$ -
Passed Through State Department of Community and Economic Development:						
Emergency Shelter Grants Program	14.231	09/19/16-03/19/18	C000064181	\$ 1,300	\$ 1,300	\$ -
Emergency Shelter Grants Program	14.231	01/01/18-06/30/19	C000067036	88,669	88,669	-
Total 14.231				\$ 89,969	\$ 89,969	\$ -
Total U.S. Department of Housing and Urban Development				\$1,472,832	\$1,468,610	\$ -
<u>U.S. Department of Agriculture</u>						
Passed Through State Department of Agriculture:						
Emergency Food Assistance Program (Administrative Costs)	10.568	10/01/16-09/30/21	44165690	\$ 18,571	\$ 16,617	\$ 16,617
Emergency Food Assistance Program (Food Commodities)	10.569	01/01/18-12/31/18	Food Commodities	\$ 98,106	\$ 98,106	\$ 98,106
Total Food Distribution Cluster				\$ 116,677	\$ 114,723	\$ 114,723
Total U.S. Department of Agriculture				\$ 116,677	\$ 114,723	\$ 114,723
<u>U.S. Department of Transportation</u>						
Passed Through State Department of Transportation:						
Highway Planning and Construction (Federal-Aid Program)	20.205	01/01/18-12/31/18	NBIS/Bridge #10	\$ 214,642	\$ 226,860	\$ -
Total 20.205/Highway Planning and Construction Cluster				\$ 214,642	\$ 226,860	\$ -
National Priority Safety Programs	20.616	10/01/16-09/30/17	IDP-G-2010-Blair-0005	\$ 17,454	\$ -	\$ -
National Priority Safety Programs	20.616	10/01/17-09/30/18	IDP-G-2010-Blair-0005	33,784	29,459	-
National Priority Safety Programs	20.616	10/01/18-09/30/19	IDP-G-2010-Blair-0005	-	5,592	-
Total 20.616/Highway Safety Cluster				\$ 51,238	\$ 35,051	\$ -
Passed Through State Emergency Management Agency:						
Interagency Hazardous Materials Public Sector Training and Planning Grants	20.703	10/01/16-09/30/17	4100077778	\$ 23,184	\$ -	\$ -
Interagency Hazardous Materials Public Sector Training and Planning Grants	20.703	10/01/17-09/30/18	4100079186	-	25,016	-
Total 20.703				\$ 23,184	\$ 25,016	\$ -
Total U.S. Department of Transportation				\$ 289,064	\$ 286,927	\$ -

**COUNTY OF BLAIR
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
FOR THE YEAR ENDED DECEMBER 31, 2018
(CONTINUED)**

<u>Federal Grantor/Pass-Through Grantor/Program Title</u>	<u>Federal CFDA Number</u>	<u>Program Year</u>	<u>Pass-Through Grantor's Number (Description)</u>	<u>Program Receipts</u>	<u>Program Expenditures</u>	<u>Expenditures to Subrecipients</u>
<u>U.S. Department of Homeland Security</u>						
Passed Through State Emergency Management Agency:						
Emergency Management Performance Grant	97.042	10/01/17-09/30/18	EMP-2017-EP-00002-S01	\$ -	\$ 73,636	\$ -
Emergency Management Performance Grant	97.042	10/01/18-09/30/19	EMP-2018	-	26,476	-
Total 97.042				\$ -	\$ 100,112	\$ -
Homeland Security Grant Program (Noncash)	97.067	01/01/18-12/31/18		\$ 5,475	\$ 5,475	\$ 5,475
Total U.S. Department of Homeland Security				\$ 5,475	\$ 105,587	\$ 5,475
Total Federal Awards				\$7,635,416	\$7,605,040	\$4,004,432

**COUNTY OF BLAIR
SCHEDULE OF FEDERAL EXPENDITURES
DETERMINATION OF MAJOR PROGRAMS
FOR THE YEAR ENDED DECEMBER 31, 2018**

Listing of all federal program expenditures by CFDA numbers:

<u>Program</u>	<u>CFDA Number</u>	<u>Amount of Expenditure</u>
Foster Care - Title IV-E	93.658	\$1,483,083
Adoption Assistance - Title IV-E	93.659	918,817
Medical Assistance Program	93.778	1,227,469
Community Development Block Grant	14.228	1,378,641
Other	Various	<u>2,597,030</u>
 Total Federal Expenditures		 \$7,605,040 <u><u> </u></u>
 Major Determination Amount		 \$ 750,000 <u><u> </u></u>

The first four programs listed above were considered major programs in accordance with the Uniform Guidance. None of these Type A Programs were classified as low risk. These programs represent 66% of the total federal expenditures.

**COUNTY OF BLAIR
NOTES TO SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
AND STATE FINANCIAL ASSISTANCE PASSED THROUGH
THE PENNSYLVANIA DEPARTMENT OF HUMAN SERVICES
FOR THE YEAR ENDED DECEMBER 31, 2018**

Note 1: The expenditures shown on the Schedule of Expenditures of Federal Awards were based on the accrual basis of accounting. The cash basis is used for revenue in order that the funding agency can trace the grant proceeds easily.

The DHS schedule was prepared on the accrual basis of accounting. The cash received for the year was adjusted to match the actual expenditures for the year through the carryover account. A positive carryover indicates money is being carried into the next calendar year. A negative carryover reflects additional revenue due from the funding agency.

Note 2: The commodities shown on the Schedule of Expenditures of Federal Awards are valued at the cost stated on the USDA invoices.

Note 3: Schedule of Federal Awards by pass-through agencies:

PA Department of Human Services	\$5,525,693
PA Commission on Crime and Delinquency	103,500
PA Department of Transportation	261,911
PA Department of Agriculture	114,723
PA Emergency Management Agency	130,603
PA Department of Community and Economic Development	<u>89,969</u>
 Total	 \$6,226,399
 Direct from U.S. Department of Housing and Urban Development	 <u>1,378,641</u>
 Total	 \$7,605,040
	<u><u> </u></u>

COUNTY OF BLAIR
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
AND STATE FINANCIAL ASSISTANCE PASSED THROUGH
THE PENNSYLVANIA DEPARTMENT OF HUMAN SERVICES
FOR THE YEAR ENDED DECEMBER 31, 2018

<u>Program</u>	<u>Federal CFDA Number</u>	<u>Pass- Through Number</u>	<u>Program Year</u>
<u>Domestic Relations Program</u>			
Child Support Enforcement	93.563	N/A	01/01/17-12/31/17
Child Support Enforcement	93.563	N/A	01/01/18-12/31/18
Child Support Enforcement	93.563	N/A	07/01/15-06/30/16
Child Support Enforcement	93.563	N/A	07/01/17-06/30/18
Child Support Enforcement	93.563	N/A	07/01/18-06/30/19
Total Domestic Relations Program			
<u>Children and Youth Program</u>			
Guardianship Assistance - Title IV-E	93.090	N/A	07/01/17-06/30/18
Guardianship Assistance - Title IV-E	93.090	N/A	07/01/18-06/30/19
Information Technology Grant	93.090	N/A	07/01/16-06/30/17
Information Technology Grant	93.090	N/A	07/01/17-06/30/18
Foster Care - Title IV-E	93.658	N/A	07/01/15-06/30/16
Foster Care - Title IV-E	93.658	N/A	07/01/16-06/30/17
Foster Care - Title IV-E	93.658	N/A	07/01/17-06/30/18
Foster Care - Title IV-E	93.658	N/A	07/01/18-06/30/19
Adoption Assistance - Title IV-E	93.659	N/A	07/01/16-06/30/17
Adoption Assistance - Title IV-E	93.659	N/A	07/01/17-06/30/18
Adoption Assistance - Title IV-E	93.659	N/A	07/01/18-06/30/19
Information Technology Grant	93.659	N/A	07/01/16-06/30/17
Information Technology Grant	93.659	N/A	07/01/17-06/30/18
Information Technology Grant (Foster Care) - Title IV-E	93.658	N/A	07/01/16-06/30/17
Information Technology Grant (Foster Care) - Title IV-E	93.658	N/A	07/01/17-06/30/18
Information Technology Grant (Foster Care) - Title IV-E	93.658	N/A	07/01/18-06/30/19
Social Services Block Grant - Title XX - Children and Youth	93.667	N/A	07/01/17-06/30/18
Social Services Block Grant - Title XX - Children and Youth	93.667	N/A	07/01/18-06/30/19
Act 148	N/A	N/A	07/01/16-06/30/17
Act 148	N/A	N/A	07/01/17-06/30/18
Act 148	N/A	N/A	07/01/18-06/30/19
Medical Assistance Program - Children and Youth	93.778	N/A	07/01/16-06/30/17
Medical Assistance Program - Children and Youth	93.778	N/A	07/01/17-06/30/18
Medical Assistance Program - Children and Youth	93.778	N/A	07/01/18-06/30/19
Independent Living Services	93.674	N/A	07/01/17-06/30/18
Independent Living Services	93.674	N/A	07/01/18-06/30/19
Stephanie Tubbs Jones Child Welfare Services Program - Title IV-B	93.645	N/A	07/01/17-06/30/18
Stephanie Tubbs Jones Child Welfare Services Program - Title IV-B	93.645	N/A	07/01/18-06/30/19
Temporary Assistance to Needy Families (TANF)	93.558	N/A	07/01/17-06/30/18
Temporary Assistance to Needy Families (TANF)	93.558	N/A	07/01/18-06/30/19
Community-Based Child Abuse Prevention Grants	93.590	N/A	07/01/17-06/30/18
Community-Based Child Abuse Prevention Grants	93.590	N/A	07/01/18-06/30/19
Promoting Safe and Stable Families	93.556	N/A	07/01/17-06/30/18
Promoting Safe and Stable Families	93.556	N/A	07/01/18-06/30/19
Evidence Based Grant	N/A	N/A	07/01/17-06/30/18
Evidence Based Grant	N/A	N/A	07/01/18-06/30/19
State Allocation - Information Technology Grant - Title IV-E	N/A	N/A	07/01/16-06/30/17
State Allocation - Information Technology Grant - Title IV-E	N/A	N/A	07/01/17-06/30/18
State Allocation - Information Technology Grant - Title IV-E	N/A	N/A	07/01/18-06/30/19
State Allocation - Independent Living Services	N/A	N/A	07/01/17-06/30/18
State Allocation - Independent Living Services	N/A	N/A	07/01/18-06/30/19
Housing Initiative	N/A	N/A	07/01/18-06/30/19

**SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
AND STATE FINANCIAL ASSISTANCE PASSED THROUGH
THE PENNSYLVANIA DEPARTMENT OF HUMAN SERVICES
FOR THE YEAR ENDED DECEMBER 31, 2018**

<u>Carryover 01/01/18</u>	<u>Program Receipts/ (Disbursements)</u>	<u>Revenue Recognized</u>	<u>Expenditures</u>	<u>Carryover 12/31/18</u>
(\$ 42,042)	\$ 47,546	\$ 5,504	\$ -	\$ -
-	343,807	555,710	555,710	(211,903)
-	57,965	57,965	-	-
(45,573)	180,777	135,204	-	-
-	-	46,430	-	(46,430)
<u>(\$ 87,615)</u>	<u>\$ 630,095</u>	<u>\$ 800,813</u>	<u>\$ 555,710</u>	<u>(\$ 258,333)</u>
(\$ 12,708)	\$ 27,122	\$ 14,386	\$ 14,386	\$ 28
-	-	18,551	18,551	(18,551)
-	4	4	4	-
-	7	7	7	-
-	(28)	(28)	(28)	-
(6,766)	14,120	7,354	7,354	-
(438,833)	1,474,050	1,031,813	1,031,813	3,404
-	-	436,188	436,188	(436,188)
-	6,783	6,783	6,783	-
(595,400)	895,595	300,195	300,195	-
-	294,755	611,254	611,254	(316,499)
-	332	332	332	-
-	253	253	253	-
-	8,649	8,649	8,649	-
(26,636)	7,720	(18,916)	(18,916)	-
-	-	7,387	7,387	(7,387)
-	49,806	49,806	49,806	-
-	49,804	49,804	49,804	-
(533,875)	533,875	-	-	-
(1,863,498)	4,957,829	3,094,331	3,094,331	-
-	2,171,369	4,173,585	4,173,585	(2,002,216)
-	992	992	992	-
(1,962)	4,896	2,934	2,934	-
-	-	2,584	2,584	(2,584)
-	29,949	44,923	44,923	(14,974)
-	14,975	29,948	29,948	(14,973)
-	21,734	21,734	21,734	-
-	21,734	21,734	21,734	-
(177,945)	318,408	140,463	140,463	-
-	-	408,912	408,912	(408,912)
(14,569)	15,180	611	611	-
-	15,300	15,028	15,028	272
-	4,247	4,247	4,247	-
-	4,081	4,081	4,081	-
(150,158)	511,704	823,724	823,724	(462,178)
-	278,647	581,088	581,088	(302,441)
-	22,374	22,374	22,374	-
(16,746)	15,021	(1,725)	(1,725)	-
-	-	18,229	18,229	(18,229)
(19,703)	103,345	136,805	136,805	(53,163)
-	52,169	93,026	93,026	(40,857)
-	7,225	4,824	4,824	2,401

**COUNTY OF BLAIR
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
AND STATE FINANCIAL ASSISTANCE PASSED THROUGH
THE PENNSYLVANIA DEPARTMENT OF HUMAN SERVICES
FOR THE YEAR ENDED DECEMBER 31, 2018
(CONTINUED)**

<u>Program</u>	<u>Federal CFDA Number</u>	<u>Pass- Through Number</u>	<u>Program Year</u>
<u>Children and Youth Program</u> (Continued)			
Promising Practices	N/A	N/A	07/01/18-06/30/19
State Allocation - Stephanie Tubbs Jones Child Welfare Services Program - Title IV-B	N/A	N/A	07/01/17-06/30/18
State Allocation - Stephanie Tubbs Jones Child Welfare Services Program - Title IV-B	N/A	N/A	07/01/18-06/30/19
Total Children and Youth Program			
<u>Medical Assistance Transportation Program</u>			
Federal and State Allocation	93.778	N/A	07/01/17-06/30/18
Federal and State Allocation	93.778	N/A	07/01/18-06/30/19
Total Medical Assistance Transportation Program			
<u>Social Services Programs</u>			
<u>Mental Health Program</u>			
Social Service Block Grant	93.667	N/A	07/01/17-06/30/18
Social Service Block Grant	93.667	N/A	07/01/18-06/30/19
Block Grants for Community Mental Health Services	93.958	N/A	07/01/17-06/30/18
Block Grants for Community Mental Health Services	93.958	N/A	07/01/18-06/30/19
State Allocation	N/A	N/A	07/01/17-06/30/18
State Allocation	N/A	N/A	07/01/18-06/30/19
Medical Assistance Program	93.778	N/A	07/01/17-06/30/18
Projects for Assistance in Transition from Homelessness (PATH)	93.150	N/A	07/01/17-06/30/18
Projects for Assistance in Transition from Homelessness (PATH)	93.150	N/A	07/01/18-06/30/19
Total Mental Health Program			
<u>Intellectual Disabilities Program</u>			
Social Service Block Grant	93.667	N/A	07/01/17-06/30/18
Social Service Block Grant	93.667	N/A	07/01/18-06/30/19
State Allocation	N/A	N/A	07/01/17-06/30/18
State Allocation	N/A	N/A	07/01/18-06/30/19
Medical Assistance Program	93.778	N/A	07/01/17-06/30/18
Medical Assistance Program	93.778	N/A	07/01/18-06/30/19
Medical Assistance Program - Administration	93.778	N/A	07/01/17-06/30/18
Temporary NBG Funds for Regional Collaboratives	N/A	N/A	07/01/18-06/30/19
Total Intellectual Disabilities Program			
<u>Early Intervention Program</u>			
Special Education - Grants for Infants and Families	84.181	N/A	07/01/17-06/30/18
Special Education - Grants for Infants and Families	84.181	N/A	07/01/18-06/30/19
State Allocation	N/A	N/A	07/01/17-06/30/18
State Allocation	N/A	N/A	07/01/18-06/30/19
Medical Assistance Program	93.778	N/A	07/01/17-06/30/18
Medical Assistance Program	93.778	N/A	07/01/18-06/30/19
Total Early Intervention Program			

**SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
AND STATE FINANCIAL ASSISTANCE PASSED THROUGH
THE PENNSYLVANIA DEPARTMENT OF HUMAN SERVICES
FOR THE YEAR ENDED DECEMBER 31, 2018
(CONTINUED)**

<u>Carryover 01/01/18</u>	<u>Program Receipts/ (Disbursements)</u>	<u>Revenue Recognized</u>	<u>Expenditures</u>	<u>Carryover 12/31/18</u>
\$ -	\$ 18,450	\$ 48,917	\$ 48,917	(\$ 30,467)
-	5,795	5,795	5,795	-
-	<u>5,796</u>	<u>5,796</u>	<u>5,796</u>	-
(\$3,858,799)	\$11,964,067	\$12,228,782	\$12,228,782	(\$4,123,514)
\$ -	\$ 649,752	\$ 649,752	\$ 649,752	\$ -
-	<u>747,945</u>	<u>747,945</u>	<u>747,945</u>	-
\$ -	\$ 1,397,697	\$ 1,397,697	\$ 1,397,697	\$ -
-	-	-	-	-
\$ -	\$ 7,940	\$ 7,940	\$ 7,940	\$ -
-	7,940	7,940	7,940	-
-	58,644	58,644	58,644	-
-	85,982	85,982	85,982	-
-	1,856,610	1,856,610	1,856,610	-
-	1,840,662	1,840,662	1,840,662	-
-	31,962	31,962	31,962	-
-	23,543	23,543	23,543	-
-	<u>23,544</u>	<u>23,544</u>	<u>23,544</u>	-
\$ -	\$ 3,936,827	\$ 3,936,827	\$ 3,936,827	\$ -
-	-	-	-	-
\$ -	\$ 55,484	\$ 55,484	\$ 55,484	\$ -
-	55,484	55,484	55,484	-
-	360,186	360,186	360,186	-
-	360,060	360,060	360,060	-
-	234,896	234,896	234,896	-
-	234,770	234,770	234,770	-
-	9,475	9,475	9,475	-
-	<u>5,000</u>	<u>5,000</u>	<u>5,000</u>	-
\$ -	\$ 1,315,355	\$ 1,315,355	\$ 1,315,355	\$ -
-	-	-	-	-
\$ -	\$ 45,692	\$ 45,692	\$ 45,692	\$ -
-	45,692	45,692	45,692	-
-	422,841	422,841	422,841	-
-	433,737	433,737	433,737	-
-	5,504	5,504	5,504	-
-	<u>5,504</u>	<u>5,504</u>	<u>5,504</u>	-
\$ -	\$ 958,970	\$ 958,970	\$ 958,970	\$ -

**COUNTY OF BLAIR
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
AND STATE FINANCIAL ASSISTANCE PASSED THROUGH
THE PENNSYLVANIA DEPARTMENT OF HUMAN SERVICES
FOR THE YEAR ENDED DECEMBER 31, 2018
(CONTINUED)**

<u>Program</u>	<u>Federal CFDA Number</u>	<u>Pass- Through Number</u>	<u>Program Year</u>
<u>Social Services Programs</u> (Continued)			
<u>Homeless Assistance Program</u>			
State Allocation - Human Services Block Grant	N/A	N/A	07/01/17-06/30/18
State Allocation - Human Services Block Grant	N/A	N/A	07/01/18-06/30/19
Total Homeless Assistance Program			
<u>Human Services Development Fund</u>			
Promoting Safe and Stable Families	93.556	N/A	07/01/17-06/30/18
Promoting Safe and Stable Families	93.556	N/A	07/01/18-06/30/19
State Allocation - Promoting Safe and Stable Families	N/A	N/A	07/01/17-06/30/18
State Allocation - Promoting Safe and Stable Families	N/A	N/A	07/01/18-06/30/19
State Allocation - Human Services Block Grant	N/A	N/A	07/01/17-06/30/18
State Allocation - Human Services Block Grant	N/A	N/A	07/01/18-06/30/19
Total Human Services Development Fund			
<u>Drug and Alcohol</u>			
Drug and Alcohol Services - Act 152	N/A	N/A	07/01/17-06/30/18
Drug and Alcohol Services - Act 152	N/A	N/A	07/01/18-06/30/19
Behavioral Health Initiative - Act 173	N/A	N/A	07/01/17-06/30/18
Behavioral Health Initiative - Act 173	N/A	N/A	07/01/18-06/30/19
DUI/Drug Court	N/A	N/A	07/01/17-06/30/18
DUI/Drug Court	N/A	N/A	07/01/18-06/30/19
Center for Excellence	N/A	N/A	07/01/17-06/30/18
Center for Excellence	N/A	N/A	07/01/18-06/30/19
Total Drug and Alcohol Program			
Total Social Service Programs			
<u>Juvenile Probation Program</u>			
Administrative - Title IV-E	93.658	N/A	07/01/17-06/30/18
Administrative - Title IV-E	93.658	N/A	07/01/18-06/30/19
Total Juvenile Probation Program			
Total Federal and State Financing Assistance Passed Through the Pennsylvania Department of Human Services			

**SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
AND STATE FINANCIAL ASSISTANCE PASSED THROUGH
THE PENNSYLVANIA DEPARTMENT OF HUMAN SERVICES
FOR THE YEAR ENDED DECEMBER 31, 2018
(CONTINUED)**

<u>Carryover 01/01/18</u>	<u>Program Receipts/ (Disbursements)</u>	<u>Revenue Recognized</u>	<u>Expenditures</u>	<u>Carryover 12/31/18</u>
\$ -	\$ 131,509	\$ 131,509	\$ 131,509	\$ -
<u>-</u>	<u>131,508</u>	<u>131,508</u>	<u>131,508</u>	<u>-</u>
\$ -	\$ 263,017	\$ 263,017	\$ 263,017	\$ -
<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
\$ -	\$ 63,858	\$ 63,858	\$ 63,858	\$ -
-	42,572	42,572	42,572	-
-	25,500	25,500	25,500	-
-	51,086	51,086	51,086	-
-	69,516	69,516	69,516	-
<u>-</u>	<u>69,515</u>	<u>69,515</u>	<u>69,515</u>	<u>-</u>
\$ -	\$ 322,047	\$ 322,047	\$ 322,047	\$ -
<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
\$ -	\$ 88,438	\$ 88,438	\$ 88,438	\$ -
-	88,437	88,437	88,437	-
-	262,636	262,636	262,636	-
-	231,430	231,430	231,430	-
-	263,706	263,706	263,706	-
-	80,914	80,914	80,914	-
-	500,000	500,000	500,000	-
<u>-</u>	<u>250,000</u>	<u>250,000</u>	<u>250,000</u>	<u>-</u>
\$ -	\$ 1,765,561	\$ 1,765,561	\$ 1,765,561	\$ -
<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
\$ -	\$ 8,561,777	\$ 8,561,777	\$ 8,561,777	\$ -
<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
(\$ 8,647)	\$ 15,203	\$ 6,556	\$ 6,556	\$ -
<u>-</u>	<u>-</u>	<u>4,080</u>	<u>4,080</u>	<u>(4,080)</u>
(\$ 8,647)	\$ 15,203	\$ 10,636	\$ 10,636	(\$ 4,080)
<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
(\$3,955,061)	\$22,568,839	\$22,999,705	\$22,754,602	(\$4,385,927)
<u><u>-</u></u>	<u><u>-</u></u>	<u><u>-</u></u>	<u><u>-</u></u>	<u><u>-</u></u>

**COUNTY OF BLAIR
RECONCILIATION OF FEDERAL EXPENDITURES AND
PROGRAM EXPENDITURES PASSED THROUGH
THE PENNSYLVANIA DEPARTMENT OF HUMAN SERVICES
FOR THE YEAR ENDED DECEMBER 31, 2018**

Total Federal Expenditures		\$ 7,605,040
Add State Share Of Expenditures For:		
Children and Youth Program	\$9,006,769	
Medical Assistance Transportation Program	698,849	
Mental Health Program	3,697,272	
Intellectual Disabilities Program	725,246	
Early Intervention Program	856,578	
Homeless Assistance Program	263,017	
Human Services Development Fund	215,617	
Drug and Alcohol Program	<u>1,765,561</u>	
Total State Share of Expenditures		<u>17,228,909</u>
		\$24,833,949
Deduct Federal Funds Not Passed Through DHS:		
Crime Victim Assistance	\$ 87,167	
Community Development Block Grant	1,378,641	
Emergency Shelter Grants Program	89,969	
Emergency Food Assistance Program (Administrative Costs)	16,617	
Emergency Food Assistance Program (Food Commodities)	98,106	
Highway, Planning, and Construction (Federal-Aid Program)	226,860	
National Priority Safety Programs	35,051	
Interagency Hazardous Materials Public Sector Training and Planning Grants	25,016	
Emergency Management Performance Grant	100,112	
Homeland Security Grant Program	5,475	
Opioid STR	<u>16,333</u>	
Total Federal Funds Not Passed Through DHS		<u>2,079,347</u>
Total Program Expenditures Passed Through DHS		<u>\$22,754,602</u>

**COUNTY OF BLAIR
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
FOR THE YEAR ENDED DECEMBER 31, 2018**

A. Summary of Audit Results

1. The Auditor's Report expresses an unmodified opinion on the fund financial statements of the County of Blair and an adverse opinion on the government-wide financial statements.
2. Ten (10) material weaknesses and nine (9) significant deficiencies disclosed during the audit of the financial statements are reported in the Report on Compliance and on Internal Control Over Financial Reporting Based on an Audit of Financial Statements Performed in Accordance with *Government Auditing Standards*.
3. There were four (4) material weakness and one (1) significant deficiency relating to the audit of the major federal award program and state funds passed through the Pennsylvania Department of Human Services and was reported in the Independent Auditor's Report on Compliance with Requirements Applicable to Each Major Program and Internal Control Over Compliance in Accordance with the Uniform Guidance and the Pennsylvania Department of Human Services' Compliance Supplement.
4. The Auditor's Report on Compliance for the Major Federal Award Programs and State Funded Programs Passed Through the Pennsylvania Department of Human Services for the County of Blair express an unqualified opinion on all major federal and PA DHS major programs.
5. Audit findings that are required to be reported in accordance with the Uniform Guidance are reported in this schedule.
6. The programs tested as a major program for federal purposes were:
 1. Foster Care - Title IV-E - 93.658
 2. Adoption Assistance - Title IV-E - 93.659
 3. Medical Assistance Program Grant - 93.778
 4. Community Development Block Grant - 14.228

The following state programs passed through the Pennsylvania Department of Human Services have tested major programs within:

1. Children and Youth Program
 2. Medical Assistance Transportation Program
 3. Social Services Program
 4. Juvenile Probation Program
7. The threshold for determining major programs was \$750,000 for federal programs and \$750,000 for DHS programs.
 8. The County of Blair was not determined to be a low-risk auditee.
 9. The County of Blair did not elect to use the 10% de minimis indirect cost rate as covered in Section 200.414 of the Uniform Guidance for Federal Awards.

COUNTY OF BLAIR
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
FOR THE YEAR ENDED DECEMBER 31, 2018
(CONTINUED)

B. Financial Statement Findings

2018-001

Department

Prothonotary

Condition

The Orphans Court Escrow Report balance was \$1,015 less than the Orphans Court reconciled cash balance at December 31, 2018.

This is a repeat finding from the 2017 County audit.

Criteria

It is required by generally accepted accounting principles to have a supporting schedule to support a controlling account.

Cause

Unknown

Effect

The County is unable to identify who the additional \$1,015 in the Prothonotary account is owed to.

Recommendation

We recommend that the Orphans Court Escrow Report be compared to the Orphans Court reconciled cash balance monthly and that any difference be investigated immediately.

Corrective Action Plan

Management's Position (agree or disagree with explanation):

The Blair County Prothonotary agrees with this finding.

Corrective Action Taken or To Be Taken:

I will continue, along with my 1st Deputy, to try to identify problems from prior years that may have caused the discrepancies. This has been an ongoing issue in the Clerk of Orphans' Court. This same issue has been going on for many years with no resolution ever being reached. I will ask for help from the Finance Director and Controller to identify problems and make necessary adjustments to correct.

Timetable for Implementation:

A meeting will be scheduled with the Finance Director and Controller before July 31, 2019 to begin a resolution.

Monitoring to Be Performed:

Finance Director and Controller will assist the Prothonotary with the implementation of the corrective action.

Person(s) Title and Scope of Responsibility:

Title: Clerk of Orphans' Court

**COUNTY OF BLAIR
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
FOR THE YEAR ENDED DECEMBER 31, 2018
(CONTINUED)**

B. Financial Statement Findings (Continued)

2018-002

Department

Prothonotary

Condition

The Prothonotary account Escrow Balance Report balance was less than the Prothonotary reconciled cash balance by \$29,879 at December 31, 2018.

This is a repeat finding from the 2017 County audit.

Criteria

It is required by generally accepted accounting principles to have a supporting schedule to support a controlling account.

Cause

Unknown

Effect

The County is unable to identify who the additional \$29,879 in the Prothonotary account is owed to.

Recommendation

We recommend that the Prothonotary Escrow Report be compared to the Prothonotary's reconciled cash balance monthly and that any difference be investigated immediately.

Corrective Action Plan

Management's Position (agree or disagree with explanation):

The Blair County Prothonotary agrees with this finding.

Corrective Action Taken or To Be Taken:

I have continued, along with my 1st Deputy, to try to identify problems from prior years that may have caused these discrepancies. This has been an ongoing issue for the Prothonotary's Office. I will ask for help from the Finance Director and Controller to identify the problem and make adjustments as necessary.

Timetable for Implementation:

A meeting will be scheduled with the Finance Director and Controller before July 31, 2019 to begin a resolution.

Monitoring to Be Performed:

Finance Director and Controller will assist the Prothonotary with the implementation of the corrective action.

Person(s) Title and Scope of Responsibility:

Title: Clerk of Orphans' Court

COUNTY OF BLAIR
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
FOR THE YEAR ENDED DECEMBER 31, 2018
(CONTINUED)

B. Financial Statement Findings (Continued)

2018-003

Department

Prothonotary

Condition

Prothonotary liabilities reported on the Common Pleas Criminal Court Management System (CPCMS) Undisbursed Escrow Summary Report (maintained by Costs and Fines) are not reconciled by the Prothonotary office. The CPCMS Undisbursed Escrow Summary Report was less than Clerk of Courts reconciled cash balance by \$28,549 at December 31, 2018.

This is a repeat finding from the 2017 County audit.

Criteria

It is generally accepted accounting practice to reconcile subsidiary ledgers with the controlling account.

Cause

Unknown

Effect

The County does not have the assurance that the Summary report is accurate and is unable to determine who the additional \$28,549 in the account is owed to.

Recommendation

We recommend that the Prothonotary's Office obtain detail from the Costs and Fines for Prothonotary accounts reported on the Common Pleas Criminal Court Management System Undisbursed Escrow Summary report and then reconcile these amounts to the Prothonotary office's records.

Corrective Action Plan

Management's Position (agree or disagree with explanation):

The Blair County Prothonotary agrees with this finding.

Corrective Action Taken or To Be Taken:

The Prothonotary's office will implement the action recommended.

Timetable for Implementation:

Immediately

Monitoring to Be Performed:

The Prothonotary will monitor the corrective action. Upon the request of the Prothonotary, the Finance Director will assist the Prothonotary with the implementation of the corrective action.

Person(s) Title and Scope of Responsibility:

Title: Clerk of Courts

**COUNTY OF BLAIR
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
FOR THE YEAR ENDED DECEMBER 31, 2018
(CONTINUED)**

B. Financial Statement Findings (Continued)

2018-004

Department

Retirement Board/Commissioners

Condition

The County did not make the "Actuarially Determined Contribution" (ADC) for the 2018 plan year in the amount of \$6,669,817. The County's contribution for the year ended December 31, 2018 was \$4,000,000.

This is a repeat finding from the 2017 County audit.

Criteria

The actuary determined the amount the County was required to make to the pension fund for it to be solvent.

Cause

The full contribution was not made due to the County's financial condition.

Effect

The net pension liability will continue to increase when the ADC is not made. Furthermore, the unfunded pension liability is considered when the credit status of the County is determined for debt and other borrowing issues.

Recommendation

The County should make an effort to fund the pension plan's Actuarially Determined Contribution (ADC) on an annual basis.

Corrective Action Plan

Management's Position (agree or disagree with explanation):

The Retirement Board and the Commissioners agree with this finding.

Corrective Action Taken or To Be Taken:

In 2013, the County committed \$8,000,000 of the proceeds from the sale of the County's Valley View Home for use in funding the ADC over the next four years. In 2015, the County contributed \$2,000,000 to the pension plan. The Commissioners included a \$3,000,000 pension contribution in their 2016 budget and are committed to increasing future contributions as funding becomes available. In 2016, the Retirement Board adopted a funding policy outlining future funding commitments. In 2017, the Commissioners have budgeted contributions to the retirement fund of \$4,000,000. In 2018, the Commissioners have budgeted contributions to the retirement fund of \$4,000,000. In 2019, the Commissioners increase the budgeted contributions to the retirement fund to \$4,200,000.

Timetable for Implementation:

Ongoing

COUNTY OF BLAIR
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
FOR THE YEAR ENDED DECEMBER 31, 2018
(CONTINUED)

B. Financial Statement Findings (Continued)

2018-004 (Continued)

Monitoring to Be Performed:

The County Retirement Board will continue to have an actuarial valuation of the pension plan completed annually. Each year the Board will make a recommendation to the Commissioners who will consider the request as part of the annual budget process.

Person(s) Title and Scope of Responsibility:

Title: Retirement Board Chairman

2018-005

Department

Treasurer

Condition

The Offenders Supervision Fund receives electronic deposits for state grants that belong to other departments. The grants that belong to the other departments are not initially recorded in the Offenders Supervision Fund. Due to this, amounts that are overlooked and not transferred to the correct fund could end up not being recorded on any fund.

This is a repeat finding from the 2017 County audit.

Criteria

It is generally accepted accounting practice that all transactions affecting a fund should be recorded in the general ledger. This includes all activity in the fund's bank account even grants received that belong to other departments.

Cause

Unknown

Effect

The monthly bank reconciliations may not reconcile to the general ledger and there is no paper trail within the original depositing fund of the money being received and later transferred to the appropriate department.

Recommendation

We recommend that all bank activity be recorded in the respective fund including the cash receipts for other departments.

Corrective Action Plan

Management's Position (agree or disagree with explanation):

Agreed

Corrective Action Taken or To Be Taken:

The Treasurer's office has begun to receipt all electronic deposits to the Offenders Supervision Fund in order to create a general ledger paper trail. If the deposit belongs in another fund, the Treasurer's office will transfer the funds to the appropriate bank account and notify the Controller's office.

COUNTY OF BLAIR
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
FOR THE YEAR ENDED DECEMBER 31, 2018
(CONTINUED)

B. Financial Statement Findings (Continued)

2018-005 (Continued)

Corrective Action Plan (Continued)

Timetable for Implementation:

Immediately

Monitoring to Be Performed:

Review of monthly bank statement reconciliations by Treasurer and Deputy

Person(s) Title and Scope of Responsibility:

Title: Treasurer and Deputy Treasurer

2018-006

Department

Treasurer

Condition

A percentage of gross sales by local hotels are remitted to the County as part of a hotel tax agreement. The County does not obtain support for the amount received nor do they perform periodic reviews of the supporting documentation at the business site.

This is a repeat finding from the 2017 County audit.

Criteria

It is generally accepted accounting principles and proper internal controls to obtain supporting documentation for the amounts remitted under agreements.

Cause

Unknown

Effect

The County could be receiving less money than what is actually due to them because of the fact they do not require supporting documentation with the monthly check nor do they periodically review information at the business site.

Recommendation

We recommend that the County receive support monthly or quarterly for the amounts remitted to them by these businesses. This would include a print out from the businesses system showing the receipts or sales for that particular month and not just a hand written sheet. In addition, we recommend that the County periodically visit the businesses sites to further review the support.

Corrective Action Plan

Management's Position (agree or disagree with explanation):

The Treasurer agrees with this finding.

COUNTY OF BLAIR
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
FOR THE YEAR ENDED DECEMBER 31, 2018
(CONTINUED)

B. Financial Statement Findings (Continued)

2018-006 (Continued)

Corrective Action Plan (Continued)

Corrective Action Taken or To Be Taken:

The Treasurer and Controller are scheduled to meet with their Commissioner liaison to discuss and explore options for inspecting documentation from operators who are required to pay hotel taxes.

Timetable for Implementation:

The meeting is scheduled on June 27, 2019

Monitoring to Be Performed:

The Treasurer and County Controller will monitor the implementation of the corrective action.

Person(s) Title and Scope of Responsibility:

Title: Treasurer and Controller

2018-007

Department

Prothonotary

Condition

There is only one cash drawer in the Prothonotary's office which is accessed during the day by all employees in that office for all cash receipt transactions. In addition, it is not locked.

This is a repeat finding from the 2017 County audit.

Criteria

It is generally accepted accounting and internal control practice that each employee maintain a separate locked cash drawer. This allows for the segregation of duties.

Cause

Unknown

Effect

Without a locked cash drawer, there is an opportunity for the misappropriation of funds. Without separate cash drawers for each employee, there is no segregation of duties.

Recommendation

We recommend that the Prothonotary office have a procedure in place for who will take responsibility for the cash drawer or to have each employee be responsible for their own cash drawer. Also, the cash drawer should be locked when not in use.

Corrective Action Plan

Management's Position (agree or disagree with explanation):

The Blair County Prothonotary agrees in principle to this finding but not in practicality.

**COUNTY OF BLAIR
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
FOR THE YEAR ENDED DECEMBER 31, 2018
(CONTINUED)**

B. Financial Statement Findings (Continued)

2018-007 (Continued)

Corrective Action Plan (Continued)

Corrective Action Taken or To Be Taken:

The physical layout of this office does not allow for a separate drawer for each clerk that accepts payment throughout the day. Of the 19 clerks/deputies/prothonotary that work in the office, all have the ability to receipt in one court and more than half can receipt in two or three courts. This would mean we would need at least 19 drawers and if required to keep each court separate as many as 32 drawers. I do not see how this can be accomplished. The previous Finance Director and someone from maintenance were asked to review the problem and give their recommendation. None was forthcoming. The current Finance Director and Prothonotary will meet to review the layout of the office and feasibility of adding more drawers for cash receipt transactions.

Timetable for Implementation:

As a solution is discovered it will be implemented immediately.

Monitoring to Be Performed:

The Prothonotary will monitor.

Person(s) Title and Scope of Responsibility:

Title: Prothonotary, Clerk of Courts, and Clerk of Orphans' Court

2018-008

Department

Social Services

Condition

The year-end bank reconciliation did not reconcile to the general ledger.

This is a repeat finding from the 2017 County audit.

Criteria

It is generally accepted accounting practice that the monthly bank reconciliation reconcile to the general ledger cash account balance on a monthly basis.

Cause

Unknown

Effect

This could result in an inaccurate cash balance in the general ledger on a monthly basis.

Recommendation

We recommend that on a monthly basis, the cash balance per the monthly bank reconciliation be reconciled to the general ledger.

COUNTY OF BLAIR
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
FOR THE YEAR ENDED DECEMBER 31, 2018
(CONTINUED)

B. Financial Statement Findings (Continued)

2018-008 (Continued)

Corrective Action Plan

Management's Position (agree or disagree with explanation):

Agree

Corrective Action Taken or To Be Taken:

The process of reconciliation between the two systems has already begun with the bank statements. Permissions were granted April 2019 by the Controller's office for the Fiscal Officer to view the bank reconciliation in Munis. Staff have begun to ensure proper reconciliation from January 2019 through the end of the year.

Timetable for Implementation:

The process began once permission in Munis was obtained. The activity should be completed on a monthly basis.

Monitoring to Be Performed:

The Social Services Executive Director will monitor the reconciliation between the two systems to occur every month. Should any discrepancies occur the Social Services Fiscal staff will collaborate with the Controller's office. The Fiscal Officer will provide a monthly bank reconciliation to the Social Services Executive Director on or about the 20th of the following month. The cash balance will be reconciled in Xitech per the bank statement on a monthly basis. The cash balance in Xitech will be reconciled per the bank reconciliation in Munis on a monthly basis.

Person(s) Title and Scope of Responsibility:

Title: Social Services Fiscal Officer

2018-009

Department

Treasurer

Condition

The bank reconciliations for all funds at the County were not reconciled on a timely basis to the cash account in the general ledger.

Criteria

It is generally accepted accounting practice that all monthly bank reconciliations be reconciled to the cash account in the general ledger on a timely basis.

Cause

The Treasurer's office did not prepare the monthly bank reconciliations through the Munis accounting software which includes the general ledger for all funds.

Effect

The cash balance in the general ledger for all funds was inaccurate for most of 2018.

COUNTY OF BLAIR
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
FOR THE YEAR ENDED DECEMBER 31, 2018
(CONTINUED)

B. Financial Statement Findings (Continued)

2018-009 (Continued)

Recommendation

We recommend that the monthly bank reconciliations be reconciled through Munis to the cash balance in the general ledger of the particular fund on a timely basis.

Corrective Action Plan

Management's Position (agree or disagree with explanation):

Agreed

Corrective Action Taken or To Be Taken:

All bank statements will be reconciled to the cash account in the general ledger on a monthly basis.

Timetable for Implementation:

Immediately

Monitoring to Be Performed:

The Treasurer and Deputy Treasurer will monitor for completion on a timely basis.

Persons with Title and Scope of Responsibility:

Title: Treasurer and Deputy Treasurer

2018-010

Department

Commissioners/Controller

Condition

The accounts payable general ledger account for the project fund was overstated at December 31, 2018 because it included invoices for 2019.

Criteria

It is generally accepted accounting practice that the accounts payable account should be reconciled to its proper balance on a monthly basis.

Cause

There were incorrect dates used when entering the invoices in the Munis accounting software which caused several invoices for 2019 to be recorded in the calendar year ended December 31, 2018.

Effect

The accounts payable and project fund expenditure accounts in the project fund were overstated at December 31, 2018 which caused inaccurate financial information.

Recommendation

We recommend the accounts payable account subsidiary report be reviewed monthly to its proper balance by the Controller's office and the County's Financial Director.

COUNTY OF BLAIR
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
FOR THE YEAR ENDED DECEMBER 31, 2018
(CONTINUED)

B. Financial Statement Findings (Continued)

2018-010 (Continued)

Corrective Action Plan

Management's Position (agree or disagree with explanation):

The Controller's office disagrees with the recommendation. In 2018, the accounts payable subsidiary report was reviewed monthly and does, in fact, balance to the general ledger. The Commissioner's office agrees with this finding. Part of the overstatement was due to a misunderstanding of MINUS purchase order posting activity and the specific dates applied to purchase order posting in Munis.

Corrective Action Taken or To Be Taken:

There will be a change to the purchase order requisition procedure for project fund purchases in the transition between years in Munis. The Finance Director will review the accounts payable subsidiary report monthly and address any discrepancies with the Controller's office.

Timetable for Implementation:

Immediately

Monitoring to Be Performed:

The Finance Director will monitor the project fund accounts payable as stated in the corrective action plan.

Name of Person(s) with Title and Scope of Responsibility:

Title: Finance Director

2018-011

Department

Controller

Condition

The cash balance in the Munis general ledger does not agree with the cash balance in the Lockdown system that tracks prisoner transactions. Also, there needs to be a clearer understanding by County employees on how the Lockdown system processes transactions.

Criteria

It is generally accepted accounting practice to have the same cash balance with two accounting systems and to have County employees understand how transactions are processed through the Lockdown system.

Cause

Unknown

Effect

There is an increase in errors and a lack of internal control when the cash balances are not similar and the County employees don't have a complete understanding of how transactions are processed in the Lockdown system.

COUNTY OF BLAIR
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
FOR THE YEAR ENDED DECEMBER 31, 2018
(CONTINUED)

B. Financial Statement Findings (Continued)

2018-011 (Continued)

Recommendation

We recommend that the County work with the Lockdown software vendor and acquire a better understanding on how the transactions are processed through the system and how the cash balance in Munis can be reconciled to the cash balance in Lockdown.

Corrective Action Plan

Management's Position (agree or disagree with explanation):

We agree the balances should equal; Staff turnover in the Controller's office as well as the Treasurer's office have caused some inconsistency in reconciling accounts.

New prison software was implemented in July 2017 without any notification to or coordination with the Controller's office. This software is very generic and while it keeps detailed accurate balances of inmate accounts, there isn't a good auditing function.

Corrective Action Taken or To Be Taken:

The administrative/accounting clerk responsible for maintaining these accounts has requested detailed information from the software developer as well as vendors to verify liability balances are correct. Additionally, the Controller's office and Treasurer's office are working to identify any reconciliation discrepancies. Once accounts are fully reconciled, we will make any necessary transfers.

Timetable for Implementation:

Balances should be verified by June 30, 2019 and monitoring will be ongoing.

Monitoring to Be Performed:

Controller

Name of Person(s) with Title and Scope of Responsibility:

Title: Controller

2018-012

Department

Register and Recorder

Condition

The Register and Recorder's office has three agency funds which carry a net unidentified cash balance of \$20,215.

Criteria

It is generally accepted accounting practice to have an accounting of all cash held in the various agency fund accounts.

Cause

Unknown

COUNTY OF BLAIR
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
FOR THE YEAR ENDED DECEMBER 31, 2018
(CONTINUED)

B. Financial Statement Findings (Continued)

2018-012 (Continued)

Effect

The Register and Recorder's office is unable to identify \$20,215 in agency fund cash currently being held.

Recommendation

We recommend that the Register and Recorder's office work to identify the \$20,215 of unidentified funds currently held in the agency funds.

Corrective Action Plan

Management's Position (agree or disagree with explanation):

Office holder does not agree with the above-mentioned findings because monthly reconciliations are performed to ensure all liabilities are recorded.

Corrective Action Taken or To Be Taken:

The Register and Recorder's Office will work with the Controller and Finance director to determine the cause of this discrepancy.

Timetable for Implementation:

According to the schedule of availability with Controller/Finance Director.

Monitoring to Be Performed:

Office will continue to provide end of month distribution reports to the Controller's Office and work closely with the Finance Director and Controller to provide any information from past and future end of month distribution reports and Quicken reconciliations to identify and correct any errors, if errors have occurred.

Name of Person(s) with Title and Scope of Responsibility:

Register of Wills and Recorder of Deeds and Fiscal Assistant

2018-013

Department

District Attorney

Condition

The VOCA and RASA grant reimbursement submissions for fourth quarter 2018 to PCCD had not been made at the time of the audit.

Criteria

It's generally accepted accounting practice to submit grant reimbursement requests in a timely manner.

Cause

Unknown

**COUNTY OF BLAIR
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
FOR THE YEAR ENDED DECEMBER 31, 2018
(CONTINUED)**

B. Financial Statement Findings (Continued)

2018-013 (Continued)

Effect

There has been \$43,537 of federal funds on hold and not received from PCCD because of the fourth quarter 2018 grant reimbursement not being filed.

Recommendation

We recommend that a process be developed in the District Attorney's office to make sure that all grant reimbursements are filed in a timely manner.

Management's Position (agree or disagree with explanation):

The District Attorney's Office agrees with the finding.

Corrective Action Taken or To Be Taken:

The District Attorney's Office/Victim Witness Department will work with the County to retain a contract worker to maintain the VOCA and RASA grants. Additionally, we will attempt to train staff within Victim Witness to maintain the grants until such time as this can be accomplished via contract work. We are also attempting to verify with PCCD that the submitted modifications have been approved, which will allow us to finalize the 2018 grant.

Timetable for Implementation:

Since the submissions are already late, the District Attorney's Office/Victim Witness Department will work with the County to implement changes as soon as feasibly possible.

Monitoring to Be Performed:

The District Attorney's Office/Victim Witness Department will consult weekly and it is requested that an informal meeting with the finance director and other interested parties be scheduled in 30-60 days.

Name of Person(s) with Title and Scope of Responsibility:

Title: Victim Witness Coordinator and First Assistant District Attorney

2018-014

Department

Social Services

Condition

Accounts receivable and accounts payable balances were not properly recorded as of December 31, 2018. Numerous material adjusting journal entries were recommended by the auditors to properly reconcile these accounts as well as the related expense and revenue accounts.

Criteria

Generally accepted accounting principles dictate that year-end balances are to be accurate and complete.

**COUNTY OF BLAIR
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
FOR THE YEAR ENDED DECEMBER 31, 2018
(CONTINUED)**

B. Financial Statement Findings (Continued)

2018-014 (Continued)

Cause

Applicable accounts were not reconciled as of December 31, 2018.

Effect

This condition results in inaccurate and incomplete balance of accounts receivable, accounts payable, revenues, and expense accounts in the general ledger and inaccurate financial records.

Recommendation

We recommend that all accounts be reconciled to their proper balance at year-end.

Corrective Action Plan

Management's Position (agree or disagree with explanation):

Agree

Corrective Action Taken or To Be Taken:

A newly reconstructed General Ledger will be implemented on July 1, 2019. Accounts Receivables, Accounts Payables, Revenue and Expense accounts will be balanced at year end.

Timetable for Implementation:

Immediately

Monitoring to Be Performed:

Accounts Receivable: The funding will be checked from the receipt provided by the Treasurer's Office to ensure the invoice amount is entered into the correct Account Receivable Code. If correct, it will be marked "Approved" and initialed. Accounts Payable: Expense accounts will be reviewed from the printed check to ensure the expenses were entered into the proper account. If correct, it will be marked "Approved" and initialed. If there are discrepancies found in the Account Receivable coding or in the Expense Account, the Controller's office will be notified to make the necessary corrections.

Name of Person(s) with Title and Scope of Responsibility:

Title: Fiscal Officer, Fiscal Specialist

2018-015

Department

Controller

Condition

The third quarter IRS Form 941 had materially under reported federal taxable wages and also an immaterial amount of federal payroll taxes.

Criteria

It's a requirement with the Internal Revenue Service to accurately report the federal taxable wages and federal payroll taxes on a quarterly basis.

COUNTY OF BLAIR
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
FOR THE YEAR ENDED DECEMBER 31, 2018
(CONTINUED)

B. Financial Statement Findings (Continued)

2018-015 (Continued)

Cause

There was a conversion of the County's payroll accounting system in the middle of the third quarter which caused the under reporting of the payroll related financial information.

Effect

The federal taxable wages and federal payroll taxes reported on the County's Quarterly Payroll Tax Forms 941 did not reconcile to the W-3 (summary totals of W-2's) filed with the Internal Revenue Service.

Recommendation

We recommend that more care be taken when preparing the Quarterly Payroll Tax Forms 941 and they should also be reviewed by another individual in the Controller's office prior to filing with the Internal Revenue Service.

Corrective Action Plan

Management's Position (agree or disagree with explanation):

The Controller agrees with the inaccuracy. The County implemented payroll in Munis part way through the 3rd Quarter of 2018. Errors were expected, however, a data entry error increased the amount of inaccuracy.

Corrective Action Taken or To Be Taken:

A corrected 941 has been prepared and submitted to the Internal Revenue Service for the 3rd Quarter 2018. Furthermore, 941's will be compared more closely to Munis reports before forms are actually submitted.

Timetable for Implementation:

Completed

Monitoring to Be Performed:

Controller

Name of Person(s) with Title and Scope of Responsibility:

Title: Controller

2018-016

Department

Costs and Fines

Condition

There is a lack of segregation of duties in regards to the cash collection and cash reconciliation within the costs and fines office. Only one individual counts/reconciles the cash drawer every morning. The same individual that counts the cash then prepares the deposit slip. Also, that same individual reconciles the cash account within the computer system.

COUNTY OF BLAIR
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
FOR THE YEAR ENDED DECEMBER 31, 2018
(CONTINUED)

B. Financial Statement Findings (Continued)

2018-016 (Continued)

Criteria

It is generally accepted accounting and internal control practice that at least two individuals count the cash every morning before the deposit is prepared. Also, a second individual should review and sign off on the bank reconciliation once it's prepared. This allows for proper segregation of duties.

Cause

Unknown

Effect

Without a second individual counting the cash and reviewing the bank reconciliation, there is an opportunity for misappropriation of funds, which involves theft/fraud. Also, there is a lack of internal control without the segregation of duties.

Recommendation

We recommend that at least two individuals count the cash every morning before the deposit is prepared. We also recommend that the monthly bank reconciliation be reviewed by another individual after it is prepared.

Corrective Action Plan

Management's Position (agree or disagree with explanation):

We disagree with the finding, but will follow through with the recommended corrective action.

Corrective Action Taken or To Be Taken:

One person will be responsible to reconcile the cash account and another person will be responsible to prepare the deposit slip. The monthly bank reconciliation will be reviewed and initialed by another individual.

Timetable for Implementation:

Immediately

Monitoring to Be Performed:

See corrective action taken above.

Name of Person(s) with Title and Scope of Responsibility:

Title: Co-Administrators

2018-017

Department

Human Resources

Condition

The withholding of insurance premiums from employee's payroll are not reconciled with the payments on the monthly insurance invoices.

COUNTY OF BLAIR
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
FOR THE YEAR ENDED DECEMBER 31, 2018
(CONTINUED)

B. Financial Statement Findings (Continued)

2018-017 (Continued)

Criteria

It is generally accepted accounting practice that amounts withheld from payroll and recorded in the general ledger be reconciled to the invoices.

Cause

Unknown

Effect

The County has a liability balance on the general ledger from payroll insurance withholdings and it is unknown what makes up the balance.

Recommendation

We recommend that a reconciliation of employee insurance premiums withheld during payroll and recorded in the general ledger be reconciled monthly to the insurance invoices to ensure the proper amounts are withheld and paid.

Corrective Action Plan

Management's Position (agree or disagree with explanation):

Controller's Office and Human Resources Department agree to review processes.

Corrective Action Taken or to Be Taken:

A meeting needs to occur among The Controller's Office and Human Resources so that there is a clear understanding of responsibilities that lie within the Controller's Office and those that lie within Human Resources.

The meeting also needs to review the process used to determine the liability so that the amount's origin(s) can be located and corrected.

Timetable for Implementation:

Meeting will occur in July 2019.

Reconciliation can begin soon after.

Reconciliation and any process changes need to be completed by November 1, 2019.

Monitoring to Be Performed:

Meeting may determine this in more detail than can be stated here.

Name of Person(s) with Title and Scope of Responsibility:

Title: Controller and Human Resource Director

2018-018

Department

Children and Youth

**COUNTY OF BLAIR
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
FOR THE YEAR ENDED DECEMBER 31, 2018
(CONTINUED)**

B. Financial Statement Findings (Continued)

2018-018 (Continued)

Condition

Grant submissions are being recorded more than once in Munis. On several occasions, the submission was recorded when it was submitted and then again when the payment was received. The payment is then applied to only one of the recordings.

Criteria

It is generally accepted accounting practice that grant submissions should be accurately recorded and reviewed.

Cause

Unknown

Effect

The County's receivables and revenue were overstated at December 31, 2018 which caused inaccurate financial information.

Recommendation

We recommend that grant submissions be recorded at the time of submission and that the activity in Munis be reviewed monthly to ensure accuracy.

Corrective Action Plan

Management's Position (agree or disagree with explanation):

Management agrees with the explanation and has discovered many variables that caused this to occur.

Corrective Action Taken or To Be Taken:

Blair CYF Fiscal Supervisor will run a Receivables by Revenue Account Report from the Munis system to identify and review outstanding Accounts Receivables. Invoices will be entered quarterly upon completion of the State Quarterly ACT 148 report. Bills with definitive amounts will be entered into the Munis system. Payments received by the Finance Department will be sent to CYF Fiscal Supervisor for verification and identification to ensure the payment is applied to the proper Munis invoice.

Timetable for Implementation:

Effective immediately

Monitoring to Be Performed:

Monthly reconciliation of the outstanding bills and payments received will be reviewed in detail by the Fiscal Supervisor. Questions or issues discovered will be addressed with the proper parties (Controller's/Treasurer's, etc.) on a monthly basis.

Name of Person(s) with Title and Scope of Responsibility:

Title: Administrator in conjunction with Fiscal Supervisor

**COUNTY OF BLAIR
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
FOR THE YEAR ENDED DECEMBER 31, 2018
(CONTINUED)**

B. Financial Statement Findings (Continued)

2018-019

Department

Human Resources

Condition

The information submitted to the actuary for the GASB #68 and #75 valuation reports was inaccurate for the time period of the valuation.

Criteria

It is generally accepted accounting practice that information submitted to the actuaries for the time period of the GASB #68 and #75 valuation reports be completely accurate.

Cause

Unknown

Effect

The County's GASB valuation report was not completely accurate.

Recommendation

We recommend that the information submitted to the actuaries be complete and accurate for the valuation time period. In addition, we recommend that copies of the information submitted to the actuary be maintained by the County.

Corrective Action Plan

Management's Position (agree or disagree with explanation):

Agree

Corrective Action Taken or To Be Taken:

Changes for 2019 OPEB preparation and involvement of CBIZ will be:

- a. Human Resources Generalist will prepare OPEB report in January.
- b. Human Resources Generalist will send OPEB report to CBIZ contact by month-end January, with instructions that CBIZ contact must return GASB 75 and GASB 68 valuation reports by March.
- c. March return from CBIZ will allow Human Resources Generalist time to review what is returned, address any discrepancies, etc.

Timetable for Implementation:

See above item – Corrective Action.

Monitoring to Be Performed:

See above item – Corrective Action.

Name of Person(s) with Title and Scope of Responsibility:

Title: Human Resources Generalist and Human Resources Director

**COUNTY OF BLAIR
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
FOR THE YEAR ENDED DECEMBER 31, 2018
(CONTINUED)**

C. Single Audit Findings

The above financial statement findings listed as items 2018-009, 2018-013, 2018-014, 2018-017, and 2018-018 are also Single Audit Findings.

**COUNTY OF BLAIR
STATUS OF PRIOR YEAR'S FINDINGS AND QUESTIONED COSTS
FOR THE YEAR ENDED DECEMBER 31, 2018**

Audit Finding Number	Department	Description	Status at December 31, 2018		Audit Finding Number 12/31/18
			Corrected in 2018	Existed as of 12/31/18	
2017-001	Controller	Accounts receivable and payable per ledger not reconciled to sub ledgers	X		
2017-002	Prothonotary	Orphan Court escrow balance is more than cash balance		X	2018-001
2017-003	Prothonotary	Prothonotary escrow balance materially less than cash balance		X	2018-002
2017-004	Prothonotary	Clerk of Courts escrow balance is less than cash balance		X	2018-003
2017-005	Prothonotary	Source of fund for a checking account are unknown	X		
2017-006	Retirement Board/Commissioners	Pension annual required contribution not made		X	2018-004
2017-007	Commissioners	No reconciliation of fixed assets between fixed asset ledger and physical assets on hand and new assets are no tagged in a timely manner	X		
2017-008	Treasurer	All transactions in the Offender Supervision bank account are not recorded in the Offender Supervision general ledger		X	2018-005
2017-009	Commissioners/Treasurer	No support is received nor is a review performed for the percentage of gross receipts or sales received from an outside business		X	2018-006
2017-010	District Attorney	Cash account held by the department that is tracked outside the County accounting system	X		
2017-011	Prothonotary	One unlocked cash drawer is used by all staff of the Prothonotary's office		X	2018-007
2017-012	Controller	Duplicate payments were issued for invoices.	X		
2017-013	Children, Youth, and Families	Year-end reconciled bank cash balance did not reconcile to the general ledger	X		
2017-014	Controller	No year to date summary prepared on Pension Fund investments	X		
2017-015	Controller	Accounting records had issues such as combining agency and governmental funds, invoices not paid, etc.	X		
2017-016	Controller	General Fund operating cash account did not reconcile to the general ledger	X		
2017-017	Controller	There are no written financial policies and procedures.	X		
2017-018	Children, Youth, and Families	There is no reconciliation of the internal QuickBooks records in this department to the County's general ledger system	X		
2017-019	Commissioners	Grant repayment made directly by pass-through not recorded by County	X		
2017-020	Controller	Accrued payroll was not recorded	X		
2017-021	Controller/Juvenile Probation	Juvenile Probation governmental and agency funds were combined	X		
2017-022	911	The County signed an intergovernmental agreement, but did not have a copy	X		
2017-023	Social Services	Year-end reconciled bank cash balance did not reconcile to the general ledger		X	2018-008
2017-024	Social Services	A reconciliation between the Social Service's XITech records and the County's Munis system was not complete.	X		
2017-025	Controller/Commssioners	A budget variance in the amount of \$9,095,135 existed due to where the actual costs were budgeted.	X		

**INDEPENDENT ACCOUNTANT'S REPORT
ON APPLYING AGREED-UPON PROCEDURES**

Board of Commissioners
County of Blair
Court House
423 Allegheny Street, Suite 441
Hollidaysburg, PA 16648-2022

We have performed the procedures enumerated below, which were agreed to by the Pennsylvania Department of Human Services and the County of Blair (the specified parties) on the Reconciliation of Federal Awards Passed through the Pennsylvania Department of Human Services Expenditures per the SEFA to Revenue Received per the Pennsylvania Audit Confirmation Reply of the County of Blair as of (for the year ended) December 31, 2018. The County of Blair's management is responsible for the Reconciliation of Federal Awards Passed through the Pennsylvania Department of Human Services Expenditures per the SEFA to Revenue Received per the Pennsylvania Audit Confirmation Reply. The sufficiency of these procedures is solely the responsibility of the Pennsylvania Department of Human Services and the County of Blair. Consequently, we make no representation regarding the sufficiency of the procedures described below either for the purpose for which this report has been requested or for any other purpose.

The procedures and associated findings are as follows:

- (a) Agree the expenditure amounts listed on the reconciliation schedule under the "Federal Expenditures per the SEFA" column C to the audited Schedule of Expenditures of Federal Awards (SEFA).
- (b) Agree the receipt amounts listed on the reconciliation schedule under the "Federal Awards Received per the audit confirmation reply from Pennsylvania" column D to the subrecipient Federal amounts that were reflected in the audit confirmation reply from the Office of Budget, Comptroller Operations.
- (c) Recalculate the amounts listed under the "Difference" column E and the "% Difference" column F.
- (d) Agree the amounts listed under the "Difference" column E to the audited books and records of the entity.
- (e) Agree the "Detailed Explanation of the Differences" to the audited books and records of the entity.
- (f) Based on the procedures detailed in paragraphs (a) through (e) above, disclose any adjustments and/or findings which have not been reflected on the corresponding schedules (list each separately).

**INDEPENDENT ACCOUNTANT'S REPORT
ON APPLYING AGREED-UPON PROCEDURES
(CONTINUED)**

This agreed-upon procedures engagement was conducted in accordance with attestation standards established by the American Institute of Certified Public Accountants. We were not engaged to and did not conduct an examination or review, the objective of which would be the expression of an opinion or conclusion, respectively on the Reconciliation of Federal Awards Passed through the Pennsylvania Department of Human Services Expenditures per the SEFA to Revenue Received per the Pennsylvania Audit Confirmation Reply. Accordingly, we do not express such an opinion or conclusion. Had we performed additional procedures, other matters might have come to our attention that would have been reported to you.

This report is intended solely for the information and use of the Pennsylvania Department of Human Services and the County of Blair and, is not intended to be, and should not be used by anyone other than those specified parties.

Young, DeWitt, Brown & Company, P.C.

**Altoona, Pennsylvania
June 10, 2019**

COUNTY OF BLAIR
RECONCILIATION OF FEDERAL AWARDS PASSED THROUGH THE PENNSYLVANIA DEPARTMENT OF HUMAN SERVICES
EXPENDITURES PER THE SEFA TO REVENUE RECEIVED PER THE PENNSYLVANIA AUDIT CONFIRMATION REPLY
FOR THE YEAR ENDED DECEMBER 31, 2018

{A} CFDA Name	{B} Federal CFDA Number	{C} Federal Expenditures per the SEFA	{D} Federal Awards Received per the Audit Confirmation Reply from Pennsylvania	{E} Difference {C-D}	{F} Percentage Difference {E/D}	{G} Detailed Explanation of Difference
Child Support Enforcement	93.563	\$ 555,710	\$ 741,518	(\$185,808)	-25%	SEFA does not include \$42,042.00 for December 2017, \$401.00 for March 2017 supplemental, \$273.00 for May 2017 supplemental, \$277.00 for June 2017 supplemental, \$964.00 for September 2017 supplemental, \$897.00 for December 2017 supplemental, \$297.00 for February 2017 supplemental, and \$2,395.00 for December retirement supplemental. Also SEFA does not include 06/30/18 payment of \$184,137.30 listed on confirmation which was received by the County in 2017 and 2018 but not expended. SEFA includes \$45,875.00 for December 2018 which was expensed in 2018 but not received by the County until 2019. (-\$42,042.00 - \$401.00 - \$273.00 - \$277.00 - \$964.00 - \$897.00 - \$297.00 - \$2,395.00 - \$184,137.30 + \$45,875.00 = -\$185,808.30)
Guardianship Assistance - Title IV-E	93.090	32,948	20,929	12,019	57%	SEFA includes \$6,203.76 received in January 2018. Also, the change in the carryover between December 2017 and December 2018 was \$5,815.00. (\$6,203.76 + \$5,815.00 = \$12,018.76)
Administrative - Title IV-E	93.658	10,636	14,249	(3,613)	-25%	SEFA includes \$290.00 for the fourth quarter 2018 which was expensed by the County in 2018. SEFA does not include \$3,903 for fourth quarter 2017 which was expensed by the County in 2017. (\$290 - \$3,903 = -\$3,613)
Foster Care - Title IV-E	93.658	1,472,447	1,326,810	145,637	11%	SEFA includes \$177,706.45 which was received by the County in January 2018. Also, the change in the carryover between December 2017 and December 2018 was \$32,069.00. (\$177,706.45 - \$32,069.00 = \$145,637.45)
Adoption Assistance - Title IV-E	93.659	918,817	903,579	15,238	2%	SEFA includes \$294,139.00 received by the County in January 2018. Also, the change in the carryover between December 2017 and December 2018 was \$278,901.00. (\$294,139.00 - \$278,901.00 = \$15,238.00)
Social Services Block Grant	93.667	226,458	226,457	1	0%	Rounding

COUNTY OF BLAIR
RECONCILIATION OF FEDERAL AWARDS PASSED THROUGH THE PENNSYLVANIA DEPARTMENT OF HUMAN SERVICES
EXPENDITURES PER THE SEFA TO REVENUE RECEIVED PER THE PENNSYLVANIA AUDIT CONFIRMATION REPLY
FOR THE YEAR ENDED DECEMBER 31, 2018
(CONTINUED)

{A} CFDA Name	{B} Federal CFDA Number	{C} Federal Expenditures per the SEFA	{D} Federal Awards Received per the Audit Confirmation Reply from Pennsylvania	{E} Difference {C-D}	{F} Percentage Difference {E/D}	{G} Detailed Explanation of Difference
Medical Assistance Program	93.778	\$ 1,227,469	\$1,230,680	(\$ 3,211)	0%	SEFA includes \$117,423.00 and \$992 received in January 2018. SEFA does not include \$117,298.00 and \$3,678.00 that were received in January 2018. Cash awards per the PA confirmation that remain unidentified \$1,272.00. Finally, the change in the carryover between December 2017 and December 2018 was \$622.00. (\$117,423.00 + \$992.00 - \$117,298.00 - \$3,678.00 - \$1,272.00 + \$622.00 = -\$3,211.00)
Independent Living Services	93.674	74,871	59,898	14,973	25%	SEFA does not include \$14,973.00 that was received in January 2018. (\$14,973.00)
Stephanie Tubbs Jones Child Welfare Services Program - Title IV-B	93.645	43,468	43,468	-	0%	
Temporary Assistance to Needy Families (TANF)	93.558	549,375	318,408	230,967	73%	The change in the carryover between December 2017 and December 2018 was \$230,967.00. (\$230,967.00)
Community-Based Child Abuse Prevention Grants	93.590	15,639	30,480	(14,841)	-49%	The change in the carryover between December 2017 and December 2018 was -\$14,841.00. (-\$14,841.00)
Promoting Safe and Stable Families	93.556	114,758	93,471	21,287	23%	SEFA includes an extra \$21,287 which was received in October 2018, but is not listed on the confirmation. (\$21,287)
Projects for Assistance in Transition from Homelessness (PATH)	93.150	47,087	47,087	-	0%	
Block Grants for Community Mental Health Services	93.958	144,626	158,295	(13,669)	-9%	SEFA includes \$29,323.00 for December 2017 received in January 2018. SEFA does not include \$42,992.00 for December 2018 which was received in January 2019. (\$29,323.00 - \$42,992.00 = -\$13,669.00)
Special Education - Grants for Infants and Families	84.141	<u>91,384</u>	<u>91,384</u>	-	0%	
		<u>\$ 5,525,693</u>	<u>\$5,306,713</u>	<u>\$218,980</u>	4%	
Reconciliation of Federal Expenditures Passed Through the Pennsylvania Department of Human Services						
Federal Expenditures		\$ 5,525,693				
State Expenditures:						
Children and Youth Program		9,006,769				
Medical Assistance Transportation Program		698,849				
Social Services Program		<u>7,523,291</u>				
Federal and State Expenditures		<u>\$22,754,602</u>				