

BOULDER COUNTY, COLORADO

REPORT ON SINGLE AUDIT
December 31, 2014

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

Board of County Commissioners
Boulder County, Colorado

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of the governmental activities, the business-type activities, the discretely presented component units, each major fund, and the aggregate remaining fund information of Boulder County, Colorado (the County), as of and for the year ended December 31, 2014, and the related notes to the financial statements, which collectively comprise the County's basic financial statements, and have issued our report thereon dated July 31, 2015. Our report includes a reference to other auditors who audited the financial statements of Boulder County Housing Authority (the Authority), a major enterprise fund, and Josephine Commons, LLC and Aspinwall, LLC, both discretely presented component units, as described in our report on the County's financial statements. This report does not include the results of the other auditors' testing of internal control over financial reporting or compliance and other matters that are reported on separately by those auditors.

Internal Control Over Financial Reporting

In planning and performing our audit of the financial statements, we considered the County's internal control over financial reporting (internal control) to determine the audit procedures that are appropriate in the circumstances for the purpose of expressing our opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the County's internal control. Accordingly, we do not express an opinion on the effectiveness of the County's internal control.

A *deficiency in internal control* exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, misstatements on a timely basis. A *material weakness* is a deficiency, or a combination of deficiencies, in internal control, such that there is a reasonable possibility that a material misstatement of the entity's financial statements will not be prevented, or detected and corrected on a timely basis. A *significant deficiency* is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

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

Compliance and Other Matters

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

Purpose of this Report

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the result of that testing, and not to provide an opinion on the effectiveness of the County's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the County's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

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

CliftonLarsonAllen LLP

Greenwood Village, Colorado

July 31, 2015



INDEPENDENT AUDITORS' REPORT ON COMPLIANCE WITH REQUIREMENTS THAT COULD HAVE A DIRECT AND MATERIAL EFFECT ON EACH MAJOR FEDERAL PROGRAM AND ON INTERNAL CONTROL OVER COMPLIANCE AND ON THE SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS IN ACCORDANCE WITH OMB CIRCULAR A-133

Board of County Commissioners
Boulder County, Colorado

Report on Compliance for Each Major Federal Program

We have audited Boulder County, Colorado's (the County) compliance with the types of compliance requirements described in the *OMB Circular A-133 Compliance Supplement* that could have a direct and material effect on each of the County's major federal programs for the year ended December 31, 2014. The County's major federal programs are identified in the summary of auditors' results section of the accompanying schedule of findings and questioned costs.

The County's basic financial statements include the operations of the Boulder County Housing Authority, which received \$10,250,301 in federal awards, which is not included in the County's schedule of expenditures of federal awards during the year ended December 31, 2014. Our audit, described below, did not include the operations of Boulder County Housing Authority, because Boulder County Housing Authority engaged other auditors to perform an audit in accordance with Circular A-133.

Management's Responsibility

Management is responsible for compliance with the requirements of laws, regulations, contracts, and grants applicable to its federal programs.

Auditors' Responsibility

Our responsibility is to express an opinion on compliance for each of the County's major federal programs based on our audit of the types of compliance requirements referred to above. We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; and OMB Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations*. Those standards and OMB Circular A-133 require that we plan and perform the audit to obtain reasonable assurance about whether noncompliance with the types of compliance requirements referred to above that could have a direct and material effect on a major federal program occurred. An audit includes examining, on a test basis, evidence about the County's compliance with those requirements and performing such other procedures as we considered necessary in the circumstances.

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

Opinion on Each Major Federal Program

In our opinion, the County complied, in all material respects, with the types of compliance requirements referred to above that could have a direct and material effect on each of its major federal programs for the year ended December 31, 2014.

Other Matters

The results of our auditing procedures disclosed instances of noncompliance, which are required to be reported in accordance with OMB Circular A-133 and which are described in the accompanying schedule of findings and questioned costs as items 2014-001 and 2014-002. Our opinion on each major federal program is not modified with respect to these matters.

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

Report on Internal Control Over Compliance

Management of the County is responsible for establishing and maintaining effective internal control over compliance with the types of compliance requirements referred to above. In planning and performing our audit of compliance, we considered the County's internal control over compliance with the types of requirements that could have a direct and material effect on each major federal program to determine the auditing procedures that are appropriate in the circumstances for the purpose of expressing an opinion on compliance for each major federal program and to test and report on internal control over compliance in accordance with OMB Circular A-133, but not for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, we do not express an opinion on the effectiveness of the County's internal control over compliance.

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

Our consideration of internal control over compliance was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control over compliance that might be material weaknesses or significant deficiencies and therefore, material weaknesses or significant deficiencies may exist that were not identified. We did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses. However, we identified certain deficiencies in internal control over compliance, as described in the accompanying schedule of findings and questioned costs as items 2014-001 and 2014-002 that we consider to be significant deficiencies.

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

The purpose of this report on internal control over compliance is solely to describe the scope of our testing of internal control over compliance and the result of that testing based on the requirements of OMB Circular A-133. Accordingly, this report is not suitable for any other purpose.

Report on Schedule of Expenditures of Federal Awards Required by OMB Circular A-133

We have audited the financial statements of the governmental activities, the business-type activities, the discretely presented component units, each major fund, and the aggregate remaining fund information of the County as of and for the year ended December 31, 2014, and the related notes to the financial statements, which collectively comprise the County's basic financial statements. We issued our report thereon dated July 31, 2015, 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 OMB Circular A-133 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 expenditure of federal awards is fairly stated in all material respects in relation to the basic financial statements as a whole.



CliftonLarsonAllen LLP

Greenwood Village, Colorado
August 17, 2015

Boulder County, Colorado
Schedule of Expenditures of Federal Awards
For the Year Ended December 31, 2014

	CFDA Number	Pass-through Identifying Number	Amount
Department of Agriculture			
* Special Supplemental Nutrition Program for Women, Infants, and Children	10.557		\$ 3,104,403
Solid Waste Management Grants	10.762		43,002
Farm and Ranchland Protection Program	10.913		1,220,000
Colorado Department of Human Services			
State Administrative Matching Grants for the Supplemental Nutrition Assistance Program	10.561		2,466,354
Colorado Department of Public Health & Environment			
Child and Adult Care Food Program	10.558	08CH000740	67,985
Colorado Department of Public Safety			
*Emergency Watershed Protection Program	10.923	13NRC14BLD	3,340,608
Department of Agriculture Total			10,242,352
Department of Housing and Urban Development			
Colorado Department of Local Affairs			
Community Development Block Grants/Entitlement Grants	14.218	H2CDB11051	1,059,100
Community Development Block Grants - Disaster Recovery	14.269		425,942
Department of Housing and Urban Development Total			1,485,042
Department of the Interior			
Payments in Lieu of Taxes (PILT)	15.226		359,944
Department of the Interior Total			359,944
Department of Justice			
Law Enforcement Assistance - Narcotics and Dangerous Drug	16.001		49,532
State Criminal Alien Assistance Program	16.606		169,105
City of Colorado Springs			
Internet Crimes Against Children	16.543		9,610
Colorado Department of Public Safety, Division of Criminal Justice			
Crime Victim Assistance	16.575	201 3-VA-GX-0021	35,878
Edward Byrne Memorial Justice Assistance Program	16.738	2013-DJ-13-001470-05-1	74,246
Department of Justice Total			338,371
Department of Labor			
Colorado Department of Labor and Employment			
Employment Service/Wagner-Peyser Funded Activities	17.207		318,410
Unemployment Insurance	17.225		18,527
Trade Adjustment Assistance	17.245		5,182
WIA Adult Program	17.258		510,582
WIA Youth Activities	17.259		636,673
H-1B Job Training Grants	17.268		115,037
WIA National Emergency Grants	17.277		944,421
WIA Dislocated Worker Formula Grant	17.278		433,940
Trade Adjustment Assistance Community College and Career Training (TAACCT) Grants	17.282		5,382
Disabled Veteran's Outreach Program (DVOP)	17.801		23,531
Department of Labor Total			3,011,685
Department of Transportation			
Colorado Department of Transportation			
*Highway Planning and Construction	20.205		7,447,571
Job Access And Reverse Commute Program	20.516		195,827
Department of Transportation Total			7,643,398
Environmental Protection Agency			
Colorado Dept. of Public Health & Environment			
Capitalization Grants for Drinking Water State Revolving Funds	66.468		2,310
Performance Partnership Grants	66.605		11,183
Surveys, Studies, Investigation and Special Purpose Grants	66.606		71,354
Environmental Protection Agency			84,847
Department of Energy			
Energy Efficiency and Conservation Block Grant Program (EECBG) - ARRA	81.128		159,564
Department of Energy Total			159,564

Boulder County, Colorado
Schedule of Expenditures of Federal Awards
For the Year Ended December 31, 2014

CFDA Number	Pass-through Identifying Number	Amount
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(Continued)

Department of Health and Human Services

Substance Abuse and Mental Health Services - Project of Regional and National Significance	93.243	176,791
Head Start	93.600	1,165,977
Special Programs for the Aging Title VII, Chapter 3_Programs for Prevention of Elder Abuse, Neglect, and Exploitation	93.041	2,907
Special Programs for Aging Title VII_Chapter 2_Long Term Care Ombudsman Services for Older Individuals	93.042	42,594
Special Programs for Aging Title III Part D Disease Prevention and Health Promotion Services	93.043	17,170
Special Programs for Aging Title III Part B Grants for Supportive Services and Senior Care	93.044	576,519
Special Programs for Aging Title III Part C Nutrition Services	93.045	142,020
Special Programs for Aging Title III Part E	93.052	47,049
Nutrition Services Incentive Program	93.053	14,581
Block Grants for Prevention and Treatment of Substance Abuse	93.959	763,529
Colorado Department of Human Services		
Promoting Safe and Stable Families	93.556	88,213
Temporary Assistance for Needy Families	93.558	5,643,842
*Child Support Enforcement	93.563	2,074,968
Child Support Enforcement Research	93.564	5,472
Low-Income Home Energy Assistance	93.568	1,408,010
*Child Care and Development Block Grant	93.575	67,580
*Child Care Mandatory and Matching Funds of the Child Care and Development Fund	93.596	3,005,808
Stephanie Tubbs Jones Child Welfare Services Program	93.645	98,479
Foster Care_Title IV-E	93.658	2,644,424
Adoption Assistance	93.659	742,245
Social Services Block Grant	93.667	1,168,016
Child Abuse and Neglect Discretionary Activities	93.670	4,162
Chafee Foster Care Independence Program	93.674	111,318
Medical Assistance Program	93.778	2,666,247
Colorado Department of Local Affairs		
Community Services Block Grant	93.569	L11CSBG06, L12CSBG06 363,322
Colorado Dept. of Public Health & Environment		
Medical Reserve Corps Small Grant Program	93.008	3,500
Public Health Emergency Preparedness	93.069	286,476
Immunization Cooperative Agreements	93.268	90,570
Centers for Disease Control and Prevention Investigations and Technical Assistance	93.283	16,786
National Bioterrorism Hospital Preparedness Program	93.889	2,904
HIV Prevention Activities_Health Department Based	93.940	3,040
Maternal and Child Health Services Block Grant to the States	93.994	271,708

Department of Health and Human Services Total		23,716,227
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Department of Homeland Security

Pre-Disaster Mitigation	97.047	187,893
Colorado Department of Public Safety, Division of Homeland Security and Emergency Management		
Emergency Management Performance Grants	97.042	139,000
*Disaster Response and Recovery Grants - Public Assistance Program	97.036	14,176,319

Department of Homeland Security Total		14,503,212
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Grand Total		\$ 61,544,642
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* Major Programs

See accompanying notes to the Schedule of Expenditures of Federal Awards

**BOULDER COUNTY, COLORADO
NOTES TO SCHEDULE OF
EXPENDITURES OF FEDERAL AWARDS
Year Ended December 31, 2014**

General

The accompanying Schedule of Expenditures of Federal Awards presents the activity of all federal financial assistance programs of the primary government of Boulder County, Colorado and its component units, excluding the Boulder County Housing Authority, a blended component unit of the County, which expended \$10,250,301 in federal awards during the year ended December 31, 2014. The County's reporting entity is defined in Note 1 to the County's basic financial statements included in the Comprehensive Annual Financial Report (CAFR). All federal financial assistance received by the primary government directly from federal agencies, as well as federal financial assistance passed through other government agencies, including the State of Colorado, is included on the schedule. In addition, federal financial assistance awarded directly to eligible County Social Services recipients via Electronic Benefits Transfer (EBT) is also included in the Schedule of Expenditures of Federal Awards, with the exception of Food Stamps. The State of Colorado issues EBT to the eligible County recipients. Only the federal amount of such pass-through awards and EBT is included on the Schedule of Expenditures of Federal Awards.

Basis of Accounting

The accompanying Schedule of Expenditures of Federal Awards is presented using the modified accrual basis of accounting, which is described in Note 1 to the basic financial statements included in the CAFR. The information in this schedule is presented in accordance with the requirements of OMB Circular A-133, *Audits of States, Local Governments and Non-Profit Organizations*. Therefore, some amounts presented in this schedule may differ from amounts presented in, or used in the preparation of, the basic financial statements. Federal financial assistance provided to sub-recipients is treated as an expenditure when it is paid to the sub-recipient.

Governmental funds are used to account for the County's federal grant activity. Amounts reported in the Schedule of Expenditures of Federal Awards are recognized on the modified accrual basis when they become a demand on current available federal resources and eligibility requirements are met, or on the accrual basis at the time liabilities are incurred and all eligibility requirements are met, except in the following programs which are reported in the Schedule of Expenditures of Federal Awards on the cash basis:

<u>Program Title</u>	<u>CFDA</u>
SNAP Cluster	10.561, 10.551
Promoting Safe and Stable Families	93.556
Temporary Assistance for Needy Families Cluster	93.558
Child Support Enforcement	93.563
Low-Income Home Energy Assistance	93.568
CCDF Cluster	93.575, 93.596
Child Welfare Services-State Grants	93.645
Foster Care-Title IV-E	93.658
Adoption Assistance	93.659
Social Services Block Grant	93.667
Chafee Foster Care Independence Program	93.674
Medicaid Cluster	93.778
Child Abuse and Neglect Discretionary Activities	93.670
Child Support Enforcement Research	93.564

**BOULDER COUNTY, COLORADO
NOTES TO SCHEDULE OF
EXPENDITURES OF FEDERAL AWARDS
Year Ended December 31, 2014**

Noncash Programs

Certain federal financial assistance programs do not involve cash awards to the County. These programs include the following:

<u>Program Title</u>	<u>CFDA</u>
Women, Infant, Children (WIC)	10.557
Low-Income Home Energy Assistance Program (LEAP)	93.568
Temporary Assistance for Needy Families (TANF)	93.558
County Administration	93.667
Child Welfare (including CHRP, RTC, Res MH, SB-80 and SB-94)	93.645, 93.658 93.659, 93.667
Core Services	93.658
Child Care Assistance Program (CCAP)	93.596, 93.575
Supplemental Nutrition Assistance Program (SNAP) Benefits	10.551

Total electronic disbursements authorized by the State for 2014 were \$41,456,191.

CFDA and Contract Numbers

Certain programs do not contain State or Federal contract numbers because they have not been assigned these numbers or the numbers were not obtainable.

Expenditures Incurred in Prior Years

The accompanying Schedule of Expenditures of Federal Awards includes expenditures incurred in prior years related to the Federal Emergency Management Agency grant program, Disaster Grants – Public Assistance (Presidentially Declared Disasters). Total expenditures incurred in prior years were \$3,232,153.

BOULDER COUNTY, COLORADO
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
Year Ended December 31, 2014

Section I—Summary of Auditors’ Results

Financial Statements

Type of auditors’ report issued: Unmodified

Internal control over financial reporting:

- Material weakness(es) identified? yes no
- Significant deficiency(ies) identified that are not considered to be material weaknesses? yes none reported
- Noncompliance material to financial statements noted? yes no

Federal Awards

Internal control over major programs:

- Material weakness(es) identified? yes no
- Significant deficiency (ies) identified that are not considered to be material weakness(es)? yes none reported

Type of auditors’ report issued on compliance for major program: Unmodified

Any audit findings disclosed that are required to be reported in accordance with Section 510(a) of Circular A-133? yes no

Identification of major programs:

<u>CFDA Number(s)</u>	<u>Name of Federal Program or Cluster</u>
10.557	Special Supplemental Nutrition Program for Women, Infants, and Children
10.923	Emergency Watershed Protection Program
20.205	Highway Planning and Construction
93.563	Child Support Enforcement
93.575*	Child Care and Development Block Grant
93.596*	Child Care Mandatory and Matching Funds of the Child Care and Development Fund
97.036	Disaster Response and Recovery Grants – Public Assistance Program

*Cluster

Dollar threshold used to distinguish between type A and type B programs: \$1,846,339

Auditee qualified as low-risk auditee? yes no

BOULDER COUNTY, COLORADO
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
Year Ended December 31, 2014

PART II—FINDINGS RELATED TO FINANCIAL STATEMENTS

There were no findings related to the financial statements for the year ended December 31, 2014.

PART III—FEDERAL AWARD FINDINGS AND QUESTIONED COSTS

Finding 2014-001

DEPARTMENT OF AGRICULTURE

CFDA 10.557 Special Supplemental Nutrition Program for WIC

Award Year: 2014

Eligibility

Significant Deficiency, Noncompliance

Criteria: For the WIC Program Eligibility requirements, the Colorado WIC Program Manual states that high-risk individuals are seen at least once within the certification period, which is every 6 months, or one year for an infant. The individual must also be seen within one month of high-risk identification.

Condition: During testing of sixty participants, we found that three participants that were classified as high risk individuals were not scheduled to be seen by program staff within the required one month of high-risk identification. However, these participants were seen within the six month certification period.

Cause: Inadequate internal controls relating to the scheduling of appointments for high risk individuals could have contributed to this finding.

Effect: The County was not in compliance with the requirement for high risk individuals to be seen at least once within the certification period. However, it is noted that the individuals were still seen within the certification period of six months.

Questioned Costs: None.

Recommendation: We recommend the County implement a stronger process for the scheduling of individuals that are determined to be high risk to ensure that the individual will be seen within the one month period. This could include additional training opportunities for program staff regarding these requirements and / or a more detailed review of high-risk cases to verify these requirements are being met.

BOULDER COUNTY, COLORADO
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
Year Ended December 31, 2014

Views of responsible officials and planned

corrective actions: Actions Planned in Response to Finding:

The County has implemented desk-side counseling so that high-risk individuals are seen by high risk counselors immediately when possible. Staffs schedule all high-risk clients not seen in desk-side for an appointment within 30 days of certification, or 90 days for NRF 113. The High Risk Factor Report by Person ID is produced and reviewed monthly to verify that high-risk clients are scheduled and seen within the required time period.

Responsible Party: Melinda Morris, WIC Manager, 303.413.7509

Planned Completion Date for Corrective Action Plan: Immediately.

Finding 2014-002

DEPARTMENT OF AGRICULTURE

CFDA 10.557 Special Supplemental Nutrition Program for WIC

Award Year: 2014

Allowable Activities and Allowable Costs/Cost Principles
Significant Deficiency, Noncompliance

Criteria: For the WIC Program's payroll expenditures, the County's policies and procedures state that employees are required to sign off on their timesheets. This approval certifies that the hours indicated on the timesheet are accurate and the activities fairly represent the employee's work effort.

Condition: During testing of twenty-four WIC employees, we noted two employees who did not approve their timesheet. However, these timesheets were approved by the employees' supervisor, which is also part of the County's policies and procedures.

Cause: Inadequate internal controls relating to the County's timesheet policies and procedures.

Effect: The County was not in compliance with the County's policies and procedures over timesheets. However, it is noted that the timesheets were approved by the supervisors.

Questioned Costs: None.

Recommendation: We recommend the County implement a stronger process to ensure that employees approve their timesheets in a timely manner. This could include supervisors not approving an employee's timesheet until the timesheet is approved by the employee to align with the County's policies and procedures for timesheets.

BOULDER COUNTY, COLORADO
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
Year Ended December 31, 2014

Views of responsible
officials and planned

corrective actions: Actions Planned in Response to Finding:

If an employee is unable to approve their timecard electronically within the specified timeframe, the Supervisor will email the staff to have them confirm that they approve the timecard by email notice. Supervisor will forward the email approval to WIC Manager who will maintain documentation of these instances.

Responsible Party: Melinda Morris, WIC Manager, 303.413.7509

Planned Completion Date for Corrective Action Plan: Immediately.

BOULDER COUNTY, COLORADO
SUMMARY SCHEDULE OF PRIOR YEAR AUDIT FINDINGS
Year Ended December 31, 2014

PART II—FINDINGS RELATED TO FINANCIAL STATEMENTS

Finding 2013-001 Understatement of Cash/Overstatement of Receivables

Material Weakness

Summary: During our testing of the County's cash balance, we noted that the bank accounts within the Treasurer's Office had not been reconciled for six months during fiscal year 2013 and there were multiple cash receipts that were deposited in the Treasurer's operating account in fiscal year 2013 but were not recorded by the County until the December 2013 bank reconciliation which was performed in March 2014.

Status: Implemented.

Finding 2013-002 Noncompliance with County Investment Policy

Significant Deficiency

Summary: During our testing of County's investment balances portfolio make up, we noted the County had invested in securities that were not within the guidelines of the investment policy. Specifically, for Government Agency Securities at the time of purchase, no security may have a maturity of greater than three years, unless such security is a dedicated portfolio intended to provide specific protection to a bond issue, or other specific County purpose, and its purchase has been approved by the Board of County Commissioners. The County had also invested in a type of investment that is not listed as an authorized investment within the County Investment Policy.

Status: Implemented.

PART III—FEDERAL AWARD FINDINGS AND QUESTIONED COSTS

Finding 2013-003

DEPARTMENT OF AGRICULTURE

CFDA 10.557 Special Supplemental Nutrition Program for WIC

Award Year: 2013

Eligibility

Significant Deficiency, Noncompliance

Summary: For the WIC Program Eligibility requirements, the Colorado WIC Program Manual states that high risk individuals are seen at least once within the certification period, which is every 6 months, or one year for an infant. The individual must also be seen within one month of high-risk identification.

BOULDER COUNTY, COLORADO
SUMMARY SCHEDULE OF PRIOR YEAR AUDIT FINDINGS
Year Ended December 31, 2014

During testing of sixty participants, we found that thirteen participants that were classified as high risk individuals were not scheduled to be seen by program staff within the required one month of high-risk identification. However, these participants were seen within the six month certification period.

Status: Not implemented. See current year finding 2014-001.

Finding 2013-004

DEPARTMENT OF AGRICULTURE

CFDA 10.557 Special Supplemental Nutrition Program for WIC

Award Year: 2013

Allowable Activities and Allowable Costs/Cost Principles
Significant Deficiency, Noncompliance

Summary: For the WIC Program's payroll expenditures, the County's policies and procedures state that employees are required to sign off on their timesheets. This approval certifies that the hours indicated on the timesheet are accurate and the activities fairly represent the employee's work effort.

During testing of twenty-five WIC employees, we noted two employees who did not approve their timesheet. However, these timesheets were approved by the employees' supervisor, which is also part of the County's policies and procedures.

Status: Not implemented. See current year finding 2014-002.

Finding 2013-005

DEPARTMENT OF LABOR

Passed through the Colorado Department of Labor and Employment

CFDA 17.258, 17.259 and 17.278 Workforce Investment Act Cluster

Pass-through Identifying Numbers: 1946, 2182, 2336, 2182, 2336; 2183, 2337; 1948, 2184, 5338, 2374, 1878, 2104

Eligibility
Significant Deficiency, Noncompliance

Summary: For the WIA Program Eligibility requirements, the Colorado Department of Labor states that adults in the WIA Adult program are required to complete an Individual Service Strategy (ISS) Agreement. In addition, the Colorado Department of Labor states males in the WIA Youth program are required to register for Selective Service within 30 days of their 18th birthday.

During the testing of forty participants, we found that one participant did not complete the ISS Agreement. In addition, we found that two male participants did not register for Selective Service within 30 days of their 18th birthday.

Status: Implemented.

BOULDER COUNTY, COLORADO
SUMMARY SCHEDULE OF PRIOR YEAR AUDIT FINDINGS
Year Ended December 31, 2014

Finding 2013-006

DEPARTMENT OF LABOR

Passed through the Colorado Department of Labor and Employment

CFDA 17.258, 17.259 and 17.278 Workforce Investment Act Cluster

Pass-through Identifying Numbers: 1946, 2182, 2336, 2182, 2336; 2183, 2337; 1948, 2184, 5338, 2374, 1878, 2104

Earmarking

Significant Deficiency, Noncompliance

Summary: For the Workforce Investment Act earmarking requirements, a minimum of 95% of eligible participants in Youth Activities must meet the criteria of disadvantaged low-income youth.

During testing over the earmarking requirement, it was noted the County does not have an internal reporting device which documents and ensures 95% meet the criteria of disadvantaged low-income youth.

Status: Implemented.