

**BOULDER COUNTY, COLORADO**

**REPORT ON SINGLE AUDIT**  
December 31, 2015

## TABLE OF CONTENTS

	<b>PAGE</b>
Independent Auditors' Report on Internal Control Over Financial Reporting and on Compliance and Other Matters Based on an Audit of Financial Statements Performed in Accordance with <i>Government Auditing Standards</i> .....	1
Independent Auditors' Report on Compliance for Each Major Federal Program and Report on Internal Control Over Compliance Required by the Uniform Guidance.....	3
Schedule of Expenditures of Federal Awards .....	6
Notes to Schedule of Expenditures of Federal Awards .....	9
Schedule of Findings and Questioned Costs.....	11
Summary Schedule of Prior Year Audit Findings.....	14



**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 aggregate discretely presented component units, each major fund, and the aggregate remaining fund information of Boulder County, Colorado, as of and for the year ended December 31, 2015, and the related notes to the financial statements, which collectively comprise the County's basic financial statements, and have issued our report thereon dated August 30, 2016. 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 Boulder 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 Boulder County's internal control. Accordingly, we do not express an opinion on the effectiveness of Boulder County'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 a material weakness.

*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 deficiency described in the accompanying schedule of findings and questioned costs as item 2015-001 to be a material weakness.

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 did not identify any deficiencies in internal control that we consider to be significant deficiencies.

### **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*.

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

Boulder County's response to the finding identified in our audit is described in the accompanying schedule of findings and questioned costs. Boulder County'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 result of that testing, and not to provide an opinion on the effectiveness of the entity's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the entity's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.



### **CliftonLarsonAllen LLP**

Greenwood Village, Colorado  
August 30, 2016



# CliftonLarsonAllen

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

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 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, 2015. The County's major federal programs are identified in the summary of auditors' results section of the accompanying schedule of findings and questioned costs.

### ***Management's Responsibility***

Management is responsible for compliance with federal statutes, regulations, and the terms and conditions of its federal awards applicable to its federal programs.

### ***Auditors' Responsibility***

Our responsibility is to express an opinion on compliance for each of the County's major federal programs based on our audit of the types of compliance requirements referred to above. We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; and the audit requirements of Title 2 U.S. *Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance). Those standards and the Uniform Guidance require that we plan and perform the audit to obtain reasonable assurance about whether noncompliance with the types of compliance requirements referred to above that could have a direct and material effect on a major federal program occurred. An audit includes examining, on a test basis, evidence about the County's compliance with those requirements and performing such other procedures as we considered necessary in the circumstances.

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

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

In our opinion, the County complied, in all material respects, with the types of compliance requirements referred to above that could have a direct and material effect on each of its major federal programs for the year ended December 31, 2015.

### **Other Matters**

The results of our auditing procedures disclosed instances of noncompliance, which are required to be reported in accordance with the Uniform Guidance and which are described in the accompanying schedule of findings and questioned costs as item 2015-002. Our opinion on each major federal program is not modified with respect to these matters.

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

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

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

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

Our consideration of internal control over compliance was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control over compliance that might be material weaknesses or significant deficiencies 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 item 2015-002 that we consider to be a significant deficiency.

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

The purpose of this report on internal control over compliance is solely to describe the scope of our testing of internal control over compliance and the results of that testing based on the requirements of the Uniform Guidance. Accordingly, this report is not suitable for any other purpose.

**Report on Schedule of Expenditures of Federal Awards Required by the Uniform Guidance**

We have audited the financial statements of the governmental activities, the business-type activities, the aggregate discretely presented component units, each major fund, and the aggregate remaining fund information of the County as of and for the year ended December 31, 2015, and the related notes to the financial statements, which collectively comprise the County's basic financial statements. We issued our report thereon dated August 30, 2016, which contained unmodified opinions on those financial statements. Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the basic financial statements. The accompanying schedule of expenditures of federal awards is presented for purposes of additional analysis as required by the Uniform Guidance and is not a required part of the basic financial statements. 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 is fairly stated in all material respects in relation to the basic financial statements as a whole.



**CliftonLarsonAllen LLP**

Greenwood Village, Colorado  
September 15, 2016

**Boulder County, Colorado**  
**Schedule of Expenditures of Federal Awards**  
**For the Year Ended December 31, 2015**

Federal Grantor / Pass Through Grantor, Program or Cluster Title	CFDA Number	Pass-through Identifying Number	Amount
<b>Department of Agriculture</b>			
Child and Adult Care Food Program	10.558	08CH000740	70,330
Farm and Ranchland Protection Program	10.913	73-8B05-A-11-02	1,588,713
Colorado Department of Human Services			
State Administrative Matching Grants for the Supplemental Nutrition Assistance Program	10.561		2,310,436
Colorado Department of Public Health & Environment			
Special Supplemental Nutrition Program for Women, Infants, and Children	10.557	14 FLA 58753, 14 FLA 58809	2,867,991
University of California			
Crop Protection and Pest Management Competitive Grants Program	10.329	2014-70006-22629	18,094
<b>Department of Agriculture Total</b>			<b>6,855,564</b>
<b>Department of Health and Human Services</b>			
Food and Drug Administration - Research	93.103	G-T-1410-01786, UFD004648A	72,000
Substance Abuse and Mental Health Services - Project of Regional and National Significance	93.243	1H79SM061428-01	343,173
Head Start	93.600	08CH000741	1,163,578
Colorado Department of Human Services			
Special Programs for Aging Title VII Chapter 3-Programs for Prevention of Elder Abuse, Neglect, and Exploitation	93.041		1,874
Special Programs for Aging Title VII Chapter 2-Long Term Care			
Ombudsman Services for Older Individuals	93.042		10,635
Special Programs for Aging Title III Part D Disease Prevention and Health Promotion Services	93.043		13,464
Special Programs for Aging Title III Part E	93.052		51,662
<i>Aging Cluster</i>			
Special Programs for Aging Title III Part B Grants for Supportive Services and Senior Care	93.044		434,536
Special Programs for Aging Title III Part C Nutrition Services	93.045		132,474
Nutrition Services Incentive Program	93.053		20,543
<i>Aging Cluster Subtotal</i>			<u>587,553</u>
Guardianship Assistance	93.090		45,580
Promoting Safe and Stable Families	93.556		98,310
Temporary Assistance for Needy Families	93.558		4,239,614
Child Support Enforcement	93.563		2,213,587
Child Support Enforcement Research	93.564		461
Low-Income Home Energy Assistance	93.568		1,527,338
<i>Childcare Cluster</i>			
Child Care and Development Block Grant	93.575		494,340
Child Care Mandatory and Matching Funds of the Child Care and Development Fund	93.596		2,322,598
<i>Childcare Cluster Subtotal</i>			<u>2,816,938</u>

**Boulder County, Colorado**  
**Schedule of Expenditures of Federal Awards**  
**For the Year Ended December 31, 2015**

Federal Grantor / Pass Through Grantor, Program or Cluster Title	CFDA Number	Pass-through Identifying Number	Amount
Stephanie Tubbs Jones Child Welfare Services Program	93.645		123,685
Foster Care-Title IV-E	93.658		2,958,862
Adoption Assistance	93.659		690,070
Social Services Block Grant	93.667		442,485
Child Abuse and Neglect Discretionary Activities	93.670		2,219
Chafee Foster Care Independence Program	93.674		103,784
Medical Assistance Program	93.778		2,546,399
Block Grants for Prevention and Treatment of Substance Abuse	93.959	CMS67137	9,064
Colorado Department of Local Affairs Community Services Block Grant	93.569	L12CSBG06	351,443
Colorado Department of Public Health & Environment Medical Reserve Corps Small Grant Program	93.008	MRC 15-0538	3,500
Public Health Emergency Preparedness	93.069	FAAA070114EPR0000004, FAAA070114EPR0000054	340,959
Hospital Preparedness Program and Public Health Emergency Preparedness Cooperative Agreements	93.074		740
Immunization Cooperative Agreements	93.268	FHHA20150000000012, FHHA201500000000215	92,855
Centers for Disease Control and Prevention Investigations and Technical Assistance	93.283	FHHA2015-179	18,700
Prevention and Public Health Funds Capacity Building Assistance	93.539	FAAA20160000000000004418	2,170
National Bioterrorism Hospital Preparedness Program	93.889	FAAA070114EPR0000059	3,400
HIV Prevention Activities-Health Department Based	93.940		4,060
Maternal and Child Health Services Block Grant to the States	93.994	FHHA2015000000000581	298,856
<b>Department of Health and Human Services Total</b>			<b>21,179,018</b>
<b>Department of Homeland Security</b>			
Homeland Security Grant Program	97.067		400
Colorado Department of Public Safety, Division of Homeland Security and Emergency Management			
Disaster Grants-Public Assistance (Presidentially Declared Disasters)	97.036	14-L4146-033	16,378,086
Hazard Mitigation Grants (Presidentially Declared Disasters)	97.039	MG4145048045	119,275
Emergency Management Performance Grants	97.042		105,000
Pre-Disaster Mitigation	97.047	11PDM14BC	46,201
<b>Department of Homeland Security Total</b>			<b>16,648,962</b>
<b>Department of Housing and Urban Development</b>			
Colorado Department of Local Affairs			
Community Development Block Grant	14.228		46,900
Community Development Block Grants - Disaster Recovery	14.269		5,258,293
<b>Department of Housing and Urban Development Total</b>			<b>5,305,193</b>
<b>Department of the Interior</b>			
Payments in Lieu of Taxes (PILT)	15.226		346,185
Colorado Department of Natural Resources			
Sport Fish Restoration Program	15.605	12-FIF-42080	8,200

**Boulder County, Colorado**  
**Schedule of Expenditures of Federal Awards**  
**For the Year Ended December 31, 2015**

Federal Grantor / Pass Through Grantor, Program or Cluster Title	CFDA Number	Pass-through Identifying Number	Amount
<b>Department of the Interior Total</b>			<b>354,385</b>
<b>Department of Justice</b>			
State Criminal Alien Assistance Program	16.606		100,071
City of Colorado Springs Internet Crimes Against Children	16.543	2012-MC-FX-K009	9,001
Colorado Department of Public Safety Crime Victim Assistance	16.575	2014-VA-14-003123-20	35,878
Edward Byrne Memorial Justice Assistance Program	16.738	2015-DJ-15-008646-05-3	58,083
<b>Department of Justice Total</b>			<b>203,033</b>
<b>Department of Labor</b>			
Colorado Department of Labor and Employment			
<i>Employment Service Cluster</i>			
Employment Service/Wagner-Peyser Funded Activities	17.207	2455, 2532	420,681
Disabled Veteran's Outreach Program (DVOP)	17.801	2459, 2036	15,151
<i>Employment Service Cluster Subtotal</i>			<u>435,832</u>
Unemployment Insurance	17.225		26,034
Trade Adjustment Assistance	17.245	2524, 1726, 2457	16,300
H-1B Job Training Grants	17.268	2151, 2544	161,532
WIA National Emergency Grants	17.277	S45,4S55, 4S35, 2394, 2539, 261	919,525
<i>Workforce Investment Act Cluster</i>			
WIA Adult Program	17.258	2336, 2452, 4A85,46A5	674,231
WIA Youth Activities	17.259	2337, 2453, 4Y65, 4Y85, 4Y75	604,081
WIA Dislocated Worker Formula Grant	17.278	2338, 2454,4D85, 4D65, 4KD3, 4JD3, 4D75, 4D95, 2298	459,888
<i>Workforce Investment Act Cluster Subtotal</i>			<u>1,738,200</u>
<b>Department of Labor Total</b>			<b>3,297,423</b>
<b>Department of Transportation</b>			
Colorado Department of Transportation			
Highway Planning and Construction	20.205	14HA464563, 14-HTD-63477	2,895,900
Job Access And Reverse Commute Program	20.516	5-HTR-ZL-00130, 15-HTR-ZL-0011	199,737
<b>Department of Transportation Total</b>			<b>3,095,637</b>
<b>Environmental Protection Agency</b>			
Colorado Dept. of Public Health & Environment			
Activities Relating to the Clean Air Act	66.034	CTFAAA FEDA2015-06	22,285
Capitalization Grants for Drinking Water State Revolving Funds	66.468	FAAA FEAGA2015000216	2,235
Performance Partnership Grants	66.605	HAZ1500000000037	9,000
<b>Environmental Protection Agency</b>			<b>33,520</b>
<b>Grand Total</b>			<b>56,972,735</b>

**BOULDER COUNTY, COLORADO  
NOTES TO SCHEDULE OF  
EXPENDITURES OF FEDERAL AWARDS  
Year Ended December 31, 2015**

**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 \$11,818,920 in federal awards during the year ended December 31, 2015. 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.

**NOTE 1: Basis of Presentation**

The accompanying schedule of expenditures of federal awards (the "Schedule") includes the federal award activity of Boulder County (the County) under programs of the federal government for the year ended December 31, 2015. The information in this Schedule is presented in accordance with the requirements of 2 CFR Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance). Because the Schedule presents only a selected portion of the operations of the County, it is not intended to and does not present the financial position, changes in net position, or cash flows of the County.

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:

<b><u>Program Title</u></b>	<b><u>CFDA</u></b>
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, 2015**

**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 2015 were \$41,147,588.

The County has declined to use the 10-percent de minimis indirect cost rate as allowed under the Uniform Guidance.

**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.

**BOULDER COUNTY, COLORADO  
SCHEDULE OF FINDINGS AND QUESTIONED COSTS  
Year Ended December 31, 2015**

**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 2 CFR 200.516(a)?  yes  no

Identification of major programs:

<u>CFDA Number(s)</u>	<u>Name of Federal Program or Cluster</u>
97.036	Disaster Response and Recovery Grants – Public Assistance Program
14.269	Community Development Block Grants – Disaster Recovery
93.658	Foster Care – Title IV-E
93.778	Medical Assistance Program

Dollar threshold used to distinguish between type A and type B programs: \$1,709,182

Auditee qualified as low-risk auditee?  yes  no

**BOULDER COUNTY, COLORADO**  
**SCHEDULE OF FINDINGS AND QUESTIONED COSTS**  
**Year Ended December 31, 2015**

**PART II—FINDINGS RELATED TO FINANCIAL STATEMENTS**

**Finding 2015-001**

**Enterprise Fund Unearned Revenue for Special Assessments**

**Material Weakness**

Criteria: Under accrual accounting, there should be no unearned revenue for special assessments for enterprise funds.

Condition: During the financial statement review process, it was noted that the County had a balance in deferred inflow of resources for special assessments not yet collected. The revenue was not recognized in prior periods resulting in a prior period adjustment of \$1,111,433.

Cause: The County was not using the correct method to recognize special assessment revenue in its proprietary funds.

Effect: The possibility exists that the County's financial statements as prepared by the County's personnel would not provide a high level of assurance that potential omissions or other errors that are less than material would be identified and corrected.

**Recommendation:**

The County should design and implement comprehensive review procedures to ensure that the financial statements are complete and accurate. Such review procedures should be performed by an individual possessing a thorough understanding of applicable generally accepted accounting principles and knowledge of the County's activities and operations.

**Views of responsible officials and planned corrective actions:**

Explanation of disagreement with audit finding: There is no disagreement with the audit finding.

Actions planned in response to finding: This error in revenue recognition resulted from a unique situation in which a governmental fund was converted to a proprietary fund in a prior year. The revenue recognition should have occurred at that time or when GASB 65 was implemented several years ago. The error was carried through the financial statements for several years until a review comment from the Governmental Financial Officers Association identified the error and recommended a change. Starting with 2016, the County has assigned proprietary fund statements to a second accounting manager, which will allow for a secondary review internally. We feel the process in place for 2016 is sufficient to identify errors of this kind in the future.

Responsible party: Catrina Asher, Financial Compliance Manager, 303-441-1013

Planned completion date for corrective action plan: By December 31, 2016.

Plan to monitor completion of corrective action plan: See above.

**BOULDER COUNTY, COLORADO  
SCHEDULE OF FINDINGS AND QUESTIONED COSTS  
Year Ended December 31, 2015**

**PART III—FEDERAL AWARD FINDINGS AND QUESTIONED COSTS**

**Finding 2015-002**

Federal agency: U.S. Department of Human Services

Federal program title: Foster Care – Title IV-E

CFDA Number: 93.658

Pass-Through Agency: Colorado Department of Human Services

Pass-Through Number(s): ABA-14-02-A; OM-OPSO-2015-0001

Award Period: July 1, 2014 – June 30, 2015; July 1, 2015 – June 30, 2016

Compliance Requirement: Eligibility

Type of Finding: Significant Deficiency in Internal Control, Noncompliance

Criteria or specific requirement: Per the Colorado Department of Human Services (CDHS) Staff Manual Volume 7, §7.001.6, a minimum of two face-to-face visits with the child or youth during the first thirty (30) days following the out-of-home placement, at least one of which shall be in the out-of-home placement, and a minimum of monthly face-to-face contact with the child or youth after the first month, are required to be conducted.

Condition: From a sample of forty participant case files, one selection did not have evidence that two face-to-face visits within thirty days of out of placement had been conducted.

Questioned costs: None noted.

Context: The County did not have evidence of compliance for eligibility requirements surrounding face-to-face visits.

Cause: The likely cause of this finding is lack of internal controls surrounding face-to-face visit tracking and documentation for the program.

Effect: This finding indicates that there could be some process improvement in eligibility requirements to verify they are being met and documented.

Repeat Finding: No

Recommendation: The County should design additional internal controls that monitor the timing and frequency of face-to-face visits and maintain appropriate documentation. Additionally, we recommend that further training be provided to staff regarding noted concerns.

Views of responsible officials and planned corrective actions:

Explanation of disagreement with audit finding: There is no disagreement with the audit finding.

Actions planned in response to finding: Entered record of contact (ROC note) with contact from HHS handwritten note from supervising weekly visitations at the DHHS office in Longmont.

Responsible party: Jen Laplante, Caseworker, 303-678-6058

Planned completion date for corrective action plan: July 11, 2016

Plan to monitor completion of corrective action plan: Attached Supervisor, Suzy Kenned, and it can be viewed in Trails and HHS connection.

**BOULDER COUNTY, COLORADO  
SUMMARY SCHEDULE OF PRIOR YEAR AUDIT FINDINGS  
Year Ended December 31, 2015**

**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**

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.

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.

Current Status: Implemented.

**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**

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.

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.

Current Status: Implemented.