

PORTAGE COUNTY, OHIO

SINGLE AUDIT REPORT

**FOR THE YEAR ENDED
DECEMBER 31, 2010**

James G. Zupka, CPA, Inc.
Certified Public Accountants

**PORTAGE COUNTY, OHIO
SINGLE AUDIT REPORT
FOR THE YEAR ENDED DECEMBER 31, 2010**

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JAMES G. ZUPKA, C.P.A., INC.

Certified Public Accountants

5240 East 98th Street

Garfield Hts., Ohio 44125

Member American Institute of Certified Public Accountants

(216) 475 - 6136

Ohio Society of Certified Public Accountants

**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**

To the Board of County Commissioners
Portage County, Ohio

We have audited the financial statements of the governmental activities, the business-type activities, the discretely presented component unit, each major fund, and the aggregate remaining fund information of Portage County, Ohio, as of and for the year ended December 31, 2010, which collectively comprise Portage County, Ohio's basic financial statements and have issued our report thereon dated June 13, 2011, wherein, as described in Note 3, the County restated fund balances of Other Governmental Funds due to reclassification of the Law Library Fund and change in net assets due to a correction in sales tax receivable, and wherein we noted that our opinion on the Robinson Memorial Portage County Hospital, a major fund, was based on the report of other auditors. We conducted our audit in accordance with 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. Other auditors audited the financial statements of the Robinson Memorial Portage County Hospital, a major fund, as described in our report on Portage County, Ohio's financial statements. This report does not include the results of the other auditor's testing of internal control over financial reporting or compliance and other matters that those auditors separately reported. Additionally, we have audited the financial statements of Portage Industries, Inc., the discretely presented component unit as described in our report on Portage County's financial statements in accordance with auditing standards generally accepted in the United States of America and not in accordance with *Government Auditing Standards* and accordingly this report does not extend to that component unit.

Internal Control Over Financial Reporting

In planning and performing our audit, we considered Portage County, Ohio's internal control over financial reporting as a basis for designing our auditing procedures for the purpose of expressing our opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of Portage County, Ohio's internal control over financial reporting. Accordingly, we do not express an opinion on the effectiveness of Portage County, Ohio's internal control over financial reporting.

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.

Our consideration of internal control over financial reporting 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 financial reporting that might be deficiencies, significant deficiencies, or material weaknesses. We did not identify any deficiencies in internal control over financial reporting that we consider to be material weaknesses, as defined above. However, we identified a certain deficiency in internal control over financial reporting, described in the accompanying Schedule of Findings and Questioned Costs that we consider to be a significant deficiency in internal control over financial reporting, and which is listed as listed as **Item 2010-001**. 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.


Compliance and Other Matters

As part of obtaining reasonable assurance about whether Portage County, Ohio's financial statements are free of 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*.

We noted certain matters that we reported to the management of Portage County, Ohio, in a separate letter dated June 13, 2011.

Portage County, Ohio's response to the finding identified in our audit is described in the accompanying Schedule of Findings and Questioned Costs. We did not audit Portage County, Ohio's response and, accordingly, we express no opinion on it.

This report is intended solely for the information and use of the management, the Board of County Commissioners, members of the Audit Committee, others within the entity, and federal awarding agencies and pass-through entities and is not intended to be and should not be used by anyone other than these specified parties.


James G. Zupka, CPA, Inc.
Certified Public Accountants

June 13, 2011

JAMES G. ZUPKA, C.P.A., INC.

Certified Public Accountants

5240 East 98th Street

Garfield Hts., Ohio 44125

Member American Institute of Certified Public Accountants

(216) 475 - 6136

Ohio Society of Certified Public Accountants

**REPORT ON COMPLIANCE WITH REQUIREMENTS THAT
COULD HAVE A DIRECT AND MATERIAL EFFECT ON INTERNAL CONTROL
OVER COMPLIANCE IN ACCORDANCE WITH OMB CIRCULAR A-133**

To the Board of County Commissioners
Portage County, Ohio

Compliance

We have audited Portage County, Ohio's 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 Portage County, Ohio's major federal programs for the year ended December 31, 2010. Portage County, Ohio's major federal programs are identified in the Summary of Auditor's Results section of the accompanying Schedule of Findings and Questioned Costs. Compliance with the requirements of laws, regulations, contracts, and grants applicable to each of its major federal programs is the responsibility of Portage County, Ohio's management. Our responsibility is to express an opinion on Portage County, Ohio's compliance based on our audit.

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 Portage County, Ohio'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. Our audit does not provide a legal determination of Portage County, Ohio's compliance with those requirements.

In our opinion, Portage County, Ohio complied, in all material respects, with the compliance requirements referred to above that could have a direct and material effect on each of its major federal programs for the year ended December 31, 2010.

Internal Control Over Compliance

Management of Portage County, Ohio, is responsible for establishing and maintaining effective internal control over compliance with the requirements of laws, regulations, contracts, and grants applicable to federal programs. In planning and performing our audit, we considered Portage County, Ohio's internal control over compliance with the requirements that could have a direct and material effect on a major federal program to determine the auditing procedures for the purpose of expressing our opinion on compliance 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 Portage County, Ohio'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.

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 deficiencies, significant deficiencies, or material weaknesses. We did not identify any deficiencies in internal control over compliance that we consider to be *material weaknesses*, as defined above.

Schedule of Expenditures of Federal Awards

We have audited the financial statements of the governmental activities, the business-type activities, the discretely presented component unit, each major fund, and the aggregate remaining fund information of Portage County, Ohio, as of and for the year ended December 31, 2010, and have issued our report thereon dated June 13, 2011, except for our opinion on the Federal awards expenditure schedule, for which the date is August 9, 2011, wherein we noted that our opinion on the Robinson Memorial Portage County Hospital, a major fund, was based on the report of other auditors. Our audit was performed for the purpose of forming opinions on the financial statements as a whole. The Schedule of Expenditures of Federal Awards is presented for the purposes of additional analysis as required by U.S. Office of Management and Budget Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations*, and is not a required part of the 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 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 financial statements or to the financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the information is fairly stated in all material respects in relation to the financial statements as a whole.

This report is intended solely for the information and use of the management, the Board of County Commissioners, members of the Audit Committee, others within the entity, and federal awarding agencies and pass-through entities and is not intended to be and should not be used by anyone other than these specified parties.


James G. Zupka, CPA, Inc.
Certified Public Accountants

August 9, 2011

PORTAGE COUNTY, OHIO
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
FOR THE YEAR ENDED DECEMBER 31, 2010

| Federal Grantor | CFDA | Pass Through | Disbursements |
|--|--------|-----------------------------|------------------|
| <i>Pass Through Grantor</i> | Number | Entity Number | |
| Program Title | | | |
| <u>U.S. Department of Agriculture</u> | | | |
| <i>Passed through Ohio Department of Education</i> | | | |
| National School Lunch Program - MRDD | 10.555 | not available | \$ 9,380 |
| <i>Passed through Ohio Department of Jobs and Family Services</i> | | | |
| <u>Food Stamp Cluster-Supplemental Nutrition Assistance Program</u> | | | |
| State Administrative Matching Grants for the Supplemental Nutrition Assistance Program (Administrative Costs) | | | |
| Food Stamp Employment & Training Participation Allowance | 10.561 | G-89-20-1133/G-1011-11-5101 | 5,921 |
| Food Stamp Employment & Training | 10.561 | G-89-20-1133/G-1011-11-5101 | 6,678 |
| Food Assistance Accuracy Incentive | 10.561 | G-89-20-1133/G-1011-11-5101 | 48,759 |
| Food Assistance Admin 10 | 10.561 | G-89-20-1133/G-1011-11-5101 | 583,140 |
| Food Assistance Admin 11 | 10.561 | G-89-20-1133/G-1011-11-5101 | 146,982 |
| Department of Defense - SNAP | 10.561 | 946.133 | 154,653 |
| ARRA - State Administrative Matching Grants for the Supplemental Nutrition Assistance Program (Administrative Costs) | | | |
| Food Assistance Stimulus - ARRA | 10.561 | G-89-20-1133/G-1011-11-5101 | 41,006 |
| <i>Total Food Stamp Cluster-Supplemental Nutrition Assistance Program</i> | | | <u>987,139</u> |
| <i>Pass through Ohio Department of Aging</i> | | | |
| Senior Farmers Market Nutrition Program | | | |
| Farmers Market Senior Nutrition | 10.576 | not available | 19,470 |
| <i>Passed through Ohio Department of Health</i> | | | |
| Special Supplemental Nutrition Program for Women, Infants, and Children | | | |
| Supplemental Food Program for WIC | 10.557 | 6710041WA0411 | 214,853 |
| Supplemental Food Program for WIC | 10.557 | 6710041WA0310 | 851,537 |
| <i>Total CFDA #10.557</i> | | | <u>1,066,390</u> |
| Total U.S. Department of Agriculture | | | <u>2,082,379</u> |
| <u>U.S. Department of Housing and Urban Development</u> | | | |
| <i>Passed through Ohio Department of Development</i> | | | |
| Community Development Block Grants/State's Program and Non-Entitlement Grants in Hawaii: | | | |
| Housing Grant CDBG | 14.228 | B-C-08-1CJ-1 | 10,177 |
| County Formula Grant | 14.228 | B-F-08-062-1 | 21,521 |
| County Formula Grant | 14.228 | B-F-09-1CJ-1 | 132,937 |
| County Formula Grant | 14,228 | B-F-10-1CJ-1 | 8,000 |
| Neighborhood Stabilization Program (HERA) | 14.228 | B-Z-08-1CJ-1 | 735,738 |
| <i>Total CFDA #14.228</i> | | | <u>908,373</u> |
| Home Investment Partnerships Program | | | |
| CHIP HOME (Community Housing) | 14.239 | B-C-08-1CJ-2 | 63,092 |
| Total U.S. Department of Housing and Urban Development | | | <u>971,465</u> |

(Continued)

PORTAGE COUNTY, OHIO
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
FOR THE YEAR ENDED DECEMBER 31, 2010
(CONTINUED)

Federal Grantor

| <i>Pass Through Grantor</i> Program Title | CFDA Number | Pass Through Entity Number | Disbursements |
|---|----------------|-------------------------------|----------------|
| U.S. Department of Justice | | | |
| <i>Passed through Ohio Governor's Office of Criminal Justice Services</i> | | | |
| Crime Victim Assistance | | | |
| Victims of Crime Assistance (VOCA) | 16.575 | 10VAGENE122T | 98,817 |
| Victims of Crime Assistance (VOCA) | 16.575 | 11VAGENE122T | 8,983 |
| <i>Total CFDA #16.575</i> | | | <u>107,800</u> |
| Violence Against Women Formula Grants - ARRA | | | |
| Violence Against Women Act - Title IV - ARRA | 16.588 | 2007-WF-VA2-8222A | 2,546 |
| Violence Against Women Act - Title IV - ARRA | 16.588 | 2009-WF-VA2-8222 | 48,768 |
| <i>Total CFDA #16.588</i> | | | <u>51,314</u> |
| Grants to Encourage Arrest Policies and Enforcement of Protection Orders | | | |
| Ohio Advocate Train & Respond (ATR) | 16.590 | 2007-WE-AX-0048 | 156,603 |
| Edward Byrne Memorial Justice Assistance Grant Program | | | |
| JAG/Byrne Neighborhood Patrol Grant | 16.592 | 2007-DJ-BX-1414 | 11,153 |
| JAG/Byrne Disparate Grant | 16.592 | 2009-DJ-BX-1192 | 11,173 |
| <i>Total CFDA #16.592</i> | | | <u>22,326</u> |
| JAG/Byrne Cruiser Replacement - ARRA | 16.803 | 2009-RA-A02-2286 | 202,500 |
| JAG/Byrne Courtroom Deputies - ARRA | 16.803 | 2009-RA-A02-2323 | 37,742 |
| Collaboration Advocates Grant - ARRA | 16.803 | 2009-RA-D01-2184 | 59,038 |
| <i>Total CFDA #16.803</i> | | | <u>299,280</u> |
| Family Community - Place of Peace | 16.738 | 2006-JG-D01-6473A | 6,128 |
| Children's Advocacy Center- Local Law Enforcement Block | 16.738 | 2006-JG-D01-6467A | 10,001 |
| <i>Total CFDA #16.738</i> | | | <u>16,129</u> |
| Total Edward Byrne Memorial Justice Assistance Grant Program | | | <u>337,735</u> |
| Congressionally Recommended Awards | | | |
| Community Integration and Socialization | 16.753 | 2008-DD-BX-0486 | 3,583 |
| Community Integration and Socialization | 16.753 | 2010-DD-BX-0375 | 31,325 |
| <i>Total CFDA #16.753</i> | | | <u>34,908</u> |
| Total U.S. Department of Justice | | | <u>688,360</u> |

(Continued)

PORTAGE COUNTY, OHIO
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
FOR THE YEAR ENDED DECEMBER 31, 2010
(CONTINUED)

Federal Grantor

| <i>Pass Through Grantor</i> Program Title | CFDA Number | Pass Through Entity Number | Disbursements |
|--|----------------|-------------------------------|---------------|
|--|----------------|-------------------------------|---------------|

U.S. Department of Labor

Passed through Ohio Department of Jobs & Family Services:

Workforce Investment Act (WIA) Cluster

| | | | |
|---|--------|---------------|---------|
| Workforce Investment Act (WIA) 480 Adult | 17.258 | not available | 389,705 |
| Workforce Investment Act - Adult Stimulus- ARRA | 17.258 | not available | 99,148 |
| Workforce Investment Act (WIA) 474 Youth In-School | 17.259 | not available | 474,682 |
| Workforce Investment Act (WIA) - 403 Youth In-School Stimulus - ARRA | 17.259 | not available | 84,370 |
| Workforce Investment Act (WIA) 472 Youth Out-of-School | 17.259 | not available | 40,358 |
| Workforce Investment Act (WIA) - 402 Youth Out-of-School Stimulus - ARRA | 17.259 | not available | 18,651 |
| Workforce Investment Act (WIA) 485 Dislocated Workers | 17.260 | not available | 564,543 |
| Workforce Investment Act (WIA) - 405 Dislocated Workers Stimulus - ARRA | 17.260 | not available | 384,500 |
| Workforce Investment Act (WIA) 450 WLR RR | 17.260 | not available | 79,166 |

Total Workforce Investment Cluster

2,135,123

Total U.S. Department of Labor

2,135,123

U.S. Department of Transportation

Passed through Ohio Department of Transportation

Highway Planning and Construction

| | | | |
|---|--------|-----------|-----------|
| LPA Safety Studies - Guardrail ph 3 #22514 | 20.205 | PID 84951 | 164,108 |
| LPA Safety Studies - 2010 Crash Data/High Hazard #23547 | 20.205 | PID 87063 | 5,198 |
| Middlebury Road Bridge Replacement #36491 | 20.205 | PID 78013 | 65,859 |
| Brady Lake Road Bridge Replacement #31287 | 20.205 | PID 78016 | 681,980 |
| Brady Lake Road Bridge Replacement - ARRA (9A05S) | 20.205 | PID 78016 | 1,124,000 |
| POR Tallmadge Rd. Resurface (84962) | 20.205 | PID 84962 | 150,186 |
| Prospect Summit Hayes Intersection | 20.205 | PID 79009 | 48,215 |
| POR - Cleveland et al Resurface #22496 | 20.205 | PID 84960 | 362,480 |
| POR - Cableline Rd. Resurface #23323 | 20.205 | PID 85151 | 5,973 |

Total CFDA #20.205

2,607,999

Interagency Hazardous Materials Public Sector Training
and Planning Grants

| | | | |
|--|--------|------|-------|
| Hazardous Material Emergency Preparedness 10 | 20.703 | HMEP | 2,225 |
|--|--------|------|-------|

Passed through Ohio Department of Public Safety

State and Community Highway Safety

| | | | |
|--------------------------------------|--------|--------------------------|--------|
| High Visibility Enforcement Overtime | 20.600 | HVEO-2010-67-00-00301-00 | 12,924 |
|--------------------------------------|--------|--------------------------|--------|

Total U.S. Department of Transportation

2,623,148

(Continued)

PORTAGE COUNTY, OHIO
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
FOR THE YEAR ENDED DECEMBER 31, 2010
(CONTINUED)

| Federal Grantor | | | |
|---|--------|--------------------|----------------|
| <i>Pass Through Grantor</i> | CFDA | Pass Through | |
| Program Title | Number | Entity Number | Disbursements |
| <u>U.S. Environmental Protection Agency</u> | | | |
| <i>Passed through Ohio Environmental Protection Agency</i> | | | |
| Ohio State Clean Diesel Program | 66.040 | | 48,847 |
| Total U.S. Environmental Protection Agency | | | <u>48,847</u> |
| <u>U.S. Department of Education</u> | | | |
| <i>Passed through Ohio Department of Education</i> | | | |
| <u>Special Education Cluster</u> | | | |
| Special Education Grants to States | | | |
| Title VIB Division of Special Education Flow-through | 84.027 | 069773-6B-SF-2010 | 31,292 |
| Title VIB Division of Special Education Flow-through | 84.027 | 069773-6B-SF-2011 | 11,116 |
| Special Education Grants to States, Recovery Act | | | |
| IDEA Part B - ARRA Grant | 84.391 | 069773-2010 | 17,600 |
| IDEA Part B - ARRA Grant | 84.391 | 069773-2011 | 23,148 |
| Special Education Preschool Grants | | | |
| Early Childhood Special Education Grant | 84.173 | 069773-2010 | 8,924 |
| Early Childhood Special Education Grant | 84.173 | 069773-2011 | 3,284 |
| Special Education Preschool Grants, Recovery Act | | | |
| Early Childhood Special Education - ARRA Grant | 84.392 | 069773-2011 | 240 |
| Total Special Education Cluster | | | <u>95,604</u> |
| <i>Passed through Ohio Department of Health</i> | | | |
| <u>Early Intervention Services (IDEA) Cluster</u> | | | |
| Special Education-Grants for Infants and Families | | | |
| Help Me Grow Grant - FY 10 | 84.181 | 67-1-003-HG-02-10 | 23,164 |
| Help Me Grow Grant - FY 11 | 84.181 | 67-1-004-EG-02-11 | 50,316 |
| Special Education-Grants for Infants and Families, Recovery Act | | | |
| Help Me Grow Grant - ARRA | 84.393 | 67-1003-1-HA-01-10 | 51,370 |
| Help Me Grow Grant - ARRA | 84.393 | 67-1003-1-HA-02-11 | 43,226 |
| Total Early Intervention Services (IDEA) Cluster | | | <u>168,076</u> |
| Total U.S. Department of Education | | | <u>263,680</u> |
| <u>U.S. Election Assistance Commission</u> | | | |
| <i>Passed through Ohio Department of Aging</i> | | | |
| HAVA Title II, 251 Funds | 90.401 | 06-SOS-HHS-67 | 1,357 |
| Total U.S. Election Assistance Commission | | | <u>1,357</u> |

(Continued)

PORTAGE COUNTY, OHIO
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
FOR THE YEAR ENDED DECEMBER 31, 2010
(CONTINUED)

Federal Grantor

| <i>Pass Through Grantor</i> Program Title | CFDA Number | Pass Through Entity Number | Disbursements |
|--|----------------|-------------------------------|------------------|
| U.S. Department of Health and Human Services | | | |
| <i>Passed through Ohio Department of Aging</i> | | | |
| Special Programs for the Aging - Title II, Part B - Grants for Supportive Services and Senior Centers Title II-B - Older Americans Act | 93.004 | not available | <u>2,541</u> |
| <i>Passed through Ohio Department of Jobs and Family Services</i> | | | |
| Child Abuse and Neglect State Grants | | | |
| Basic Child Abuse and Neglect | 93.669 | G-89-20-1133/G-1011-11-5101 | <u>2,000</u> |
| Promoting Safe and Stable Families | | | |
| Caseworker Visits 10 | 93.556 | G-89-20-1133/G-1011-11-5101 | 4,191 |
| Caseworker Visits 11 | 93.556 | G-89-20-1133/G-1011-11-5101 | 1,616 |
| Caseworker Visits Admin 10 | 93.556 | G-89-20-1133/G-1011-11-5101 | 466 |
| Caseworker Visits Admin 11 | 93.556 | G-89-20-1133/G-1011-11-5101 | 179 |
| ESSA/Family Reunification Operating 10 | 93.556 | G-89-20-1133/G-1011-11-5101 | 4,304 |
| ESSA/Family Reunification Operating 11 | 93.556 | G-89-20-1133/G-1011-11-5101 | 1,467 |
| ESSA/Family Reunification 10 | 93.556 | G-89-20-1133/G-1011-11-5101 | 3,013 |
| ESSA/Family Reunification 11 | 93.556 | G-89-20-1133/G-1011-11-5101 | 526 |
| ESSA/Family Preservation 10 | 93.556 | G-89-20-1133/G-1011-11-5101 | 5,903 |
| ESSA/Family Preservation 11 | 93.556 | G-89-20-1133/G-1011-11-5101 | 2,519 |
| ESSA/Family Preservation Operating 10 | 93.556 | G-89-20-1133/G-1011-11-5101 | 5,068 |
| ESSA/Family Preservation Operating 11 | 93.556 | G-89-20-1133/G-1011-11-5101 | 1,674 |
| Post Adoption Special 10 | 93.556 | G-89-20-1133/G-1011-11-5101 | 17,223 |
| Post Adoption Special 11 | 93.556 | G-89-20-1133/G-1011-11-5101 | <u>17,917</u> |
| <i>Total CFDA #93.556</i> | | | <u>66,066</u> |
| Temporary Assistance for Needy Families | | | |
| Regular TANF 10 | 93.558 | G-89-20-1133/G-1011-11-5101 | 1,125,857 |
| Regular TANF 11 | 93.558 | G-89-20-1133/G-1011-11-5101 | 404,406 |
| TANF ADC Collections 09 | 93.558 | G-89-20-1133/G-1011-11-5101 | (10,212) |
| TANF ADC Collections 10 | 93.558 | G-89-20-1133/G-1011-11-5101 | (9,791) |
| TANF Earnings from Collections/Incentive | 93.558 | G-89-20-1133/G-1011-11-5101 | 2,527 |
| Title XX - TANF Transfer 10 | 93.558 | G-89-20-1133/G-1011-11-5101 | 431,296 |
| Title XX - TANF Transfer 11 | 93.558 | G-89-20-1133/G-1011-11-5101 | 184,333 |
| TANF Admin 10 | 93.558 | G-89-20-1133/G-1011-11-5101 | 1,073,944 |
| TANF Admin 11 | 93.558 | G-89-20-1133/G-1011-11-5101 | 100,214 |
| Child Care Services | 93.558 | G-89-20-1133/G-1011-11-5101 | <u>527,791</u> |
| <i>Total CFDA #93.558</i> | | | <u>3,830,365</u> |
| Child Support Enforcement | | | |
| Federal Child Support | 93.563 | G-89-20-1133/G-1011-11-5101 | 1,034,718 |
| CSEA Incentives - ARRA 10 | 93.563 | G-89-20-1133/G-1011-11-5101 | (180,934) |
| CSEA Incentives - ARRA 11 | 93.563 | G-89-20-1133/G-1011-11-5101 | <u>731,710</u> |
| <i>Total CFDA #93.563</i> | | | <u>1,585,494</u> |
| Navigator Grant | 93.605 | 9A605 | <u>37,831</u> |

(Continued)

PORTAGE COUNTY, OHIO
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
FOR THE YEAR ENDED DECEMBER 31, 2010
(CONTINUED)

Federal Grantor

| <i>Pass Through Grantor</i> Program Title | CFDA Number | Pass Through Entity Number | Disbursements |
|--|----------------|-------------------------------|---------------|
|--|----------------|-------------------------------|---------------|

U.S. Department of Health and Human Services (Continued)

Passed through Ohio Department of Jobs and Family Services (Continued)

Child Care Cluster

| | | | |
|--|--------|-----------------------------|----------------|
| Child Care and Development Block Grant | | | |
| Quality Child Care 10 | 93.575 | G-89-20-1133/G-1011-11-5101 | 12,989 |
| Quality Child Care 11 | 93.575 | G-89-20-1133/G-1011-11-5101 | 1,415 |
| Child Care Mandatory and Matching Funds of the Child Care and Development Fund | | | |
| Child Care Admin 10 | 93.596 | G-89-20-1133/G-1011-11-5101 | 14,756 |
| Child Care Admin 11 | 93.596 | G-89-20-1133/G-1011-11-5101 | 36,052 |
| Child Care Non-Admin 10 | 93.596 | G-89-20-1133/G-1011-11-5101 | 36,582 |
| Child Care Non-Admin 11 | 93.596 | G-89-20-1133/G-1011-11-5101 | 60,865 |
| Child Care Refunds 10 | 93.596 | G-89-20-1133/G-1011-11-5101 | (1,063) |
| Total Child Care Cluster | | | <u>161,596</u> |

Foster Care Title IV-E

| | | | |
|-----------------------------------|--------|-----------------------------|------------------|
| IV-E Contract Services Payment 10 | 93.658 | G-89-20-1133/G-1011-11-5101 | (941) |
| Protect Ohio 10 | 93.658 | G-89-20-1133/G-1011-11-5101 | 709,920 |
| Protect Ohio 11 | 93.658 | G-89-20-1133/G-1011-11-5101 | 738,224 |
| IV-E Admin and Training | 93.658 | G-89-20-1133/G-1011-11-5101 | 209,529 |
| Foster Care Title IV-E 10 - ARRA | 93.658 | G-89-20-1133/G-1011-11-5101 | 115,973 |
| Foster Care Title IV-E 11 - ARRA | 93.658 | G-89-20-1133/G-1011-11-5101 | 119,998 |
| <i>Total CFDA #93.658</i> | | | <u>1,892,703</u> |

Adoption Assistance

| | | | |
|--------------------------------|--------|-----------------------------|----------------|
| IV-E Contract Services Payment | 93.659 | G-89-20-1133/G-1011-11-5101 | (941) |
| Non-Recurring Adoption | 93.659 | G-89-20-1133/G-1011-11-5101 | 1,902 |
| IV-E Admin and Training | 93.659 | G-89-20-1133/G-1011-11-5101 | 394,680 |
| <i>Total CFDA #93.659</i> | | | <u>395,641</u> |

Child Welfare Services State Grants

| | | | |
|------------------------------|--------|-----------------------------|---------------|
| Title IV-B 10 | 93.645 | G-89-20-1133/G-1011-11-5101 | 20,222 |
| Title IV-B Administration 10 | 93.645 | G-89-20-1133/G-1011-11-5101 | 4,645 |
| Title IV-B Administration 11 | 93.645 | G-89-20-1133/G-1011-11-5101 | 1,595 |
| <i>Total CFDA #93.645</i> | | | <u>26,462</u> |

Chaffee Foster Care Independence Program

| | | | |
|-------------------------------|--------|-----------------------------|---------------|
| Chaffee Federal Allocation 10 | 93.674 | G-89-20-1133/G-1011-11-5101 | 30,811 |
| Chaffee Federal Allocation 1 | 93.674 | G-89-20-1133/G-1011-11-5101 | 13,427 |
| <i>Total CFDA #93.674</i> | | | <u>44,238</u> |

Money Follows the Person Rebalancing Demonstration

| | | | |
|------------------|--------|---------------|--------------------|
| Ohio Home Choice | 93.791 | not available | 4,000 |
| | | | <u>(Continued)</u> |

PORTAGE COUNTY, OHIO
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
FOR THE YEAR ENDED DECEMBER 31, 2010
(CONTINUED)

Federal Grantor

| <i>Pass Through Grantor</i> Program Title | CFDA Number | Pass Through Entity Number | Disbursements |
|--|----------------|-------------------------------|---------------|
|--|----------------|-------------------------------|---------------|

U.S. Department of Health and Human Services (Continued)

Passed through Ohio Department of Jobs and Family Services (Continued)

| | | | |
|---|--------|-----------------------------|---------|
| Social Services Block Grant (Title XX) 10 | 93.667 | G-89-20-1133/G-1011-11-5101 | 333,579 |
| Social Services Block Grant (Title XX) 11 | 93.667 | G-89-20-1133/G-1011-11-5101 | 21,883 |

Passed through Ohio Department of Mental Health

| | | | |
|---|--------|------------|--------|
| Social Services Block Grant Title XX FY 10 | 93.667 | MH-36-FY10 | 65,531 |
| Title XX FY 11 | 93.667 | MH-36-FY11 | 39,046 |

Passed through Ohio Department of Developmental Disabilities

| | | | |
|---|--------|---------------|---------------------------------|
| Social Services Block Grant Title XX CFDA Block Grant Est <i>Total CFDA #93.667</i> | 93.667 | not available | <u>84,831</u> <u>544,870</u> |
|---|--------|---------------|---------------------------------|

| | | | |
|---|--------|---------------|--------------|
| State Children's Insurance Program Title XIX SCHIP | 93.767 | not available | <u>4,677</u> |
|---|--------|---------------|--------------|

Medicaid Cluster

Passed through Ohio Department of Developmental Disabilities

| | | | |
|-----------------------------------|--------|---------------|-----------|
| Medical Assistance Program | | | |
| Medicaid Admin Claiming | 93.778 | not available | 75,484 |
| Non-Medical Transportation | 93.778 | not available | 570,744 |
| Adult Day Support | 93.778 | not available | 1,360,660 |
| Targeted Case Management | 93.778 | not available | 331,250 |
| Medical Assistance Program - ARRA | 93.778 | not available | 83,404 |
| Adult Day Support - ARRA | 93.778 | not available | 213,178 |
| Targeted Case Management - ARRA | 93.778 | not available | 52,770 |

Passed through Ohio Department of Jobs and Family Services

| | | | |
|-----------------------------------|--------|-----------------------------|----------|
| Medical Assistance Program | | | |
| Medicaid Admin 10 | 93.778 | G-89-20-1133/G-1011-11-5101 | 286,397 |
| Medicaid Admin 11 | 93.778 | G-89-20-1133/G-1011-11-5101 | 86,950 |
| Medicaid NET 10 | 93.778 | G-89-20-1133/G-1011-11-5101 | 152,182 |
| Medicaid NET 11 | 93.778 | G-89-20-1133/G-1011-11-5101 | 45,044 |
| Medicaid Refunds/Collections 08 | 93.778 | G-89-20-1133/G-1011-11-5101 | (21,110) |
| Medicaid Refunds/Collections 10 | 93.778 | G-89-20-1133/G-1011-11-5101 | (84,220) |
| Medicaid Child Welfare Related 10 | 93.778 | G-89-20-1133/G-1011-11-5101 | 1,412 |

Passed through Ohio Department of Alcohol and Drug Addition Services

| | | | |
|-----------------------------------|--------|---------------|---------------|
| Medical Assistance Program | | | |
| Expanded Medicaid Program | 93.778 | MC-36 | 4,154,726 |
| Alcohol and Drug Medical | 93.778 | not available | 388,830 |
| Medical Assistance Program - ARRA | | | |
| Expanded Medicaid Program - ARRA | 93.778 | not available | 593,640 |
| Alcohol and Drug Medicaid - ARRA | 93.778 | not available | <u>61,183</u> |

| | | | |
|------------------------|--|--|---------------------------------|
| Total Medicaid Cluster | | | <u>8,352,524</u> (Continued) |
|------------------------|--|--|---------------------------------|

PORTAGE COUNTY, OHIO
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
FOR THE YEAR ENDED DECEMBER 31, 2010
(CONTINUED)

| Federal Grantor | | | |
|--|--------|-------------------------|--------------------------|
| <i>Pass Through Grantor</i> | CFDA | Pass Through | |
| Program Title | Number | Entity Number | Disbursements |
| <u>U.S. Department of Health and Human Services</u> (Continued) | | | |
| <i>Passed through Alcohol and Drug Addiction Services</i> (Continued) | | | |
| Block Grants for Prevention and Treatment of Substance Abuse | | | |
| SAPT Alc/Drug Block Grant-FY 10/Treatment | 93.959 | SAPT PERCAPBG67 | 191,526 |
| SAPT Alc/Drug Block Grant-FY 10/Prevention | 93.959 | SAPT PERCAPBG67 | 57,935 |
| SAPT Alc/Drug Block Grant-FY 11/Treatment | 93.959 | SAPT PERCAPBG67 | 82,813 |
| SAPT Alc/Drug Block Grant-FY 11/Prevention | 93.959 | SAPT PERCAPBG67 | 53,347 |
| Women's Spec. Services Grant-FY 10/Treatment | 93.959 | 67-67583-02-W-T-10-8965 | 142,801 |
| Women's Spec. Services Grant-FY 10/Treatment | 93.959 | 67-67583-02-W-T-11-8965 | 33,555 |
| Women's Spec. Services Grant-FY 11/Treatment | 93.959 | 67-67583-02-W-T-10-8965 | 98,811 |
| Women's Spec. Services Grant-FY 11/Prevention | 93.959 | 67-67583-02-W-T-11-8965 | 23,740 |
| <i>Total CFDA #93.959</i> | | | <u>684,528</u> |
| <i>Passed through Ohio Department of Mental Health</i> | | | |
| Block Grants for Community Mental Health Services | | | |
| Children's Block Grant Child/Core-FY 10 | 93.958 | not available | 34,567 |
| Children's Block Grant Child/Core-FY 11 | 93.958 | not available | 8,050 |
| Community Plan Grant-FY 10 | 93.958 | not available | 40,524 |
| Community Plan Grant-FY 11 | 93.958 | not available | 24,815 |
| <i>Total CFDA #93.958</i> | | | <u>107,956</u> |
| Total U.S. Department of Health and Human Services | | | <u>17,743,492</u> |
| <u>U.S. Department of Homeland Security</u> | | | |
| <i>Passed through Ohio Emergency Management Agency</i> | | | |
| <u>Homeland Security Cluster</u> | | | |
| Emergency Management Performance Grants | | | |
| EMPG Grant | 97.042 | 2010-EP-00-0003 | 86,900 |
| Homeland Security Grant Program | | | |
| State Homeland Security Program FY 07 | 97.067 | 2007-GE-T7-0030 | 191 |
| State Homeland Security Program FY 08 | 97.067 | 2008-GE-T8-0025 | 53,632 |
| SHSP USAR Training Funds FY 08 | 97.067 | 2008-GE-T8-0025 | 14,777 |
| <i>Total Homeland Security Cluster</i> | | | <u>155,500</u> |
| Total U.S. Department of Homeland Security | | | <u>155,500</u> |
| TOTAL EXPENDITURES OF FEDERAL AWARDS | | | <u>\$ 26,713,351</u> |

PORTAGE COUNTY, OHIO
NOTES TO THE SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
FOR THE YEAR ENDED DECEMBER 31, 2010

NOTE 1: SIGNIFICANT ACCOUNTING POLICIES

The accompanying Schedule of Expenditures of Federal Awards (the Schedule) summarizes activity of the County's federal award programs. The Schedule has been prepared on the cash basis of accounting.

NOTE 2: SUBRECIPIENTS

The County passes certain federal awards received from the U.S. Department of Housing Development and the U.S. Department of Health and Human Services to other governments or not-for-profit agencies (subrecipients). As Note 1 describes, the County reports expenditures of federal awards to subrecipients when paid in cash..

As a subrecipient, the County has certain compliance responsibilities, such as monitoring its subrecipients to help assure they use these subawards as authorized by laws, regulations, and the provisions of grants or grant agreements. Also, the County monitors the subrecipients to achieve the award's performance goals.

NOTE 3: COMMUNITY DEVELOPMENT BLOCK GRANT (CDBG) REVOLVING LOAN PROGRAMS

The County has established a revolving loan program to provide low-interest loans to businesses to create jobs for persons from low to moderate income households and to lend money to eligible persons to rehabilitate homes. The U.S. Department of Housing and Urban Development (HUD) grants money for these loans to the County passed through the Ohio Department of Development. The Schedule reports the initial loans made as disbursements on the Schedule. Loan repayments, including interest, are used to make additional loans that are subject to the same compliance requirements imposed by HUD as the initial loans; however, they are not included as disbursements on the Schedule.

These loans are collateralized by mortgages on the property and by liens recorded with the County. At December 31, 2010, the gross amount of loans outstanding under this program was \$5,712,213.

NOTE 4: MATCHING REQUIREMENTS

Certain federal programs require that the County contribute non-federal funds (matching funds) to support the federally-funded programs. The County has met its matching requirements. The Schedule does not include the expenditure of non-federal matching funds.

PORTAGE COUNTY, OHIO
NOTES TO THE SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
FOR THE YEAR ENDED DECEMBER 31, 2010
(CONTINUED)

NOTE 5: WORKFORCE INVESTMENT ACT (WIA)

The Geauga, Ashtabula, and Portage Partnership, Inc. (GAPP, Inc.) provides for implementation of a local workforce investment system to comply with the Workforce Investment Act (WIA). The Board of Trustees of GAPP, Inc. consists of thirty-three members, eleven from each participating County. The operation of the Council is controlled by an Advisory Committee, which consists of a representative from each of the three counties. Federal funding that comes from the State is made by GAPP, Inc. on behalf of each County. GAPP, Inc. is a private not-for-profit entity with status as a 501c(3) organization and also functions as the fiscal agent for the participating counties. The Board of Trustees for GAPP, Inc. is appointed by the Board of Commissioners of each County.

NOTE 6: ADJUSTMENT TO 2009 FEDERAL SCHEDULE

The Ohio Department of Jobs and Family Services (ODJFS) sub-awarded to Portage County, Federal funding from the U.S. Department of Health and Human Services. Although these programs were administered at the County level, in July 2010, ODJFS adjusted some of the County's child care expenditures to align them with available funding sources. ODJFS' adjustments were retroactive to the beginning of the grant period (October 1, 2009). Therefore, these July 2010 adjustments affect 2009 calendar-year program expenditures previously reported as follows:

| <u>Child Care Cluster</u> | <u>Federal CFDA Number</u> | <u>Pass Through #</u> | <u>2009 Federal Expenditures Reported</u> | <u>July 2010 Adjustment</u> | <u>Adjusted 2009 Federal Expenditures Reported</u> |
|---|------------------------------------|---------------------------------|---|---------------------------------|--|
| Child Care Mandatory and Matching Funds of the Child Care and Development Fund | 93.596 | G-89-20-1133/ G-1011-11-5101 | \$ 1,527,103 | \$ (823,614) | \$ 703,489 |
| Child Care Services - Temporary Assistance for Needy Families | 93.558 | G-89-20-1133/ G-1011-11-5101 | \$ 5,321,437 | \$ (527,791) | \$ 4,793,646 |

**PORTAGE COUNTY, OHIO
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
OMB CIRCULAR A-133 & §.505
DECEMBER 31, 2010**

1. SUMMARY OF AUDITOR'S RESULTS

| | | |
|------------|--|--|
| 2010(i) | Type of Financial Statement Opinion | Unqualified |
| 2010(ii) | Were there any material control weaknesses reported at the financial statement level (GAGAS)? | No |
| 2010(ii) | Were there any significant deficiencies in internal control reported at the financial statement level (GAGAS)? | Yes |
| 2010(iii) | Was there any reported material noncompliance at the financial statement level (GAGAS)? | No |
| 2010(iv) | Were there any material internal control weaknesses reported for major federal programs? | No |
| 2010(iv) | Were there any significant deficiencies in internal control reported for major federal programs? | No |
| 2010(v) | Type of Major Programs' Compliance Opinions | Unqualified |
| 2010(vi) | Are there any audit findings under .510? | No |
| 2010(vii) | Major Programs (list): | |
| | Workforce Investment Act Cluster - CFDA #17. 258, 17.259, and 17.260 | |
| | ARRA - Workforce Investment Act Cluster - CFDA #17.258, 17.259, and 17.260 | |
| | Highway Planning and Construction - CFDA #20.205 | |
| | ARRA - Highway Planning and Construction - CFDA #20.205 | |
| | Early Intervention Services Cluster - Help Me Grow Grant - CFDA #84.181 | |
| | ARRA - Early Intervention Services Cluster - Help Me Grow Grant - CFDA #84.393 | |
| | Temporary Assistance for Needy Families - CFDA #93.558 | |
| | ARRA - Child Support Enforcement - CSEA Incentives - CFDA #93.563 | |
| | Medicaid Cluster - Medical Assistance Program (Title XIX) - CFDA #93.778 | |
| | ARRA - Medicaid Cluster - Medical Assistance Program (Title XIX) - CFDA #93.778 | |
| 2010(viii) | Dollar Threshold: A/B Programs | Type A: \$ 801,401 Type B: All Others |
| 2010(ix) | Low Risk Auditee? | No |

PORTAGE COUNTY, OHIO
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
OMB CIRCULAR A-133 & §.505
DECEMBER 31, 2010
(CONTINUED)

2. FINDINGS RELATED TO THE FINANCIAL STATEMENTS REQUIRED TO BE REPORTED IN ACCORDANCE WITH GAGAS

Item No. 2010-001 - Significant Deficiency - Restatement of Prior Period Balances

Statement of Condition/Criteria

Financial reporting is essential to ensure that the information provided to the readers of the financial statements is complete and accurate.

The County changed its method of calculating sales tax receivable to better reflect when taxable sales are made, and the Law Library Fund was classified as an agency fund rather than a special revenue fund, both resulting in a prior period adjustment. In addition, the County incorrectly recorded property tax revenue as intergovernmental revenue. This misclassification resulted in an audit adjustment that was subsequently posted by the County. The County's calculation of accrued interest payable contained errors in the number of days to be accrued. This error resulted in an immaterial audit adjustment that was subsequently posted by the County.

Cause/Effect

The Law Library Fund was reclassified from an agency fund to a special revenue fund. The prior year's sales tax receivable calculation resulted in an understatement of the receivable. The revenue posting errors resulted in an overstatement of intergovernmental revenue and an understatement of property tax revenue. The calculation error for accrued interest payable resulted in an understatement of interest expense and the related liability.

Recommendation

We recommend that the County implement controls and procedures related to financial reporting that will enable management to identify, prevent, detect and correct potential misstatements in the financial statements and footnotes.

County's Response

All of the adjustments above were proposed and corrected at the working paper level prior to the financial statements being compiled. The Law Library Fund reclassification was made due to the elimination of the Law Library Association (LLA) pursuant HB 420 of the 127th General Assembly and Auditor of State Bulletin 2009-009 and establishes a Law Library Resources Fund (LLRF) as a special revenue fund of the County and the Bulletin directs all remaining balances in the LLA be transferred to the LLRF on or before January 1, 2010. None of these adjustments had a significant impact on the operating statement and all of them are insignificant to a user of the financial statements.

3. FINDINGS AND QUESTIONED COSTS FOR FEDERAL AWARDS

None.

**PORTAGE COUNTY, OHIO
STATUS OF PRIOR FINDINGS AND RECOMMENDATIONS
FOR THE YEAR ENDED DECEMBER 31, 2010**

| | <u>Finding Summary</u> | <u>Corrected</u> | <u>Explanation</u> |
|----------|---|------------------|--------------------|
| 2009-001 | The Portage County Department of Jobs and Family Services paid \$78,722 in audit fees directly related to WIA. These fees were subsequently allocated to other Federally funded programs. | Yes | Fully Corrected. |

Management letter recommendations have been corrected, repeated, or procedures instituted to prevent occurrences in this audit period.