

COMMISSIONERS OF ST. MARY'S COUNTY

**Single Audit Together with
Reports of Independent Public Accountants**

For the Year Ended June 30, 2021



S B & COMPANY, LLC
KNOWLEDGE • QUALITY • CLIENT SERVICE

JUNE 30, 2021

CONTENTS

REPORT OF INDEPENDENT PUBLIC ACCOUNTANTS	1
REPORT OF INDEPENDENT PUBLIC ACCOUNTANTS 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>	4
REPORT OF INDEPENDENT PUBLIC ACCOUNTANTS ON COMPLIANCE FOR EACH MAJOR FEDERAL PROGRAM AND ON INTERNAL CONTROL OVER COMPLIANCE IN ACCORDANCE WITH THE UNIFORM GUIDANCE	6
Schedule of Expenditures of Federal Awards	9
Notes to the Schedule of Expenditures of Federal Awards	12
Schedule of Findings and Questioned Costs	13
Schedule of Prior Year Findings and Questioned Costs	15



S B & COMPANY, LLC
KNOWLEDGE • QUALITY • CLIENT SERVICE

REPORT OF INDEPENDENT PUBLIC ACCOUNTANTS

Commissioners of St. Mary's County

Report on the Financial Statements

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 Commissioners of St. Mary's County (the County) as of and for the year ended June 30, 2021, and the related notes to the financial statements, which collectively comprise the County's basic financial statements.

Management's Responsibility for the Financial Statements

The County's management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America; this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express opinions on these financial statements based on our audit. 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. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.



S B & COMPANY, LLC
KNOWLEDGE • QUALITY • CLIENT SERVICE

Opinions

In our opinion, the basic financial statements referred to above present fairly, in all material respects, the respective financial position 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 June 30, 2021, and the respective changes in financial position and, where applicable, cash flows thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Other Matters

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis, Schedule of County Proportionate Share of the Net Pension Liability of the Maryland State Retirement and Pension System, Schedule of County Contributions to the Maryland State Retirement and Pension System, Schedule of Changes in Net Pension Liability and Related Ratios – Sheriff's Office Retirement Plan, Schedule of Contributions – Sheriff's Office Retirement Plan, Schedule of Changes in Net Pension Liability and Related Ratios – Length of Service Program, Schedule of Contributions – Length of Service Program, Schedule of Changes in Net OPEB Liability and Related Ratios and Schedule of Contributions – OPEB be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the management's discussion and analysis, required supplementary information, and budget and actual schedules as listed in the table of contents, in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Other Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the County's basic financial statements. The combining and individual fund statements, budget and actual schedules, and schedule of unexpended appropriations for capital projects, are presented for purposes of additional analysis and are not a required part of the basic financial statements.



SB & COMPANY, LLC
KNOWLEDGE • QUALITY • CLIENT SERVICE

The combining and individual fund statements, budget and actual schedules, and schedule of unexpended appropriations for capital projects, are the responsibility of management and were derived from and relate directly to the underlying accounting and other records used to prepare the basic financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the accompanying combining and individual fund statements, budget and actual schedules, and schedule of unexpended appropriations for capital projects, are fairly stated in all material respects in relation to the basic financial statements as a whole.

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated November 24, 2021, on our consideration of the County's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements, and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the County's internal control over financial reporting and compliance.

Owings Mills, Maryland
November 24, 2021



S B & COMPANY, LLC
KNOWLEDGE • QUALITY • CLIENT SERVICE

**REPORT OF INDEPENDENT PUBLIC ACCOUNTANTS 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***

Commissioners of St. Mary's County

We have audited 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, the governmental activities, the business-type activities, the aggregate discretely presented component units, each major fund, and the aggregate remaining fund information of Commissioners of St. Mary's County (the County) as of and for the year ended June 30, 2021, and the related notes to the financial statements, which collectively comprise the County's basic financial statements, and have issued our report thereon dated November 24, 2021.

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 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 material weaknesses or significant deficiencies. Given these limitations, during our audit we did not identify any deficiencies in internal control over financial reporting that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.



SB & COMPANY, LLC
KNOWLEDGE • QUALITY • CLIENT SERVICE

Compliance and Other Matters

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

Purpose of this Report

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

Owings Mills, Maryland
November 24, 2021

SB & Company, LLC



S B & COMPANY, LLC
KNOWLEDGE • QUALITY • CLIENT SERVICE

**REPORT OF INDEPENDENT PUBLIC ACCOUNTANTS ON COMPLIANCE FOR
EACH MAJOR FEDERAL PROGRAM AND ON INTERNAL CONTROL OVER
COMPLIANCE IN ACCORDANCE WITH THE UNIFORM GUIDANCE**

Commissioners of St. Mary's County

Report on Compliance for Each Major Federal Program

We have audited the Commissioners of St. Mary's County's (the County) compliance of with the types of compliance requirements described in the *U.S. Office of Management and Budget (OMB) Compliance Supplement* that could have a direct and material effect on each of its major Federal programs for the year ended June 30, 2021. The County's major Federal programs are identified in the summary of independent public accountants' 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.

Auditor's 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 (CFR) 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 compliance 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 June 30, 2021.

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 as a basis for designing auditing procedures that are appropriate in the circumstances for the purpose of expressing an opinion on compliance for each major Federal program and to test and report on internal control over compliance in accordance with the Uniform Guidance, but not for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, we do not express an opinion on the effectiveness of the County's internal control over compliance.

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

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

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.



SB & COMPANY, LLC
KNOWLEDGE • QUALITY • CLIENT SERVICE

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 June 30, 2021, and the related notes to the financial statements, which collectively comprise the County’s basic financial statements. We issued our report thereon dated November 24, 2021, 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.

Owings Mills, Maryland
May 27, 2022

A handwritten signature in black ink that reads "SB & Company, LLC". The signature is written in a cursive, flowing style.

COMMISSIONERS OF ST. MARY'S COUNTY

Schedule of Expenditures of Federal Awards For the Year Ended June 30, 2021

Federal Grantor/Pass Through Grantor/Program or Cluster Title	Federal Assistance Listing Number	Pass Through Entity Identifying Number	Federal Expenditures	Passed Through to Subrecipients
Department of Defense				
Community Economic Adjustment Assistance for Establishment or Expansion of a Military Installation	12.618	Unknown	\$ 7,524	\$ -
Department of Housing and Urban Development (HUD)				
Community Development Block Grants/Special Purpose Grants/Insular Areas	14.225	MD-21-CD-2	62,629	-
Emergency Solutions Grant Program	14.231	CV-1-9	201,449	-
Total Department of Housing and Urban Development			<u>264,078</u>	<u>-</u>
Department of the Interior				
Coastal Wetlands Planning, Protection and Restoration	15.614	Unknown	748,175	-
Total Department of the Interior			<u>748,175</u>	<u>-</u>
Department of Justice				
COVID-19 - CARES-County	16.034	Unknown	7,797,635	-
COVID-19 - Coronavirus Emergency Supplemental	16.034	DOJ,OJP,BJA FY20	19,995	-
COVID-19 - CARES-Broadband Cable	16.034	Unknown	1,579,125	-
Edward Byrne Memorial Justice Assistance Grant Program	16.738	BJAG-2018-0030	98,840	-
BJAG-Grant-Equipment	16.738	2020-DJ-BX-0842	13,953	-
COVID-19 - Recovery Act - Edward Byrne Memorial Justice Assistance Grant (JAG) Program	16.804	Unknown	7,772	-
Total Department of Justice			<u>9,517,320</u>	<u>-</u>
Department of Transportation				
<u>Pass through the Maryland Department of Transportation.</u>				
<u>Maryland Aviation Administration</u>				
Airport Improvement Program	20.106	FAA CARES Act	43,687	-
Airport Improvement Program	20.106	3-24-022-017-2012	22,962	-
Airport Improvement Program	20.106	Unknown	594,256	-
Airport Improvement Program	20.106	3-24-0022-027-2019; 24-0022- 029-2020	773,015	-
County Bridge Replace/Repair	20.205	4583DR-MD-SMC	16,937	-
<u>Pass through the Maryland Department of Transportation.</u>				
<u>Maryland Transit Administration</u>				
Federal Trust Formula Grants	20.507	SM215307C2016	177,939	-
Federal Trust Formula Grants	20.507	SM215311C2016	123,652	-
Federal Trust Formula Grants	20.507	SM215307C2017	59,031	-
Federal Trust Formula Grants	20.507	SM215311C2017	41,022	-
Federal Trust Formula Grants	20.507	SM215307C2019	177,939	-
Federal Trust Formula Grants	20.507	SM215311C2019	123,652	-
Federal Trust Formula Grants	20.507	SM21CARES1102020	1,225,089	-
Formula Grants for Rural Areas	20.509	SM21CARES0702020	888,886	-
Formula Grants for Rural Areas	20.509	SM215307C2021	45,033	-
Formula Grants for Rural Areas	20.509	SM215311C2021	31,294	-
Formula Grants for Rural Areas	20.509	SM215311O2021/ SM215307O2021	37,794	-
Formula Grants for Rural Areas	20.509	SM215307O2022/ SM215311O2022	22,051	-
<u>Pass through the Maryland Department of Transportation.</u>				
<u>Maryland State Highway Administration</u>				
National Priority Safety Programs	20.616	GN-St. Mary's Co DUI Ct-2019- 275	1,203	-
National Priority Safety Programs	20.616	LE-St. Mary's Co. Sheriff-2020- 062	4,811	-
National Priority Safety Programs	20.616	LE-St. Mary's Co. Sheriff-2020- 057	1,964	-
National Priority Safety Programs	20.616	LE-St. Mary's Co. Sheriff-2020- 100	102	-
National Priority Safety Programs	20.616	LE 21-066	5,054	-
National Priority Safety Programs	20.616	LE 21-039	4,945	-
National Priority Safety Programs	20.616	LE 21-067	1,488	-
National Priority Safety Programs	20.616	LE 21-066	1,044	-
Total Department of Transportation			<u>4,424,850</u>	<u>-</u>

The accompanying notes are an integral part of this schedule.

COMMISSIONERS OF ST. MARY'S COUNTY

Schedule of Expenditures of Federal Awards For the Year Ended June 30, 2021

Federal Grantor/Pass - Through Grantor/Program or Cluster Title	Federal Assistance Listing Number	Pass Through Entity Identifying Number	Federal Expenditures	Passed Through to Subrecipients
Department of Treasury				
<u>Pass through the Maryland Department of Public Health</u>				
COVID-19 - Coronavirus Relief Fund	21.019	Unknown	\$ 1,411,555	\$ -
COVID-19 - Coronavirus Relief Fund	21.019	Unknown	1,939,454	-
Corona Virus State and Local Fiscal Recovery Fund	21.027	Unknown	374,976	-
Total Department of Treasury			<u>3,725,985</u>	<u>-</u>
Department of Health and Human Services				
<u>Pass through the Maryland Department of Health and Human Services</u>				
Special Programs for the Aging, Title VII, Chapter 2, Long Term Care Ombudsman Services for Older Individuals	93.041	1901MDOAOM	1,210	-
Special Programs for the Aging, Title III, Part D, Disease Prevention and Health Promotion Services	93.043	Unknown	381	-
Special Programs for the Aging, Title III, Part D, Disease Prevention and Health Promotion Services	93.043	650620/17	3,188	-
Special Programs for the Aging, Title III, Part B, Grants for Supportive Services and Senior Centers	93.044	652120/17	1,448	-
Special Programs for the Aging, Title III, Part B, Grants for Supportive Services and Senior Centers	93.044	650120/17	32,299	-
COVID-19 - Cares Act Title IIIB/Supportive Services	93.044	654520/17	28,488	-
Title IIIB/Community Service	93.044	Unknown	81,093	-
Special Programs for the Aging, Title III, Part C, Nutrition Services	93.045	650220/17	41,072	-
Special Programs for the Aging, Title III, Part C, Nutrition Services	93.045	650320/17	54,373	-
Special Programs for the Aging, Title III, Part C, Nutrition Services	93.045	n/a	112,072	-
Special Programs for the Aging, Title III, Part C, Nutrition Services	93.045	n/a	54,636	-
COVID-19 - Cares Act Title III Part C, Nutrition Services	93.045	654620/17	91,047	-
COVID-19 HDC2 (6524)	93.045	652220/17	9,808	-
Special Programs for the Aging, Title IV and Title II Discretionary Projects	93.048	653421/17	3,308	-
National Family Caregiver Support, Title III, Part E	93.052	652020/17	23,831	-
National Family Caregiver Support, Title III, Part E	93.052	Unknown	45,548	-
National Family Caregiver Support, Title III, Part E	93.052	653421/17	313	-
COVID-19 - Cares Act IIIE	93.052	US2039/IIIE-FCC3	22,918	-
Nutrition Services Incentive Program	93.053	650520/17	29,292	-
Nutrition Services Incentive Program	93.053	Unknown	45,829	-
Medicare Enrollment Assistance Program	93.071	1801MDMISH-01	823	-
Medicare Enrollment Assistance Program	93.071	653820/17	225	-
Medicare Enrollment Assistance Program	93.071	653920/17	995	-
Medicare Enrollment Assistance Program	93.071	653721/17	2,859	-
Project Assistance for Transition from Homelessness (PATH)	93.150	MH5920TH Contract 21-1665	30,190	-
State Health Insurance Assistance Program	93.324	651521/17	13,487	-
State Health Insurance Assistance Program	93.324	653921/17	4,611	-
<u>Pass through the Maryland Department of Human Resources</u>				
Child Support Enforcement	93.563	CSEA/CRA-20-021	178,093	-
Child Support Enforcement	93.563	CSA/CRA/18-022	148,976	-
Child Support Enforcement	93.563	CSA/CRA-20-040-A1	1,899	-
Child Support Enforcement	93.563	CSA/CRA-21-021	497,672	-
Child Support Enforcement	93.563	CSEA/CRA/18-022	407,160	-
Child Support Enforcement	93.563	CSA/CRA-20-040-A1	8,772	-
Child Care and Development Block Grant	93.575	Unknown	1,600	-
Child Care and Development Block Grant	93.575	2101MDCSC6	20,750	-
Medical Assistance Program	93.778	654021/17	81,508	-
Medical Assistance Program	93.778	Unknown	162,466	-
Jail Medication Treatment	93.788	BH240SUP	133,291	-
Total Department of Health and Human Services			<u>2,377,531</u>	<u>-</u>

The accompanying notes are an integral part of this schedule.

COMMISSIONERS OF ST. MARY'S COUNTY

Schedule of Expenditures of Federal Awards For the Year Ended June 30, 2021

Federal Grantor/Pass - Through Grantor/Program or Cluster Title	Federal Assistance Listing Number	Pass Through Entity Identifying Number	Federal Expenditures	Passed Through to Subrecipients
Corporation for National and Community Service				
Retired and Senior Volunteer Program	94.002	20SRAMD003	\$ 84,063	\$ -
Retired and Senior Volunteer Program	94.004	19SRAMD003	29,042	-
Total Corporation for National and Community Service			<u>113,105</u>	<u>-</u>
Executive Office of the President				
High Intensity Drug Trafficking Areas Program	95.001	BH240SUP	1,950	-
High Intensity Drug Trafficking Areas Program	95.001	G21WB0004A	3,750	-
Total Executive Office of the President			<u>5,700</u>	<u>-</u>
Department of Homeland Security				
Emergency-Isaias TS	97.036	Unknown	556,238	-
<u>Pass through the Maryland Emergency Management Agency</u>				
Emergency Management Performance Grants	97.042	Unknown	70,920	-
Emergency Management Performance Grants	97.042	EMP-2020-EP-00009-S01	26,021	-
Homeland Security Grant Program	97.067	EMW-2020-SS-00010 SHSP	60,845	-
Total Department of Homeland Security			<u>714,024</u>	<u>-</u>
Total Expenditures of Federal Awards			<u>\$ 21,898,292</u>	<u>\$ -</u>

The accompanying notes are an integral part of this schedule.

COMMISSIONERS OF ST. MARY'S COUNTY

Notes to the Schedule of Expenditures of Federal Awards For the Year Ended June 30, 2021

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

All Federal grant operations of the Commissioners of St. Mary's County (the County) are included in the scope of the Title 2 U.S. Code of Federal Regulations (CFR) Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (the Single Audit or Uniform Guidance). The Single Audit was performed in accordance with the provisions of the OMB Compliance Supplement (the Compliance Supplement). Compliance testing of all requirements, as described in the Compliance Supplement, was performed for the major grant program noted below. The programs on the accompanying schedule of expenditures of Federal awards represent all Federal award programs and other grants with fiscal year 2021 cash or non-cash expenditure activities. For our Single Audit testing, we tested the Federal award program with 2021 cash and non-cash expenditures to ensure coverage of at least 20% of Federally granted funds. Our actual coverage was 84%.

Expenditures reported on the Schedule are reported on the accrual basis of accounting. Such expenditures are recognized following the cost principles contained in Title 2 U.S. Code of Federal Regulations Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (the Uniform Guidance), wherein certain types of expenditures are not allowable or are limited as to reimbursement. Expenditures are also subject to audit by the relevant Federal agency. In the opinion of management, disallowed costs, if any, from such audits will not have a material effect on this Schedule or the financial position of the County.

The County has elected not to use the 10-percent de minimis indirect cost rate as allowed under the Uniform Guidance.

<u>Major Programs</u>	<u>Federal Assistance Listing Number</u>	<u>Federal Expenditures</u>
COVID-19 - Coronavirus Emergency Supplemental	16.034	\$ 9,396,755
Federal Trust Formula Grants	20.507	1,928,324
Formula Grants for Rural Areas	20.509	1,025,058
Airport Improvement Program	20.106	1,433,920
COVID-19 - Coronavirus Relief Fund	21.019	3,351,009
Child Support Enforcement	93.563	1,242,572
Total Major Programs		<u>\$ 18,377,638</u>

2. BASIS OF PRESENTATION

The accompanying Schedule includes the Federal award activity of the County and is presented on the accrual basis of accounting. The information in the Schedule is presented in accordance with the requirements of the cost principles contained in the Uniform Guidance.

COMMISSIONERS OF ST. MARY'S COUNTY

Schedule of Findings and Questioned Costs For the Year Ended June 30, 2021

Section I - Summary of Independent Public Accountants' Results

Financial Statements

Type of Independent Public Accountant' report issued:	Unmodified
Internal control over financial reporting:	
Material weakness(es) identified?	No
Significant deficiency(ies)?	None Reported
Noncompliance material to the financial statements noted?	No

Federal Awards

Type of Independent Public Accountant' report issued on compliance for major programs	Unmodified
Internal control over major programs:	
Material weakness(es) identified?	No
Significant deficiency(ies)?	None Reported
Any audit findings disclosed that are required to be reported in accordance with Section 200.516(a) of Uniform Guidance?	No

Major Programs	Federal Assistance Listing Number	Federal Expenditures
COVID-19 - Coronavirus Emergency Supplemental	16.034	\$ 9,396,755
Federal Trust Formula Grants	20.507	1,928,324
Formula Grants for Rural Areas	20.509	1,025,058
Airport Improvement Program	20.106	1,433,920
COVID-19 - Coronavirus Relief Fund	21.019	3,351,009
Child Support Enforcement	93.563	1,242,572
Total Major Programs		\$ 18,377,638
Threshold for distinguishing between Type A and B programs		\$ 750,000
Does the County qualify as a low risk auditee?		Yes

COMMISSIONERS OF ST. MARY'S COUNTY

**Schedule of Findings and Questioned Costs
For the Year Ended June 30, 2021**

Section II – Financial Statement Findings

None noted.

Section III – Federal Award Findings

None noted.

COMMISSIONERS OF ST. MARY'S COUNTY

**Schedule of Prior Year Findings and Questioned Costs
For the Year Ended June 30, 2021**

There were no findings noted in the June 30, 2020 single audit report.