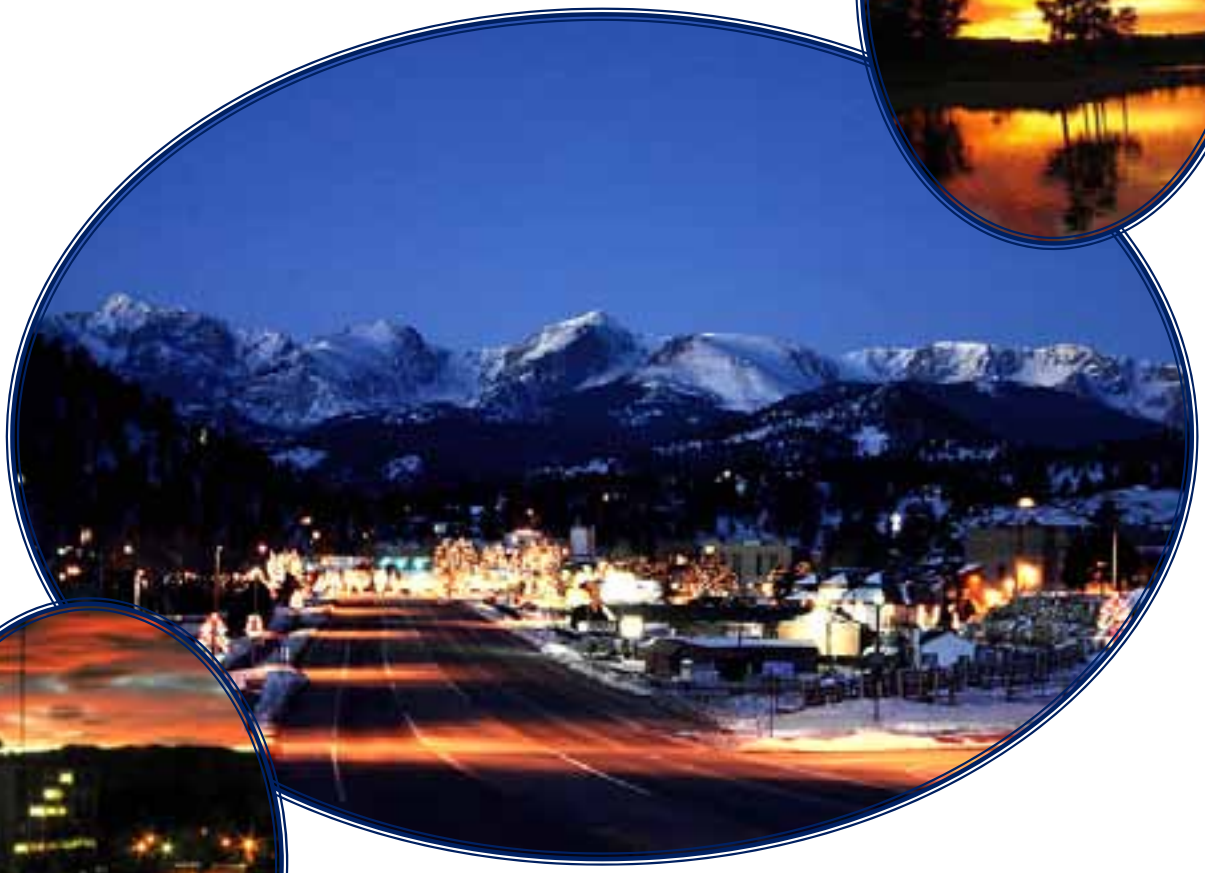
Single Audit Reports



LARIMER COUNTY, COLORADO

Year Ended December 31, 2008

ANDERSON & WHITNEY

A Professional Corporation of
Certified Public Accountants

Independent Auditors' Report on Additional Information

Board of County Commissioners
Larimer County, Colorado

We have audited the financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of Larimer County, Colorado, as of and for the year ended December 31, 2008, and have issued our report thereon dated June 15, 2009. Our audit was performed for the purpose of forming opinions on the financial statements that collectively comprise Larimer County, Colorado's basic financial statements. The accompanying schedule of expenditures of federal awards is presented for purposes of additional analysis as required by OMB Circular A-133 and is not a required part of the basic financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and, in our opinion, is fairly stated, in all material respects, in relation to the basic financial statements taken as a whole.

Anderson + Whitney P.C

June 15, 2009

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LARIMER COUNTY, COLORADO
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
Year Ended December 31, 2008

	Federal or Pass-Through Grantor Program Title	Federal CFDA Number	Grant Number	Grant Period	2008 Expenditures
	DEPARTMENT OF AGRICULTURE				
	State Department of Agriculture				
	PEST CONTROL:				
	Mediterranean Sage & Yellow Starthistle Eradication	10.680	09BAA00022	07/08-12/08	$ 5,000
	State Department of Natural Resources				
	OPEN LANDS:				
	Hermit Park Fuels Treatment & Forest Stewardship	10.664	530952	06/08-09/10	15,666
	Chimney Hollow Open Space Forest Stewardship	10.664	530926	06/08-06/09	1,479
					17,145
	PARKS:				
	Carter Lake Front Range Fuels Treatment Partnership	10.664	530908	04/07-05/09	(3,000)
	Horsetooth Mountain Park Front Range Fuels Treatment Partnership	10.664	530014	08/07-04/09	77,651
					74,651
	PEST CONTROL:				
	Forest Products & Biomass Collection Utilization and Marketing	10.664	07-DG-11020000-079	09/07-09/09	8,000
	State Department of Human Services				
	HUMAN SERVICES:				
**	Food Distribution Program	10.569	-	01/08-12/08	198,521
**	Food Stamp Program	10.551	-	01/08-12/08	17,001,549
**	Food Stamp Administration	10.561	-	01/08-12/08	1,461,267
**	Commodity Administration	10.568	-	01/08-12/08	10,269
					18,671,606
	State Department of Public Health and Environment				
	HEALTH AND ENVIRONMENT:				
	Special Supplemental Food Program for Women, Infants and Children (WIC)	10.557	WIC0800453	10/07-09/08	581,337
	Special Supplemental Food Program for Women, Infants and Children (WIC)	10.557	WIC0800453	10/08-09/09	205,234
	WIC Food Vouchers	10.557	-	01/08-12/08	2,446,305
					3,232,876
	Total Department of Agriculture				22,009,278
	DEPARTMENT OF HEALTH AND HUMAN SERVICES				
	State Department of Human Services				
	HUMAN SERVICES:				
	Special Programs for the Aging - Title III:		02A-89(FY 2008)	01/08-12/08	
	Area Plan Administration	93.044			75,484
	Part B	93.044			220,766
	Part C-1	93.045			154,712
	Part C-2	93.045			56,654
	Part D	93.043			3,199
	Part E	93.052			67,590
	Ombudsman	93.042			12,272
	Aging and Disability Resource Centers	93.048	07IHA000249	05/06-09/08	18,366

Continued on next page

LARIMER COUNTY, COLORADO
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
Year Ended December 31, 2008

	Federal or Pass-Through Grantor Program Title	Federal CFDA Number	Grant Number	Grant Period	2008 Expenditures
	Aging and Disability Resource Centers	93.779	07IHA000249	05/06-09/08	$ 13,056
	Cash in lieu of commodities	93.053	-	01/08-12/08	59,306
**	Title IV-E FC	93.658	-	01/08-12/08	2,546,361
**	Child Support Enforcement:				
	Federal Income to Counties	93.563	-	01/08-12/08	2,144,665
**	Child Care	93.596	-	01/08-12/08	3,224,225
**	Family Preservation	93.556	-	01/08-12/08	94,354
**	Colorado Works	93.558	-	01/08-12/08	6,120,392
**	Title IV-E Independent Living	93.674	-	01/08-12/08	102,315
**	Community Services Block Grant (Title XX)	93.667	-	01/08-12/08	1,760,111
**	Child Welfare Services-Maintenance Assistance:				
	Title IV-B	93.645	-	01/08-12/08	154,404
**	Medicaid Title XIX: Child Services	93.778	-	01/08-12/08	1,349,083
**	Low-Income Energy Assistance Program (LEAP)	93.568	-	01/08-12/08	2,715,122
**	Adoption	93.659	-	01/08-12/08	598,139
**	Child Care and Development Block Grant	93.575	-	01/08-12/08	2,007,082
	IV-E Lump Sum	93.658	-	01/08-12/08	52,564
					23,550,222
	State Department of Local Affairs				
	HEALTH AND HUMAN SERVICES:				
	Community Services Block Grants:	93.569			
	CSBG-HHS		L7CSBG27	03/07-02/08	34,906
	CSBG-HHS		L8CSBG27	03/08-02/09	189,382
					224,288
	State Department of Health Care Policy & Financing				
	HEALTH AND ENVIRONMENT:				
	Medicaid Title XIX - EPSDT	93.778	UHA2108-9024	07/07-06/08	35,368
	Medicaid Title XIX - EPSDT	93.778	UHA2209-9004	07/08-06/09	32,428
					67,796
	HUMAN SERVICES:				
	Single Entry Point	93.778	-	01/08-12/08	497,118
	State Department of Public Health and Environment				
	HEALTH AND ENVIRONMENT:				
	Bioterrorism Public Health Preparedness	93.283	EPI0800071	08/07-08/08	122,092
	Bioterrorism Public Health Preparedness	93.283	EPI0900043	08/08-08/09	69,067
	Bioterrorism/Focus HAN	93.283	EPI0800071	08/07-08/08	3,995
	Bioterrorism Pandemic Flu Preparedness Phase III	93.283	EPI0800094	11/07-08/08	49,421
	Chlamydia Testing	93.977	EPI0800176	01/08-12/08	4,643
	Family Planning and Expansion Services	93.217	FHS0800067	07/08-06/09	304,002
	Handicapped Children's Program	93.994	PSD0800435	10/07-09/08	61,079
	Handicapped Children's Program	93.994	PSD0900535	10/08-09/09	16,882
	Immunization Action (CDC)	93.268	IMM0800225	02/08-12/08	48,511
	Immunization Outreach	93.268	IMM0800062	07/08-06/09	434
	Immunization School Audits Project	93.268	-	2007-2008	1,420
	Immunization Oversample	93.268	-	2008	2,750
	Medical Reserve Corps	93.008	EPI08000139	12/07-07/08	5,777
	Medical Reserve Corps	93.008	EPI09000046	07/08-08/09	5,023

Continued on next page

LARIMER COUNTY, COLORADO
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
Year Ended December 31, 2008

Federal or Pass-Through Grantor Program Title	Federal CFDA Number	Grant Number	Grant Period	2008 Expenditures
Maternal and Child Health Services Block Grant:	93.994			
Child Health		PSD0800464	10/07-09/08	$ 27,725
Child Health		PSD0800480	10/08-09/09	9,242
Maternity Assistance Program		PSD0800464	10/07-09/08	71,701
Maternity Assistance Program		PSD0800480	10/08-09/09	23,900
Preventive Health Block	93.991	ADM0700022	03/07-02/08	4,989
Preventive Health Block	93.991	ADM0800021	05/08-04/09	4,989
West Nile Virus Prevention	93.283	EPI08000245	06/08-12/08	17,000
Family Planning Services	93.217	-	01/08-12/08	4,547
VFC value of vaccines	93.268	-	01/08-12/08	381,630
				1,240,819
State Department of State				
GENERAL:				
Help America Vote Act (HAVA)	93.617	-	06/08-12/10	6,594
Total Department of Health and Human Services				25,586,837
DEPARTMENT OF HOMELAND SECURITY				
State Department of Local Affairs				
GENERAL:				
Emergency Management Performance Grant	97.042	7EM07L36	10/06-06/08	22,500
Emergency Management Performance Grant	97.042	9EM09L36	07/08-06/09	22,500
Hazard Mitigation Plan	97.042	8EMHO736A	03/08-09/08	13,860
Total Department of Homeland Security				58,860
DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT				
State Department of Local Affairs				
HEALTH AND HUMAN SERVICES:				
Community Development Block Grants:				
Emergency Shelter Grant	14.228	H8CDBG07044G	07/07-12/09	30,618
Emergency Shelter Grant	14.228	H9CDBG08044G	07/08-06/09	70,761
Home Investment	14.228	H8CDB07040G	10/06-12/08	234,636
Total Department of Housing and Urban Development				336,015
DEPARTMENT OF INTERIOR				
GENERAL:				
* Law Enforcement	15.000	02FC601667	09/01-12/08	385,472
PARKS:				
* Resource Management Plan	15.916	05FC601972	04/05-09/10	986,107
* Homeland Security	15.BBC	02FC601621	10/01-09/09	28,735
* Integrated Pest Management Plan for Noxious Weeds	15.BBX	05FG601992	04/05-09/09	24,000
				1,038,842
Total Department of Interior				1,424,314
DEPARTMENT OF JUSTICE				
GENERAL:				
* Edward Byrne Memorial Justice Assistance Grant	16.580	2006-DD-BX-0510	07/06-12/07	101,082

Continued on next page

LARIMER COUNTY, COLORADO
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
Year Ended December 31, 2008

	Federal or Pass-Through Grantor Program Title	Federal CFDA Number	Grant Number	Grant Period	2008 Expenditures
	HEALTH AND HUMAN SERVICES:				
*	Edward Byrne Memorial Justice Assistance Grant	16.580	2007-DD-BX-0712	10/07-12/09	$ 25,988
	State Department of Public Safety:				
	GENERAL:				
	Edward Byrne Memorial Justice Assistance Grant	16.738	27-DJ-06-5-1	10/07-09/08	270
	Victim of Crime Act	16.575	24-VA-8-38	01/08-12/08	53,492
	Victim of Crime Act	16.575	25-VA-8-113	01/07-12/07	1,379
	Victim of Crime Act	16.575	24-VA-8-40	01/08-12/08	17,722
	Violence Against Women Act	16.588	26-VW-8-50	04/07-03/08	10,708
	Violence Against Women Act	16.588	27-VW-8-50	04/08-03/09	18,743
					102,314
	COMMUNITY CORRECTIONS:				
	Residential Substance Abuse Treatment	16.593	2005-RT-BX-0004	10/07-09/08	1,400
	HEALTH AND HUMAN SERVICES:				
	Juvenile Accountability Block Grant - short term	16.523	25-JB-L-08-961	09/08-10/08	4,950
	Juvenile Accountability Block Grant	16.523	2006-JB-FX-0012	10/07-09/08	17,315
	Juvenile Accountability Block Grant	16.523	2007-JB-FX-0065	10/08-09/09	9,270
					31,535
	CRIME VICTIM COMPENSATION:				
	Crime Victim Compensation	16.576	26-VC-8	10/06-03/08	150,000
Total Department of Justice					412,319
DEPARTMENT OF LABOR					
	State Department of Labor and Employment				
	WORKFORCE CENTER:				
	Workforce Investment Act:				
	Wagner-Peyser Base	17.207	PY2008/2011	07/08-06/11	673,741
	Wagner-Peyser Employment Support Fund	17.207	PY2008/2011	07/08-06/11	29,817
	Wagner-Peyser Governor's Summer Job Hunt	17.207	PY2008/2011	07/08-06/11	33,000
	Unemployment Insurance	17.225	PY2008/2011	07/08-06/11	27,596
	Adult	17.258	PY2008/2011	07/08-06/11	291,297
	Youth	17.259	PY2008/2011	07/08-06/11	442,394
	Continuing Improvements Management	17.260	PY2008/2011	07/08-06/11	12,052
	Dislocated Worker	17.260	PY2008/2011	07/08-06/11	657,223
	Marketing	17.260	PY2008/2011	07/08-06/11	250
	Rapid Response	17.260	PY2008/2011	07/08-06/11	2,268
	Research Animal Technology Wired Incentive	17.268	PY2008/2011	07/08-06/11	23,120
	Vets DVOP	17.801	PY2008/2011	07/08-06/11	17,598
	Vets LVER	17.804	PY2008/2011	07/08-06/11	11,732
	State Department of Local Affairs				
	Training Resources and Incentive Networks (TRAIN)	17.266	REHB0803	12/07-06/08	37,106
	Training Resources and Incentive Networks (TRAIN)	17.266	L8DPNLC	08/07-06/08	297
	Training Resources and Incentive Networks (TRAIN)	17.260	09KAA00054	08/08-06/09	16,239
	TRAIN 10% - Continuing Improvements Management	17.260	08WF26LC	11/07-10/08	42,948
	TRAIN 10% - Business Services	17.260	07WF30LC	02/07-12/08	84,808
	TRAIN 10% - Enhanced Summer Services	17.260	07WF36LC	02/07-06/08	5,149
	TRAIN 10% - Agency Marketing	17.260	08WF07LC	08/07-07/08	1,729
Total Department of Labor					2,410,364

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LARIMER COUNTY, COLORADO
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
Year Ended December 31, 2008

Federal or Pass-Through Grantor Program Title	Federal CFDA Number	Grant Number	Grant Period	2008 Expenditures
DEPARTMENT OF TRANSPORTATION				
State Department of Transportation				
HEALTH AND HUMAN SERVICES:				
Rural Transit Coordinating	20.509	06-HTD-00017	06/06-12/07	$ 173,140
ENVIRONMENTAL PROTECTION AGENCY				
State Department of Public Health and Environment				
HEALTH AND ENVIRONMENT:				
Air Pollution PM2.5	66.606	AIR0800134	07/07-06/08	3,271
Air Pollution PM2.5	66.606	AIR0800134	07/08-06/09	8,213
Total Environmental Protection Agency				11,484
Total Expenditures of Federal Awards				$ 52,422,611

Explanatory Notes:

* Direct Federal Assistance Programs

** Federal Share Computed Using Percentages Provided by the State Department of Human Services

The County has no significant subrecipients.

The accompanying schedule of expenditures of federal awards is a summary of the activity of the County's federal award programs presented on the accrual basis of accounting in accordance with generally accepted accounting principles.

ANDERSON & WHITNEY

A Professional Corporation 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*

Board of County Commissioners
Larimer County, Colorado

We have audited the financial statements of Larimer County as of and for the year ended December 31, 2008, and have issued our report thereon dated June 15, 2009. We conducted our audit in accordance with auditing standards generally accepted in the United States and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States.

Internal Control Over Financial Reporting

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

A control deficiency 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 misstatements on a timely basis. A significant deficiency is a control deficiency, or combination of control deficiencies, that adversely affects the County's ability to initiate, authorize, record, process, or report financial data reliably in accordance with generally accepted accounting principles such that there is more than a remote likelihood that a misstatement of the County's financial statements that is more than inconsequential will not be prevented or detected by the County's internal control.

A material weakness is a significant deficiency, or combination of significant deficiencies, that results in more than a remote likelihood that a material misstatement of the financial statements will not be prevented or detected by the County's internal control.

Our consideration of internal control over financial reporting was for the limited purpose described in the first paragraph of this section and would not necessarily identify all deficiencies in internal control that might be 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.

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Compliance and Other Matters

As part of obtaining reasonable assurance about whether Larimer County's financial statements are free of material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grants, 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 other matters involving internal control over financial reporting that we have reported to the County in a separate letter dated June 15, 2009.

This report is intended solely for the information and use of the Commissioners, management, others within the organization, 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.

Anderson + Whitney P.C.

June 15, 2009

ANDERSON & WHITNEY

A Professional Corporation of
Certified Public Accountants

Report on Compliance with Requirements Applicable to Each Major Program
and Internal Control Over Compliance in Accordance with OMB Circular A-133

Board of County Commissioners
Larimer County, Colorado

Compliance

We have audited the compliance of Larimer County, Colorado with the types of compliance requirements described in the *U.S. Office of Management and Budget (OMB) Circular A-133 Compliance Supplement* that are applicable to each of its major federal programs for the year ended December 31, 2008. Larimer County's major federal programs are identified in the summary of auditors' 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 Larimer County's management. Our responsibility is to express an opinion on Larimer County's compliance based on our audit.

We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States, 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.* These 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 the major federal program occurred. An audit includes examining, on a test basis, evidence about Larimer 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. Our audit does not provide a legal determination on Larimer County's compliance with those requirements.

In our opinion, Larimer County complied, in all material respects, with the requirements referred to above that are applicable to each of its major federal programs for the year ended December 31, 2008. However, the results of our auditing procedures disclosed instances of noncompliance with those requirements, which are required to be reported in accordance with OMB Circular A-133 and which are described in the accompanying schedule of findings and questioned costs as items 2008-1 through 2008-3.

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Larimer County's response to the findings identified in our audit are described in the accompanying schedule of findings and questioned costs. We did not audit Larimer County's response and, accordingly, we express no opinion on it.

Internal Control Over Compliance

The management of Larimer County is responsible for establishing and maintaining effective internal control over compliance with requirements of laws, regulations, contracts, and grants applicable to federal programs. In planning and performing our audit, we considered Larimer County's internal control over compliance with requirements that could have a direct and material effect on a major federal program in order to determine our auditing procedures for the purpose of expressing our opinion on compliance, 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 control deficiency in an entity's internal control over compliance 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 noncompliance with a type of compliance requirement of a federal program on a timely basis. A significant deficiency is a control deficiency, or combination of control deficiencies, that adversely affects the entity's ability to administer a federal program such that there is more than a remote likelihood that noncompliance with a type of compliance requirement of a federal program that is more than inconsequential will not be prevented or detected by the entity's internal control.

A material weakness is a significant deficiency, or combination of significant deficiencies, that results in more than a remote likelihood that material noncompliance with a type of compliance requirement of a federal program will not be prevented or detected by the entity's internal control.

Our consideration of the internal control over compliance was for the limited purpose described in the first paragraph of this section and would not necessarily identify all deficiencies in internal control that might be 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.

This report is intended solely for the information and use of management, the Commissioners, others within the organization, 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.

Anderson + Whitney P.C

June 15, 2009

LARIMER COUNTY, COLORADO

SCHEDULE OF FINDINGS AND QUESTIONED COSTS

Year Ended December 31, 2008

SUMMARY OF AUDITORS' RESULTS

➢ Type of report issued on financial statements	Unqualified
➢ Internal control over financial reporting:	
Material weaknesses identified	No
Significant deficiencies identified	None reported
➢ Noncompliance material to the financial statements noted	No
➢ Internal control over federal awards:	
Material weaknesses identified	No
Significant deficiencies identified	None reported
➢ Type of report issued on major programs	Unqualified
➢ Audit findings disclosed	None under .510(a). See others below.
➢ Major programs	10.551 Food Stamp Cluster 10.561 17.258 WIA Cluster 17.259 17.260 93.563 Child Support Enforcement
➢ Dollar threshold between Type A and Type B programs	$1,572,678
➢ Low-risk auditee	Yes

FINDINGS RELATED TO FINANCIAL STATEMENTS

➢ None Reported

FINDINGS AND QUESTIONED COSTS RELATED TO FEDERAL AWARDS

➢ **FINDING 2008-1:**

CFDA 17.258 WIA Adult Program
CFDA 17.259 WIA Youth Activities
CFDA 17.260 WIA Dislocated Workers

Criteria: *Suspension and debarment* – Nonfederal entities are prohibited from contracting with parties who are suspended or debarred from federal awards. For certain covered transactions over $25,000, the WIA program must verify that an entity is not suspended or debarred through the Excluded Parties List System (ELPS), alternative certification, or contract language.

Condition: The WIA program is not checking the ELPS or requiring other verifications.

Questioned Costs: There are no questioned costs as there may be no debarred vendors.

Context: A third party payroll agency is used for client work experience and is paid enough federal funds to require the program to verify that the provider is not suspended or debarred.

Effect: Amounts may be paid to parties not eligible to receive federal funding.

Cause: The WIA program was not aware that a contract with the third party had not been maintained including a clause regarding suspension and debarment.

Recommendation: We recommend the WIA program check the ELPS for service providers, obtain alternative certifications, or consider additional contract language.

Management's Response: The Larimer County Workforce Center accepts this recommendation.

Corrective Action:

Contact Person: Mary Betters

Corrective Action Planned: The Larimer County Workforce Center will develop a contract with our payroll vendor and include the language regarding suspension and debarment as developed and included in other Workforce Center contracts. We will ensure that this practice becomes standard operating procedures for future contracts that meet this criteria and funding threshold.

- **FINDING 2008-2:**

CFDA 17.258 WIA Adult Program
CFDA 17.259 WIA Youth Activities
CFDA 17.260 WIA Dislocated Workers

Criteria: *Allowable Costs – Direct Costs* – The payroll cost distribution should be based on an after-the-fact confirmation or determination that costs allocated represent actual costs.

Condition: The WIA program is not maintaining payroll split documentation for employees that work on multiple federal programs.

Questioned Costs: There are no questioned costs as this is related to documentation retention.

Context: To allocate expenses between programs for employees the WIA program uses a report called *Payroll Splits.* It is updated as necessary multiple times during the year. When the schedule is updated, a copy of the prior schedule is not maintained to support previous expense allocations.

Effect: There isn't support for allocation of expenses prior to the most current *Payroll Split* schedule.

Cause: The County maintains the invoices and other supporting documentation and was not aware of the need to support the allocation percentages documented.

Recommendation: We recommend maintaining soft copies of previous *Payroll Splits* reports to support expense allocations.

Management's Response: We accept the recommendation of maintaining supporting documentation for allocated expenses.

Corrective Action:

Contact Person: Mary Betters

Corrective Action Planned: In order to allocate expenditures associated with individual staff, the Larimer County Workforce Center was using budgeted staff allocations. As budgets were updated and allocations adjusted, the historical documentation was not maintained. However, after discussion with the Colorado Department of Labor and Employment, we transitioned to using actual time allocations for these expenditures as documented by the *Payroll Split* report and/or classification as a cost pool expenditure dependent upon item classification. The *Payroll Split* report is maintained in hard copy and on the computer.

- **FINDING 2008-3:**

CFDA 93.563 Child Support Enforcement

Criteria: *Special tests and provisions – Securing and enforcing medical support obligations* – In cases where medical support is ordered, the County is required to verify that it was obtained.

Condition: FileNet does not include proof of insurance.

Questioned Costs: There are no questioned costs as this is related to documentation maintenance.

Context: A report for proof of insurance is provided, usually directly from the Non-custodial parent's employer that is providing the insurance coverage. Once this page is received, this information is entered in the Medical Insurance screen in the Automated Child Support Enforcement System, however the page is not sent to FileNet.

Effect: Documentation included in FileNet is not complete.

Cause: The County was not aware the documentation should be included in FileNet.

Recommendation: We recommend including proof of insurance support in FileNet.

Management's Response: Yes, the managers and the IV-D attorney discussed this issue and this is required of technicians to submit the page received from the employer to filenet.

Corrective Action:

Contact Person: Nancy Salazar

Corrective Action Planned: The supervisor of the enforcement technicians will remind them that this is expected and is a standard on all cases that apply.

LARIMER COUNTY, COLORADO

SUMMARY SCHEDULE OF PRIOR YEAR FINDINGS

Year Ended December 31, 2008

- **FINDING 2007-1:**

  CFDA 10.557 Women, Infants and Children (WIC)

  Criteria: *Eligibility* – Per State letter WC-99-16-P, applicants not certified under adjunctive eligibility provisions must present documentation of income.

  Condition: The County is not consistently applying State procedures for documenting income eligibility.

  Questioned Costs: There are no questioned costs as the amounts cannot be quantified.

  Context: Two of 25 files tested indicated that documentation was in the file, but it was not. The documentation code used indicates a "no proof" form was intended to be used, but was not in the file.

  Effect: WIC funds may be being utilized when the applicant is not eligible.

  Cause: Use of an incorrect code was an oversight of the caseworkers.

  Recommendation: The County should implement procedures to ensure the appropriate document code is used for all case files.

  Management's Response: Income document code #89 "Other (Document in Chart)" was incorrectly used when #99 "No documentation" should have been used to indicate the applicant did not have income documentation. WIC clients are allowed a one-month grace period to bring in income documentation, if they do not have it at the certification/recertification appointment.

  Corrective Action:

  Contact Person: Ingrid Rosoff, WIC Program Director.

  Corrective Action Planned: Discussions will be held with staff to be more careful when entering the codes for documentation. The above will be discussed at the WIC staff meeting on July 2, 2008.

  Status: Implemented

- **FINDING 2007-2:**

  CFDA 93.658 Foster Care Title IV-E
  CFDA 93.778 Medicaid Title XIX: Child Services

  Criteria: *Suspension and Debarment* – Nonfederal entities are prohibited from contracting with parties who are suspended or debarred from federal awards. For certain covered transactions over $25,000, the County must verify that an entity is not suspended or debarred through the Excluded Parties List System (ELPS), alternative certification, or contract language.

  Condition: The County is not checking the ELPS or requiring other verifications.

Questioned Costs: There are no questioned costs as there may be no debarred vendors.

Context: Some foster care providers and therapeutic residential child care facilities are paid enough federal funds to require the County to verify that the provider is not suspended or debarred.

Effect: Amounts may be paid to parties not eligible to receive federal funding.

Cause: The County was not aware of this requirement in relation to foster care.

Recommendation: We recommend the County check the ELPS for service providers, obtain alternative certifications, or consider additional contract language.

Management's Response: We did not realize this applied to Foster Care providers or Residential Facilities and we agree we are not currently doing this.

Corrective Action:

Contact Person: Ed Rutherford or Lydia Thompson.

Corrective Action Planned: We have met with our Child Welfare management team and designed a new process. The Senior Department Specialist (SDS) who executes Out of Home contracts will insert additional language into those contracts regarding eligibility to provide services. The SDS will also check all other placements where contracts are not used and which includes foster care homes and kin care homes. This checking process will occur initially as part of the background check when foster and kin homes are certified and then annually at the recertification of the foster/kin home.

Status: Implemented

- **FINDING 2007-3:**

CFDA 93.558 Temporary Assistance for Needy Families: Colorado works

Criteria: *Eligibility* – Per Agency Letter TCW-06-04, applicants must provide verification of their lawful presence in the United States. An applicant must produce a valid Colorado driver's license or identification card as well as an affidavit.

Condition: The County does not always maintain documentation of all required documents.

Questioned Costs: There are no questioned costs as the amounts cannot be quantified.

Context: Two out of 29 participants tested did not provide sufficient identification. Cases were noted where the affidavits were received, but the driver's license or identification card were requested but not received.

Effect: The county could potentially provide assistance to ineligible recipients.

Cause: The omission of the information was an oversight.

Recommendation: The County should implement procedures to ensure the complete identification of applicants has been received.

Management's Response: The confusing requirements between Deficit Reduction Act (DRA) and House Bill 1023 (HB1023) have been challenging to staff.

Corrective Action:

Contact Person: Marsha E. Ellis

Corrective Action Planned: We continue to do training for staff on the necessity to obtain all documents related to citizenship and identify. The trainers have also created a flow chart for both the DRA and HB1023 requirements.

Status: Implemented