



# **COUNTY OF OTTAWA**

**WEST OLIVE, MICHIGAN**

**SINGLE AUDIT REPORTS**

**FOR THE YEAR ENDED DECEMBER 31, 2011**

# COUNTY OF OTTAWA SINGLE AUDIT REPORTS

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

June 15, 2012

County of Ottawa  
Board of County Commissioners  
West Olive, Michigan

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 of Ottawa, Michigan as of and for the year ended December 31, 2011, which collectively comprise the County of Ottawa's basic financial statements and have issued our report thereon dated June 15, 2012. Our report was modified to include a reference to 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 Mental Health Special Revenue fund and the Protected Self-Funded Insurance - Mental Health Internal Service fund as described in our report on the County of Ottawa's financial statements. This report does not include the results of the other auditors' testing of internal control over financial reporting or compliance and other matters that are reported on separately by those auditors.

**Internal Control Over Financial Reporting**

Management of the County of Ottawa, is responsible for establishing and maintaining effective internal control over financial reporting. In planning and performing our audit, we considered the County of Ottawa'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 the County of Ottawa's internal control over financial reporting. Accordingly, we do not express an opinion on the effectiveness of the County of Ottawa'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 combination of deficiencies, in internal control, such that there is a reasonable possibility that a material misstatement of the County of Ottawa'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 would not necessarily 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.

## **Compliance and Other Matters**

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

This report is intended solely for the information and use of management, the Board of County Commissioners, 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.

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

June 15, 2012

County of Ottawa  
Board of County Commissioners  
West Olive, Michigan

**Compliance**

We have audited the County of Ottawa's compliance with the types of compliance requirements described in the U. S. Office of Management and Budget (OMB) Circular A-133 Compliance Supplement that could have a direct and material effect on each of its major federal programs for the year ended December 31, 2011. The County of Ottawa'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 the County of Ottawa's management. Our responsibility is to express an opinion on the County of Ottawa'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 the County of Ottawa'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 the County of Ottawa's compliance with those requirements.

In our opinion, the County of Ottawa, complied, in all material respects, with the 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, 2011. However, the results of our auditing procedures disclosed an instance of noncompliance with those requirements, which is required to be reported in accordance with OMB Circular A-133 and which is described in the accompanying schedule of findings and questioned costs as item 2011-1.

**Internal Control Over Compliance**

Management of the County of Ottawa 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 the County of Ottawa'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 and to test and report on internal control over compliance in accordance with OMB Circular A-133, but not for the purpose of expressing an opinion on the effectiveness of internal control over

compliance. Accordingly, we do not express an opinion on the effectiveness of the County of Ottawa'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 aggregate discretely presented component units, each major fund and the aggregate remaining fund information of the County of Ottawa as of and for the year ended December 31, 2011, and have issued our report thereon dated June 15, 2012, which contained unqualified opinions on those financial statements. Our audit was performed for the purpose of forming our opinions on the financial statements that collectively comprise the County of Ottawa's basic financial statements. We did not audit the financial statements of the Mental Health Special Revenue fund which is a major fund, or the Protected Self-Funded Insurance - Mental Health Internal Service fund. Those financial statements were audited by other auditors whose report thereon has been furnished to us, and our opinion, insofar as it relates to the amounts included for the Mental Health funds, is based on the report of the other auditors. The 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 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.

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

This report is intended solely for the information and use of management, the Board of County Commissioners, 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.

*Uredaxeld Haefner LLC*

**COUNTY OF OTTAWA**  
**SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS**  
**FOR THE YEAR ENDED DECEMBER 31, 2011**

Federal Grantor/Pass-through Grantor/ Program or Cluster Title	CFDA Number	Program Expenditures
<u>U.S. Department of Agriculture:</u>		
Emergency Watershed Protection Program - ARRA - Bolthouse	10.923	\$ 1,400
Conservation Reserve Enhancement Program	10.069	17,600
		<u>19,000</u>
Passed through Michigan Department of Education:		
Emergency Food Assistance Program - TEFAP	10.568	37,612
Emergency Food Assistance Program - Commodities	10.569	211,321
Emergency Food Assistance Program - Commodities - ARRA Stimulus	10.569	563
Commodity Supplemental Food Program	10.565	28,026
Commodity Supplemental Food Program - Commodities	10.565	89,209
National School Lunch Program:		
Commodities	10.550	616
School Breakfast Program	10.553	16,645
National School Lunch Program	10.555	30,456
Total Passed through Michigan Department of Education		<u>414,448</u>
Passed through Michigan Department of Labor and Economic Growth (1) FY11 Food Assistance	10.561	325
Passed through Michigan Department of Community Health Food Stamps - Local Advisory Group	10.551	6,505
Total U.S. Department of Agriculture		<u>440,278</u>
<u>U.S. Department of the Interior:</u>		
Fish & Wildlife Coordination Act - Habitat Development	15.631	11,000
Total U.S. Department of the Interior		<u>11,000</u>
<u>U.S. Department of Energy</u>		
Energy Efficiency & Conservation Block Grant - ARRA	81.128	866,355
Passed through Michigan Department of Human Services Weatherization Assistance for Low-Income Persons	81.042	273,786
Weatherization Assistance for Low-Income Persons - ARRA	81.042	1,250,662
Total Passed through Michigan Department of Human Services		<u>1,524,448</u>
Total U.S. Department of Energy		<u>2,390,803</u>
<u>U.S. Environmental Protection Agency</u>		
Passed through Michigan Department of Environmental Quality SOM - Great Lakes	66.472	8,399
Noncommunity - Operator Certification Grant	66.471	656
Passed through Michigan Department of Agriculture Partnership Agreement - Clean Sweep	66.605	19,721
Passed through Michigan Department of Natural Resources Great Lakes Program - Beach Grant Modeling	66.469	36,575
Great Lakes Program - Beach Grant Monitoring	66.469	18,718
Total U.S. Environmental Protection Agency		<u>84,069</u>

**COUNTY OF OTTAWA**  
**SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS**  
**FOR THE YEAR ENDED DECEMBER 31, 2011**

Federal Grantor/Pass-through Grantor/ Program or Cluster Title	CFDA Number	Program Expenditures
<u>U.S. Department of Health and Human Services:</u>		
Passed through Michigan Department of Community Health:		
SOM - Family Planning	93.217	\$ 89,599
SOM - Family Planning	93.217	89,598
Childhood Immun. Prg - Immunizations VFC/317	93.268	577,389
SOM - Immunization IAP	93.268	90,349
SOM - Immunization IAP	93.268	4,756
SOM - Immunization IAP	93.268	27,263
SOM - Immunization IAP	93.268	4,438
VFC Provider Site Visits	93.268	7,950
Bioterrorism - H1N1 Pan Flu	93.069	45,057
Bioterrorism - Focus A	93.069	146,567
Bioterrorism - Focus A	93.069	24,633
Preadmission Screenings and Annual Resident Reviews	93.778	142,970
Title XIX Federal Financial Participation - Medicaid Admin	93.778	78,134
Title XIX Federal Financial Participation	93.778	54,463
Care Coordination	93.778	98,428
Counseling/WRAP Expansion Project	93.958	15,369
Parent Peer Support	93.958	27,285
SOM - Case Management Serv. (CSHCS)	93.994	60,857
SOM - Oral Health	93.994	47,538
SOM - Maternal & Child Health Program	93.994	81,214
ARRA-Reaching More Adults	93.712	24,430
ARRA-Vaccines	93.712	827
Building Healthy Communities-Obesity Prevention	93.283	11,811
Total Passed through Michigan Department of Community Health		<u>1,750,925</u>
Passed through Lakeshore Coordinating Council:		
Substance Abuse Prevention (LCC Grant)	93.959	31,637
Substance Abuse Prevention (LCC Grant)	93.959	54,915
Total Passed through Lakeshore Coordinating Council		<u>86,552</u>
Passed through Michigan Community Action Agency Association:		
MCAAA - Managed Care Enrollment -	93.778	6,760
Passed through Muskegon County CMH:		
PMTO Grant	93.958	18,098
Passed through Michigan Department of Human Services:		
FY11 TANF/Jet	93.558	461,469
TANF Supportive Services/JET	93.558	50,000
Friend of the Court Incentive Payment	93.563	311,632
Low Income Home Energy Assistance	93.568	158,639
Community Services Block Grant - Administration	93.569	273,503
Community Services Block Grant, Migrant Services	93.569	11,630
Community Services Block Grant, Disc Funding-Tax Prep Asstnce	93.569	19,961
CSBG, Disc Funding-Tax Prep Asstnce - Allegan County	93.569	7,000
LIHEAP Deliverable Fuels	93.568	25,071
Prosecuting Attorney Child Protection Investigations - Legal Services	93.658	7,325
Prosecuting Attorney Child Support Enforcement	93.563	115,229
CRP Friend of the Court Child Support Enforcement	93.563	1,472,145
Total Passed through Michigan Department of Human Services		<u>2,913,604</u>



**COUNTY OF OTTAWA**  
**SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS**  
**FOR THE YEAR ENDED DECEMBER 31, 2011**

Federal Grantor/Pass-through Grantor/ Program or Cluster Title	CFDA Number	Program Expenditures
Passed through Michigan Supreme Court State Access and Visitation Program	93.597	\$ 5,500
Passed through Region 6 ASPR Hospital Preparedness Program Medical Reserve Corp	93.889	7,700
Total U.S. Department of Health and Human Services		<u>4,789,139</u>
<u>U.S. Department of Labor:</u>		
Passed through Michigan Department of Energy, Labor and Economic Growth:		
WIA - Local Administrator Type A AY09 PY10	Cluster	261,425
WIA - Local Administrator Type A AY10 PY10	Cluster	99,979
WIA - Local Administrator ARRA - A/Y 2008 PY10	Cluster	140,066
FY09 WIA - Dislocated Worker ARRA NEG-West MI	17.260	953,801
WIA - Statewide Activities (One Stop Operation)	17.258	7,863
	17.259	8,420
	17.260	2,371
	17.278	8,233
Employment Service - Wagner Peyser	17.207	419,307
WIA - Statewide Rapid Response-Incumbent Worker	17.278	83,371
WIA - Statewide Activities-Replacement Program/Admin	17.258	9,111
	17.259	9,756
	17.278	12,165
WIA - Statewide Activities-Capacity Building E - ARRA	17.258	4,042
	17.259	9,684
	17.260	10,274
WIA - Wagner Peyser NCRC	17.207	8,707
WIA - Wagner Peyser NCRC-ARRA	17.207	21,678
WIA - Statewide Activities - NCRC	17.258	70
	17.259	75
	17.260	168
WIA - Reemployment Services - ARRA	17.207	103,150
AY09 - Reemployment Services - ARRA-Case Mgmt	17.207	13,762
WIA - Statewide Activities - ARRA	17.258	10,233
	17.259	24,519
	17.260	26,014
WIA - Statewide Activities - MRAP - ARRA	17.258	12,786
	17.259	30,637
	17.260	32,505
WIA - Statewide Activities - ARRA	17.258	21,318
	17.259	51,079
	17.260	54,193
WIA - Dislocated Worker - ARRA	17.260	172,142
WIA - Dislocated Worker - AY08ARRA	17.258	14,978
	17.259	35,889
	17.260	38,078
WIA - Dislocated Worker -AY09	17.258	2,785
	17.259	2,974
	17.260	6,714
WIA - Rapid Response - IWT Johnson	17.260	42,339
FY11 Trade Adjustment Assistance	17.245	1,022,797
Workforce Investment Act - Youth A/Y09	17.259	86,412
Workforce Investment Act - Youth A/Y10	17.259	804,825

**COUNTY OF OTTAWA**  
**SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS**  
**FOR THE YEAR ENDED DECEMBER 31, 2011**

Federal Grantor/Pass-through Grantor/ Program or Cluster Title	CFDA Number	Program Expenditures
Workforce Investment Act - Youth - ARRA - A/Y08	17.259	\$ 57
WIA- Statewide Activities -High Concentration Youth AY10	17.258	1,369
WIA- Statewide Activities -High Concentration Youth AY10	17.259	1,466
WIA- Statewide Activities -High Concentration Youth AY10	17.260	1,828
Workforce Investment Act - Adult AY09	17.258	71,896
Workforce Investment Act - Adult AY10	17.258	503,812
Workforce Investment Act - Adult - ARRA	17.258	51,910
WIA - Dislocated Workers Grant	17.260	135,338
	17.278	728,146
On the Job Training - National Emergency Grant - ARRA	17.260	750
Total Passed through Michigan Department of Energy, Labor and Economic Growth		<u>6,177,267</u>
Total U.S. Department of Labor		<u>6,177,267</u>
<u>U.S. Department of Justice:</u>		
Byrne Memorial Formula Grant - 2010-DJ-BX-1514	16.738	18,652
Equipment Grant (LLEBG-ARRA) - 2009-SB-B9-1995 ARRA	16.804	100
State Criminal Alien Apprehension Program	16.606	28,024
State Justice Institute - Michigan Juvenile Justice Vision 20/20 *	N/A	48,495
State Justice Institute - Scholarships *	N/A	21,118
Improving the Admin of Justice Through Professional Staff Development		
*Funding provided under the Commerce, Justice, and Science Appropriation Bill, Title IV Funding		
Second Chance Grant Reentry Initiative	16.812	191,309
Passed through Michigan State Police:		
Alcohol Impaired Driving Prevention	16.727	29,600
Smart FY10 Adam Walsh Act Implementation Grant	16.750	15,000
Edward Byrne Memorial Justice Assistance Grant Program	16.738	151,138
Total Passed through Michigan State Police		<u>195,738</u>
Passed through State of Michigan Department of Human Services:		
Juvenile Accountability Incentive Block Grant	16.523	10,125
Total U.S. Department of Justice		<u>513,561</u>
<u>U.S. Department of Housing and Urban Development:</u>		
HUD Housing Assistance	14.235	9,201
HUD Housing Assistance	14.235	79,985
HUD Housing Assistance	14.235	12,774
HUD Housing Assistance	14.235	212,183
		<u>314,143</u>
Passed through Michigan State Housing Development Authority:		
Section 8 Housing Choice Vouchers	14.871	119,396
Housing Choice Voucher Program/FSS (Family Self Sufficiency)	14.871	8,325
Total Passed through Michigan State Housing Development Authority		<u>127,721</u>
Total U.S. Department of Housing and Urban Development		<u>441,864</u>
<u>U.S. Department of Transportation:</u>		
Passed through Michigan Department of State Police:		
Hazardous Materials Emergency Preparedness	20.703	4,904

**COUNTY OF OTTAWA**  
**SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS**  
**FOR THE YEAR ENDED DECEMBER 31, 2011**

Federal Grantor/Pass-through Grantor/ Program or Cluster Title	CFDA Number	Program Expenditures
Passed through City of Holland:		
Safe Communities Grant/ Drive Mi Safely/ OWI Seatbelt	20.600	\$ 25,876
Safe Communities Grant/ High Visibility Enforcement	20.600	15,018
Total Passed through City of Holland		<u>40,894</u>
Passed through Michigan Department of Community Health:		
Safe Routes to School	20.205	4,875
Total U.S. Department of Transportation		<u>50,673</u>
U.S. Department of Homeland Security <u>Federal Emergency Management Agency:</u>		
2009 Port Security Equipment & Training - ARRA	97.116	107,529
2010 Port Security Equipment & Training	97.056	228,190
Total Federal Emergency Management Agency		<u>335,719</u>
<u>Executive Office of the President</u>		
Passed through Michigan Department of State Police High Intensity Drug Trafficking Areas (HIDTA) - Sheriff	N/A	7,786
Total Executive Office of the President		<u>7,786</u>
<u>U.S. Department of Commerce</u>		
Passed through Michigan Department of State Police Public Safety Interoperable Communications Grant	11.555	14,312
Total U.S. Department of Commerce		<u>14,312</u>
<u>U.S. Department of Education</u>		
Passed through Ottawa Area Intermediate School District Title I State Agy Prog for Neglected and Delinqt Children	84.013	18,037
Total U.S. Department of Education		<u>18,037</u>
<u>U.S. Department of Homeland Security</u>		
Passed through Michigan Department of State Police: Emergency Management Performance Grant	97.042	32,776
Total Passed through Michigan Department of State Police		<u>32,776</u>
Passed through West Michigan Shoreline Regional Development Commission, Region 6 HLSRGB:		
2008 Homeland Security Grant	97.067	26,107
2009 Homeland Security Grant	97.067	37,141
Homeland Security Grant - Equipment Transfer	97.067	195,398
Total Passed through West Michigan Shoreline Regional Development Commission, Region 6 HLSRGB		<u>258,646</u>
Total U.S. Department of Homeland Security		<u>291,422</u>
TOTAL FEDERAL FINANCIAL ASSISTANCE		<u><u>\$15,565,930</u></u>

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# COUNTY OF OTTAWA

## NOTES TO SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS

FOR THE YEAR ENDED DECEMBER 31, 2011

### 1. BASIS OF PRESENTATION

The accompanying schedule of expenditures of federal awards includes the federal grant activity of the County of Ottawa, Michigan and is presented in accordance with the requirements of OMB Circular A-133, Audits of States, Local Governments, and Non-profit Organizations. Therefore, some amounts presented in this schedule may differ from amounts presented in the financial statements.

### 2. ACCOUNTING PERIOD

Certain funds of the County utilize the fiscal years ended March 31, 2011, June 30, 2011, September 30, 2011, and December 31, 2011. Programs that fall under different fiscal years are reported on the schedule expenditures of federal awards based on the funds fiscal year end.

### 3. SUBRECIPIENTS

Of the federal expenditures presented in the accompanying schedule of expenditures of federal awards, the County of Ottawa provided federal awards to subrecipients as follows:

<u>Program Title</u>	<u>Federal CFDA number</u>	<u>Amount provided to subrecipients</u>
Food Assistance	10.561	\$ 325
Public Safety Interoperable Communications	11.555	14,312
Youth Alcohol Enforcement	16.727	11,616
Energy Efficiency and Conservation Block Grant	81.128	272,194
Homeland Security Equipment Grant	97.067	100,334
Temporary Assistance for Needy Families - Type T	93.558	251,754
Type A Trade	17.245	1,021,797
Wagner-Peyser Employment/Reemployment	17.207	403,148
Workforce Investment Act - Adult	17.258	432,633
Workforce Investment Act - Youth	17.259	674,596
Workforce Investment Act - Dislocated Worker	17.260 & 17.278	661,035
WIA - National Emergency Grant	17.260	896,501
WIA - Statewide Activities - Stimulus/Training	17.258-17.260	113,931
WIA - Statewide Activities - Hi Concentration Youth	17.258-17.260	3,622
WIA - Statewide Activities - NCRC	17.258-17.260	31
WIA - Statewide Activities - Replacement	17.258-17.260	27,518
<b>Total</b>		<b><u>\$4,601,537</u></b>

Amounts passed through by the County to a subrecipient in previous years were found to be unallowable costs in 2011. The amount is being returned to the County and remitted by the County to the State agency in accordance with an approved payment plan.

**4. VACCINES EXPENDITURES**

Expenditures as reported on the Schedule of Expenditures of Federal Awards agree with the County general ledger and include inventory adjustments in accordance with generally accepted accounting principles. The amount shown above is reconciled to the amount reported by the State of Michigan as follows:

	<b>CFDA #</b>	<b>93.268</b>	<b>93.712</b>	<b>93.069</b>
		Regular	ARRA	H1N1
		<u>Vaccines</u>	<u>Vaccines</u>	<u>Vaccines</u>
Expenditures as reported		\$ 577,389	\$827	\$45,057
Less - inventory at beginning of year		(86,346)	-	-
Add - inventory at end of year		187,410	-	-
		<hr/>	<hr/>	<hr/>
Vaccines received per State of Michigan		<u>\$ 678,453</u>	<u>\$827</u>	<u>\$45,057</u>

**COUNTY OF OTTAWA**  
**SCHEDULE OF FINDINGS AND QUESTIONED COSTS**  
**FOR THE YEAR ENDED DECEMBER 31, 2011**

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**SECTION I - SUMMARY OF AUDITORS' RESULTS**

**Financial Statements**

Type of auditors' report issued	Unqualified on basic financial statements	
Internal controls over financial reporting		
Material weaknesses identified?	<input type="checkbox"/> yes	<input checked="" type="checkbox"/> no
Deficiencies identified not considered to be material weaknesses?	<input type="checkbox"/> yes	<input checked="" type="checkbox"/> none reported
Noncompliance material to financial statements noted?	<input type="checkbox"/> yes	<input checked="" type="checkbox"/> no

**Federal Awards**

Internal control over major programs		
Material weaknesses identified?	<input type="checkbox"/> yes	<input checked="" type="checkbox"/> no
Deficiencies identified not considered to be material weaknesses?	<input type="checkbox"/> yes	<input checked="" type="checkbox"/> none reported
Type of auditors' report issued on compliance for major programs	Unqualified	
Any audit findings disclosed that are required to be reported in accordance with Circular A-133, section 510(a)?	<input checked="" type="checkbox"/> yes	<input type="checkbox"/> no

Identification of Major Programs

<u>CFDA Number(s)</u>	<u>Name of Federal Program or Cluster</u>
17.207	Wagner-Peyser Employment
17.245	Trade Adjustment Assistance
17.258, 17.259 & 17.260	WIA Cluster
81.042	Weatherization
81.128	EECBG
93.558	TANF/JET
93.563	Friend of the Court
97.116	Port Security Equipment and Training

Dollar threshold used to distinguish between Type A and B programs?	<u>\$466,978</u>
Auditee qualified as low-risk auditee?	<input checked="" type="checkbox"/> yes <input type="checkbox"/> no

**SECTION II - FINANCIAL STATEMENT FINDINGS**

None noted.

**SECTION III - FEDERAL AWARD FINDINGS AND QUESTIONED COSTS**

2011-1 - CFDA # 17.258-260; 17.207; 93.558

Condition: Many invoices are allocated between programs in the various WIA and related programs. Two invoices selected for testing were allocated to several WIA programs, however we were unable to substantiate the basis for allocation.

Effect: Costs should only be allocated to programs benefitting from the costs and documentation to justify the allocation should be maintained. The County's WIA office did not maintain the required supporting documentation.

Recommendation: Care should be taken to maintain all required documentation for allocations of costs.

Management corrective action: County management has reiterated the importance of proper documentation.

**SECTION IV - SUMMARY OF PRIOR AUDIT FINDINGS**

2010-1 - CFDA #81.128

The County implemented procedures to fully comply with Davis Bacon Act requirements.

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