



COUNTY OF BERKS, PENNSYLVANIA

Single Audit Report December 31, 2017

County of Berks

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County of Berks

Report Distribution List

December 31, 2017

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Reading, PA 19601

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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*

Independent Auditor's Report

To the Board of County Commissioners and County Controller
County of Berks
Reading, Pennsylvania

Report on the Financial Statements

We have audited, in accordance with auditing standards generally accepted in the United States of America and the standards applicable to the financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of the governmental activities, the business-type activities, the aggregate discretely presented component units, each major fund, and the aggregate remaining fund information of the County of Berks (the County) as of and for the year ended December 31, 2017, and the related notes to the financial statements, which collectively comprise the County's basic financial statements, and have issued our report thereon, dated June 28, 2018. Our report includes a reference to other auditors who audited the financial statements of the Reading Regional Airport Authority and the Reading Area Community College, as described in our report on the County's financial statements. This report does not include the results of the other auditor's testing of internal control over financial reporting or compliance and other matters that are reported on separately by those other auditors.

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 an opinion 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.

Internal Control over Financial Reporting (continued)

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

Compliance and Other Matters

As part of obtaining reasonable assurance about whether the County's financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit and, accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

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 entity's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the entity's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

RKH LLP

June 28, 2018
Wyomissing, Pennsylvania



Report on Compliance for Each Major Federal Program; Report on Internal Control over Compliance; and Report on the Schedule of Expenditures of Federal Awards and Pennsylvania DHS Expenditures as Required by the Uniform Guidance and Pennsylvania DHS *Single Audit Supplement*

Independent Auditor's Report

To the Board of County Commissioners and County Controller
County of Berks
Reading, Pennsylvania

Report on Compliance for Each Major Federal and Pennsylvania DHS Program

We have audited the County of Berks, Pennsylvania's compliance with the types of compliance requirements described in the OMB *Compliance Supplement* and the Pennsylvania Department of Human Services (DHS) *Single Audit Supplement* that could have a direct and material effect on each of the County's major federal and Pennsylvania DHS programs for the year ended December 31, 2017. The County's major federal programs are identified in the summary of auditor's 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 programs.

Auditor's Responsibility

Our responsibility is to express an opinion on compliance for each of the County's major federal and Pennsylvania DHS 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; the audit requirements of Title 2 U.S. Code of Federal Regulations Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance); and Pennsylvania DHS *Single Audit Supplement*. Those standards, the Uniform Guidance, and the Pennsylvania DHS *Single Audit Supplement* 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 or Pennsylvania DHS 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.

Auditor's Responsibility (continued)

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

Opinion on Each Major Federal and Pennsylvania DHS 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 and Pennsylvania DHS programs for the year ended December 31, 2017.

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 and Pennsylvania DHS program to determine the auditing procedures that are appropriate in the circumstances for the purpose of expressing an opinion on compliance for each major federal and Pennsylvania DHS program and to test and report on internal control over compliance in accordance with the Uniform Guidance and the Pennsylvania DHS *Single Audit Supplement*, 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 or Pennsylvania DHS program on a timely basis. A material weakness in internal control over compliance is a deficiency, or a 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 or Pennsylvania DHS 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 or Pennsylvania DHS 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 and the Pennsylvania DHS *Single Audit Supplement*. Accordingly, this report is not suitable for any other purpose.

Report on Schedule of Expenditures of Federal Awards Required by the Uniform Guidance, Schedule of Pennsylvania DHS Expenditures Required by the Pennsylvania DHS *Single Audit Supplement*, and Schedule of Workforce Investment Act Expenditures by Program Identifier and Year

We have audited the financial statements of the County as of and for year ended December 31, 2017, and have issued our report thereon dated June 28, 2018, which contained an unmodified opinion on those financial statements. Our audit was conducted for the purpose of forming an opinion on the financial statements as a whole. The accompanying Schedule of Expenditures of Federal Awards, Schedule of Pennsylvania DHS Expenditures, and Schedule of Workforce Investment Act Expenditures by Program Identifier and Year are presented for purposes of additional analysis as required by the Uniform Guidance, the Pennsylvania DHS *Single Audit Supplement*, and the Pennsylvania Department of Labor and Industry and are 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.

RKL LLP

September 27, 2018, except for the first paragraph of Page 6 as to which the date is June 28, 2018
Wyomissing, Pennsylvania

COUNTY OF BERKS

SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS

YEAR ENDED DECEMBER 31, 2017

<u>Federal Grantor/Pass-Through Grantor/Program</u>	<u>Source Code</u>	<u>Federal CFDA Number</u>	<u>Pass-Through Grantor's Number</u>	<u>(Deferred) Revenue at 12/31/16</u>	<u>Federal Grant Receipts</u>	<u>Federal Grant Expenditures</u>	<u>(Deferred) Revenue at 12/31/17</u>	<u>Passed Through to Subrecipients</u>
<u>U.S. Department of Agriculture</u>								
Passed through the Pennsylvania Department of Agriculture								
Emergency Food Assistance Program (Administrative Costs)	I	10.568	ME44165689	33,489	67,226	56,405	22,668	56,405
Emergency Food Assistance Program (Food Commodities)	I	10.569	8-07-06-074	3,277	430,165	434,032	7,144	-
Total U.S. Department of Agriculture				<u>36,766</u>	<u>497,391</u>	<u>490,437</u>	<u>29,812</u>	<u>56,405</u>
<u>U.S. Department of Housing and Urban Development</u>								
Community Development Block Grant Cluster								
Community Development Block Grants/Entitlement Grants	D	14.218	N/A	94	1,585,356	1,592,356 *	7,094	1,592,356
Emergency Solutions Grant Program	D	14.231	N/A	-	169,466	169,466	-	169,466
Home Investment Partnerships Program	D	14.239	N/A	-	304,518	304,518	-	304,518
Total U.S. Department of Housing and Urban Development				<u>94</u>	<u>2,059,340</u>	<u>2,066,340</u>	<u>7,094</u>	<u>2,066,340</u>
<u>U.S. Department of Justice</u>								
State Criminal Alien Assistance Program								
State Criminal Alien Assistance Program	D	16.606	N/A	(33,442)	-	30,928	(2,514)	-
Drug Enforcement (DEA) overtime reimbursement								
Drug Enforcement (DEA) overtime reimbursement	D	16.999	N/A	1,429	11,932	12,187	1,684	-
				<u>(32,013)</u>	<u>11,932</u>	<u>43,115</u>	<u>(830)</u>	<u>-</u>
Passed Through Delaware County, PA Treasurer								
Missing Children's Assistance	I	16.543	Unknown	-	-	2,975	2,975	-
Passed through City of Reading, PA								
Edward Byrne Memorial Justice Assistance Grant Program	I	16.738	N/A	-	46	-	(46)	-
Edward Byrne Memorial Justice Assistance Grant Program	I	16.738	N/A	2,679	2,868	-	(189)	-
Edward Byrne Memorial Justice Assistance Grant Program	I	16.738	N/A	3,569	-	-	3,569	-
Edward Byrne Memorial Justice Assistance Grant Program	I	16.738	N/A	-	10,583	14,343	3,760	-
Passed through Pennsylvania Commission on Crime and Delinquency								
Edward Byrne Memorial Justice Assistance Grant Program	I	16.738	2014/2015-JG-02/LS27199	-	-	137,906	137,906	-
Total Edward Byrne Memorial Justice Assistance Grant Program				<u>6,248</u>	<u>13,497</u>	<u>152,249</u>	<u>145,000</u>	<u>-</u>
Passed through Pennsylvania Commission on Crime and Delinquency								
Paul Coverdell Forensic Sciences Improvement Grant Program	I	16.742	2015-FS-01-26218	7,250	7,250	-	-	-
Paul Coverdell Forensic Sciences Improvement Grant Program	I	16.742	2016-FS-01-27476	-	7,546	13,228	5,682	-
Total Paul Coverdell Forensic Sciences Improvement Grant Program				<u>7,250</u>	<u>14,796</u>	<u>13,228</u>	<u>5,682</u>	<u>-</u>

COUNTY OF BERKS

SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS

YEAR ENDED DECEMBER 31, 2017

Federal Grantor/Pass-Through Grantor/Program	Source Code	Federal CFDA Number	Pass-Through Grantor's Number	(Deferred) Revenue at 12/31/16	Federal Grant Receipts	Federal Grant Expenditures	(Deferred) Revenue at 12/31/17	Passed Through to Subrecipients
<u>U.S. Department of Justice (continued)</u>								
Passed through Pennsylvania Commission on Crime and Delinquency								
Crime Victim Assistance	I	16.575	2016-JV/VF-03/06-27380	-	64,733	127,157	62,424	-
Crime Victim Assistance	I	16.575	2016-VF-07-27389	-	78,810	105,080	26,270	-
Total Crime Victim Assistance				-	143,543	232,237	88,694	-
Second Chance Act Reentry Initiative	I	16.812	2016/2017/2018-SR-DP-04/ST-27535	-	17,138	29,990	12,852	-
Passed through Pennsylvania Commission on Crime and Delinquency								
Passed through Safe Berks (Berks Women In Crisis)								
Violence Against Women Formula Grants	I	16.588	2015-VA-07 26294	47,970	48,750	-	(780)	-
Violence Against Women Formula Grants	I	16.588	2015/2016-VA-01/02/03 26294-2	-	53,438	71,251	17,813	-
Total Violence Against Women Formula Grants				47,970	102,188	71,251	17,033	-
Total U.S. Department of Justice				29,455	303,094	545,045	271,406	-
<u>U.S. Department of Labor</u>								
Passed through Pennsylvania Department of Labor and Industry								
WIA Cluster								
WIA/WIOA Program	I	17.258	015-16-300-1	17,221	17,221	-	-	-
WIA/WIOA Program	I	17.258	015-16-301-1	55,408	546,414	516,988	25,982	170,706
WIA/WIOA Program	I	17.258	015-17-300-1	-	9,415	90,078	80,663	51,093
WIA/WIOA Program	I	17.258	015-17-301-1	-	-	21,782	21,782	-
Total WIA/WIOA Adult Program				72,629	573,050	628,848	128,427	221,799
Business Education Partnership	I	17.259	015-15-334-2	-	53,057	83,260	30,203	75,550
WIA/WIOA Youth Activities	I	17.259	015-16-330-1	83,705	726,390	642,685	-	528,305
WIA/WIOA Youth Activities	I	17.259	015-17-330-1	-	112,272	277,286	165,014	198,151
Total WIA/WIOA Youth Activities				83,705	891,719	1,003,231	195,217	802,006
WIA/WIOA Dislocated Worker Formula Grants	I	17.278	015-15-415-1	(4,863)	-	14,495	9,632	-
WIA/WIOA Dislocated Worker Formula Grants	I	17.278	015-15-415-2	(4,517)	24,342	28,859	-	-
WIA/WIOA Dislocated Worker Formula Grants	I	17.278	015-14-413-3	9,654	142,677	133,023	-	-
WIA/WIOA Dislocated Worker Formula Grants	I	17.278	015-15-413-2	-	19,202	19,202	-	-
WIA/WIOA Dislocated Worker Formula Grants	I	17.278	015-16-400-1	785	2,104	1,319	-	-
WIA/WIOA Dislocated Worker Formula Grants	I	17.278	015-16-401-1	112,524	616,508	503,984	-	149,328
WIA/WIOA Dislocated Worker Formula Grants	I	17.278	015-17-400-1	-	73,929	126,664	52,735	79,700
WIA/WIOA Dislocated Worker Formula Grants	I	17.278	015-17-401-1	-	-	106,331	106,331	54,975
WIA/WIOA Dislocated Worker Formula Grants	I	17.278	015-16-405-1	-	126,693	144,766	18,073	-
WIA/WIOA Dislocated Worker Formula Grants	I	17.278	015-15-405-2	-	25,000	25,000	-	-
WIA/WIOA Dislocated Worker Formula Grants	I	17.278	015-16-413-4	-	14,317	26,895	12,578	-
Total WIA/WIOA Dislocated Worker Formula Grants				113,583	1,044,772	1,130,538	199,349	284,003
Total WIA Cluster				269,917	2,509,541	2,762,617 *	522,993	1,307,808

COUNTY OF BERKS

SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS

YEAR ENDED DECEMBER 31, 2017

<u>Federal Grantor/Pass-Through Grantor/Program</u>	<u>Source Code</u>	<u>Federal CFDA Number</u>	<u>Pass-Through Grantor's Number</u>	<u>(Deferred) Revenue at 12/31/16</u>	<u>Federal Grant Receipts</u>	<u>Federal Grant Expenditures</u>	<u>(Deferred) Revenue at 12/31/17</u>	<u>Passed Through to Subrecipients</u>
<u>U.S. Department of Labor (continued)</u>								
Apprenticeship USA Grants	I	17.285	015-16-740-4	-	55,142	89,855	34,713	82,335
Total Apprenticeship USA Grants				-	55,142	89,855	34,713	82,335
Passed Through Lehigh Valley Workforce Development Board, Inc. WIOA National Dislocated Worker Grants / WIA National Emergency Grants	I	17.277	5112	37,647	185,752	148,110	5	-
Total U.S. Department of Labor				<u>307,564</u>	<u>2,750,435</u>	<u>3,000,582</u>	<u>557,711</u>	<u>1,390,143</u>
<u>U.S. Department of Transportation</u>								
Passed through Pennsylvania Department of Transportation Highway Planning and Construction	I	20.205	521166	84,673	246,502	334,158	172,329	-
Highway Planning and Construction	I	20.205	Unknown	3,092,386	3,859,446	1,428,348	661,288	-
Total Highway Planning and Construction				<u>3,177,059</u>	<u>4,105,948</u>	<u>1,762,506</u> *	<u>833,617</u>	<u>-</u>
Metropolitan Transportation Planning and State and Non-Metropolitan Planning and Research	I	20.505	521166	40,087	60,395	104,176	83,868	96,875
National Historic Covered Bridge Program	I	20.999	Unknown	21,789	24,320	2,531	-	-
				<u>3,238,935</u>	<u>4,190,663</u>	<u>1,869,213</u>	<u>917,485</u>	<u>96,875</u>
Passed through Pennsylvania Emergency Management Agency Interagency Hazardous Materials Public Sector Training and Planning Grants	I	20.703	4100078038	-	14,440	14,440	-	-
Total U.S. Department of Transportation				<u>3,238,935</u>	<u>4,205,103</u>	<u>1,883,653</u>	<u>917,485</u>	<u>96,875</u>
<u>National Foundation on the Arts and the Humanities</u>								
Passed through Pennsylvania Department of Education Grants to States	I	45.310	LS-00-16-0039-16	-	1,027	1,027	-	-
Total National Foundation on the Arts and the Humanities				<u>-</u>	<u>1,027</u>	<u>1,027</u>	<u>-</u>	<u>-</u>
<u>U.S. Department of Education</u>								
Passed through Pennsylvania Department of Labor and Industry, Bureau of Workforce Development Partnership Rehabilitation Services_Vocational Rehabilitation Grants to States	I	84.126	Unknown	8,778	4,067	8,526	13,237	8,526
Passed through Pennsylvania Department of Human Services Special Education-Grants for Infants and Families	I	84.181	70170	53,977	314,822	382,567	121,722	382,567
Total U.S. Department of Education				<u>62,755</u>	<u>318,889</u>	<u>391,093</u>	<u>134,959</u>	<u>391,093</u>

COUNTY OF BERKS

SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS

YEAR ENDED DECEMBER 31, 2017

Federal Grantor/Pass-Through Grantor/Program	Source Code	Federal CFDA Number	Pass-Through Grantor's Number	(Deferred) Revenue at 12/31/16	Federal Grant Receipts	Federal Grant Expenditures	(Deferred) Revenue at 12/31/17	Passed Through to Subrecipients
<u>U.S. Department of Health and Human Services</u>								
Passed through Pennsylvania Department of Aging								
Special Programs for the Aging_Title VII, Chapter 3_								
Programs for Prevention of Elder Abuse, Neglect, and Exploitation	I	93.041	Unknown	-	4,877	4,877	-	-
Special Programs for the Aging_Title VII, Chapter 2_								
Long Term Care Ombudsman Services for Older Individuals	I	93.042	Unknown	-	12,197	12,197	-	-
Special Programs for the Aging_Title III, Part D_Disease								
Prevention and Health Promotion Services	I	93.043	Unknown	-	21,157	21,157	-	-
National Family Caregiver Support, Title III, Part E	I	93.052	Unknown	-	147,398	147,398	-	-
Medicare Enrollment Assistance Program	I	93.071	Unknown	-	15,144	15,144	-	-
<u>Aging Cluster</u>								
Special Programs for the Aging_Title III_Part B-Grants								
for Supportive Services and Senior Centers	I	93.044	Unknown	-	596,329	596,329	-	-
Special Programs for the Aging_Title III, Part C_Nutrition Services	I	93.045	Unknown	-	368,814	368,814	-	-
Nutrition Services Incentive Program	I	93.053	Unknown	-	177,232	177,232	-	-
Total Aging Cluster				-	1,142,375	1,142,375	-	-
State Health Insurance Assistance Program	I	93.324	Unknown	-	46,300	46,300	-	-
<u>Passed through County of York</u>								
Substance Abuse and Mental Health Services_Projects of Regional								
and National Significance	I	93.243	None	101,942	260,325	310,148	151,765	310,148
<u>Passed through Pennsylvania Department of Human Services</u>								
Substance Abuse and Mental Health Services_Projects of Regional								
and National Significance	I	93.243	Unknown	10,682	81,984	59,293	(12,009)	59,293
Total Substance Abuse and Mental Health Services_Projects				112,624	342,309	369,441	139,756	369,441
of Regional and National Significance								
<u>Medicaid Cluster</u>								
Medical Assistance Program	I	93.778	None	6,112	140,731	154,591	19,972	-
Medical Assistance Program	I	93.778	4100070464	9,373	111,271	116,330	14,432	-
Medical Assistance Program	I	93.778	Unknown	211,486	803,949	592,463	-	592,463
Medical Assistance Program	I	93.778	70175	44,561	367,161	412,644	90,044	412,644
Medical Assistance Program	I	93.778	70127	25	25	-	-	-
Medical Assistance Program	I	93.778	70184	(9,431)	18,858	18,860	(9,429)	18,860
				262,126	1,441,995	1,294,888	115,019	1,023,967
<u>Passed through Pennsylvania Department of Aging</u>								
<u>Medicaid Cluster</u>								
Medical Assistance Program	I	93.778	4100058024 and 4100078252	-	642,682	671,347	28,665	-

COUNTY OF BERKS

SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS

YEAR ENDED DECEMBER 31, 2017

Federal Grantor/Pass-Through Grantor/Program	Source Code	Federal CFDA Number	Pass-Through Grantor's Number	(Deferred) Revenue at 12/31/16	Federal Grant Receipts	Federal Grant Expenditures	(Deferred) Revenue at 12/31/17	Passed Through to Subrecipients
<u>U.S. Department of Health and Human Services (continued)</u>								
Passed through Pennsylvania Office of Long-Term Living								
Medicaid Cluster								
Medical Assistance Program	I	93.778	4100058024 and 4100078252	22,606	58,860	36,254	-	36,254
Passed through Pennsylvania Department of Drug and Alcohol Programs								
Medicaid Cluster								
Medical Assistance Program	I	93.778	71-079	-	3,191	3,725	534	3,725
Total Medicaid Cluster				284,732	2,146,728	2,006,214	144,218	1,063,946
Passed through Pennsylvania Department of Drug and Alcohol Programs								
Block Grants for Prevention and Treatment of Substance Abuse								
	I	93.959	4100070680	-	1,579,086	1,722,640	143,554	1,722,640
Passed through Pennsylvania Department of Labor and Industry								
TANF Cluster								
Temporary Assistance for Needy Families	I	93.558	4100060551	162,730	525,004	362,274	-	257,145
Temporary Assistance for Needy Families	I	93.558	4100060551	-	515,400	515,400	-	183,049
Temporary Assistance for Needy Families	I	93.558	4100077462	-	328,372	420,798	92,426	287,042
Temporary Assistance for Needy Families	I	93.558	4100077462	-	78,400	141,800	63,400	204,470
Temporary Assistance for Needy Families	I	93.558	015-16-336-1	10,525	128,557	118,032	-	90,854
Temporary Assistance for Needy Families	I	93.558	015-16-336-2	-	231,900	231,900	-	190,271
Temporary Assistance for Needy Families	I	93.558	015-17-336-1	-	134,599	155,950	21,351	99,169
				173,255	1,942,232	1,946,154	177,177	1,312,000
Passed through Pennsylvania Department of Human Services								
TANF Cluster								
Temporary Assistance for Needy Families	I	93.558	N/A	1,218,375	1,571,067	1,724,968	1,372,276	-
Total Temporary Assistance for Needy Families Cluster				1,391,630	3,513,299	3,671,122 *	1,549,453	1,312,000
Guardianship Assistance	I	93.090	N/A	64,988	103,832	89,447	50,603	-
Promoting Safe and Stable Families	I	93.556	Unknown	33,112	80,676	47,564	-	47,564
Promoting Safe and Stable Families	I	93.556	None	-	25,025	25,025	-	-
Total Promoting Safe and Stable Families				33,112	105,701	72,589	-	47,564
Child Support Enforcement	I	93.563	4100070464	1,552,820	4,084,662	4,599,598	2,067,756	-
Community-Based Child Abuse Prevention Grants	I	93.590	Unknown	18,868	49,204	30,336	-	30,336
Stepanie Tubbs Jones Child Welfare Services Program	I	93.645	N/A	-	131,234	131,234	-	-
Foster Care-Title IV-E	I	93.658	N/A	2,106,434	5,426,119	5,257,600 *	1,937,915	-
Adoption Assitance	I	93.659	N/A	1,517,023	3,179,732	3,382,480 *	1,719,771	-
Social Services Block Grant	I	93.667	None	-	318,913	318,913	-	-
Social Services Block Grant	I	93.667	70177	16,374	158,389	221,210	79,195	-
Social Services Block Grant	I	93.667	70135	58,788	117,574	92,932	34,146	-

COUNTY OF BERKS

SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS

YEAR ENDED DECEMBER 31, 2017

Federal Grantor/Pass-Through Grantor/Program	Source Code	Federal CFDA Number	Pass-Through Grantor's Number	(Deferred) Revenue at 12/31/16	Federal Grant Receipts	Federal Grant Expenditures	(Deferred) Revenue at 12/31/17	Passed Through to Subrecipients
Total Social Services Block Grant				75,162	594,876	633,055	113,341	-
<u>U.S. Department of Health and Human Services (continued)</u>								
Chafee Foster Care Independence Program	I	93.674	N/A	(21,750)	98,405	219,654	99,499	-
Block Grants for Community Mental Health Services	I	93.958	70167	56,576	262,337	251,348	45,587	-
Total U.S. Department of Health and Human Services				<u>7,192,219</u>	<u>23,006,972</u>	<u>23,826,206</u>	<u>8,011,453</u>	<u>4,545,927</u>
<u>U.S. Department of Homeland Security</u>								
Passed through Pennsylvania Emergency Management Agency								
Emergency Management Performance Grants	I	97.042	4100070818	709	709	-	-	-
Emergency Management Performance Grants	I	97.042	4100078028	102,032	102,059	27	-	-
Emergency Management Performance Grants	I	97.042	4100078441	25,322	105,469	80,147	-	-
Emergency Management Performance Grants	I	97.042	UNKNOWN	-	-	26,716	26,716	-
Total Emergency Management Performance Grants				<u>128,063</u>	<u>208,237</u>	<u>106,890</u>	<u>26,716</u>	<u>-</u>
Pre-Disaster Mitigation	I	97.047	4100077301	-	-	36,924	36,924	-
Passed through East Central PA Counter Terrorism Task Force								
Homeland Security Grant Program	I	97.067	UNKNOWN	31,187	31,187	-	-	-
Homeland Security Grant Program	I	97.067	EMW-2016-SS-00048	11,628	125,056	167,143	53,715	-
Total Homeland Security Grant Program				<u>42,815</u>	<u>156,243</u>	<u>167,143</u>	<u>53,715</u>	<u>-</u>
<u>U.S. Department of Homeland Security Federal Emergency Management Agency</u>								
Passed through Pennsylvania Emergency Management Agency								
Disaster Grants - Public Assistance (Presidentially Declared Disasters)	I	97.036	FEMA-4267-DR-PA-011-99011-00	1,176	1,176	-	-	-
Disaster Grants - Public Assistance (Presidentially Declared Disasters)	I	97.036	FEMA-4267-DR-PA-011-99011-00	4,321	4,321	-	-	-
Disaster Grants - Public Assistance (Presidentially Declared Disasters)	I	97.036	FEMA-4267-DR-PA-011-99011-00	17,965	17,965	-	-	-
Total Disaster Grants - Public Assistance (Presidentially Declared Disasters)				<u>23,462</u>	<u>23,462</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total U.S. Department of Homeland Security				<u>194,340</u>	<u>387,942</u>	<u>310,957</u>	<u>117,355</u>	<u>-</u>
Total Federal Awards				<u>11,062,128</u>	<u>33,530,193</u>	<u>32,515,340</u>	<u>10,047,275</u>	<u>8,546,783</u>

I - Indirect

D - Direct

* Denotes major program as defined by the Uniform Guidance.

County of Berks

**Schedule of Pennsylvania Department of Human Services Expenditures
December 31, 2017**

Program (As Defined in the Pennsylvania Department of Human Services Single Audit Supplement)	Combined Federal/State Expenditures for Calendar Year Ended December 31, 2017
Child Support Enforcement	\$ 5,424,779
Children and Youth	50,595,595*
Medical Assistance Transportation	2,703,504
Human Services Block Grant Program	14,732,474
Early Intervention	<u>3,641,151</u>
	<u>\$ 77,097,503</u>

- * Major Pennsylvania Department of Human Services programs. The 2017 threshold for major programs under the federal definition is \$975,460 (the greater of three percent of total federal expenditures or \$750,000). The supplemental schedule of selected DHS awards include various departments, offices, and agencies directly governed by the County's Board of Commissioners. The supplement schedule does not include DHS funds received and expended by independent authorities and other organizations included in the reporting entity under the criteria of the Governmental Accounting Standards Board, as described in Note 1 to the County's financial statements for the year ended December 31, 2017. These authorities and organizations are responsible, where necessary, for obtaining separate audits of their DHS award programs.

**COUNTY OF BERKS
SCHEDULE OF WIA EXPENDITURES BY PROGRAM IDENTIFIER AND YEAR
CALENDAR YEAR 2017**

Title	CFDA#	NOO Number	Agreement Period	Authorized Budget	Cumulative Expenditures	(Over) Under
WIOA Dislocated Worker	17.278	015-15-4052	7/1/2015 - 6/30/2018	\$ 25,000	\$ 5,862	\$ 19,138
RSAB Sector Partnership	17-277	015-15-5103	7/1/2015 - 6/30/2018	\$ 22,646.00	\$ 11,443.00	\$ 11,203.00
WIOA Rapid Response	17.278	015-15-4152	10/1/2015-6/30/2017	\$ 69,623.00	\$ 69,623.00	\$ -
Industry Partnership	17.278	015-15-4132	7/1/2016 - 6/30/2017	\$ 19,202.00	\$ 19,202.00	\$ -
TOTALS PY 15				\$ 136,471.00	\$ 106,130.00	\$ 30,341.00

Title	CFDA#	NOO Number	Agreement Period	Authorized Budget	Cumulative Expenditures	(Over) Under
Industry Partnership	17.278	015-14-4133	7/1/14 - 6/30/17	\$ 142,677.00	\$ 142,677.00	\$ -
TOTALS PY 14				\$ 142,677.00	\$ 142,677.00	\$ -

GRAND TOTAL				\$ 1,967,693.00	\$ 880,054.00	\$ 1,087,639.00
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County of Berks

Notes to Schedule of Expenditures of Federal Awards and Pennsylvania Department of Human Services Expenditures
December 31, 2017

Note 1 - Reporting Entity

The accompanying Schedule of Expenditures of Federal Awards and the Schedule of Pennsylvania DHS Expenditures present the activity of all federal and Pennsylvania DHS financial assistance programs of the County of Berks. The reporting entity is defined in Note 1 to the County's financial statements.

Note 2 - Summary of Significant Account Policies

Expenditures reported on the Schedule of Expenditures of Federal Awards, Schedule of Pennsylvania DHS Expenditures, and Schedule of Workforce Investment Act (WIA) Expenditures by Program Identifier and Year are reported on the accrual basis of accounting. Such expenditures are recognized following the cost principles contained in the Uniform Guidance, wherein certain types of expenditures are not allowable or are limited as to reimbursement.

Note 3 - Indirect Cost Rate

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

Note 4 - Program Clusters

The following program clusters, as defined by the OMB *Compliance Supplement*, were treated as single programs for determining major programs:

	<u>CFDA #</u>	<u>Expenditures</u>
Food Distribution Cluster	10.568	\$ 56,405
	10.569	434,032
		<u>\$ 490,437</u>
WIOA Cluster	17.258	\$ 628,848
	17.259	1,003,231
	17.278	1,130,538
		<u>\$ 2,762,617</u>
Aging Cluster	93.044	\$ 596,329
	93.045	368,814
	93.053	177,232
		<u>\$ 1,142,375</u>

County of Berks

Notes to Schedule of Expenditures of Federal Awards and Pennsylvania Department of Human Services Expenditures (continued)
December 31, 2017

Note 5 - Correction of Beginning Accrued (Deferred) Revenue

As a result of information obtained during 2017, adjustments to the receivable (deferral) balances were necessary for the programs listed below. A schedule of adjustments is as follows:

<u>Program</u>	<u>CFDA</u>	<u>Ending Balance per December 31, 2016 Report</u>	<u>Beginning Balance per December 31, 2017 Report</u>	<u>Adjustment Amount</u>
Promoting Safe and Stable Families	93.556	\$ 52,329	\$ 33,112	\$ (19,217)
Child Support Enforcement	93.563	1,562,193	1,552,820	(9,373)
Community-Based Child Abuse Prevention Grants	93.590	1,652	18,868	17,216
Medicaid Cluster Medical Assistance Program	93.778	275,359	284,732	9,373
Block Grants for Community Mental Health Services	93.958	42,974	56,576	<u>13,602</u>
				<u>\$ 11,601</u>

Reconciliation of the Schedule of Expenditures of Federal Award totals:

Total December 31, 2016 Receivable (Deferral)

As previously reported	\$ 11,050,527
Adjustments	<u>11,601</u>
Adjusted	<u>\$ 11,062,128</u>

County of Berks

Summary Schedule of Prior Audit Findings
December 31, 2017

None.

County of Berks

Schedule of Findings and Questioned Costs December 31, 2017

Section I - Summary of Auditor's Results

Financial Statements:

Type of auditor's report issued: Unmodified

Internal control over financial reporting:

Material weakness(es) identified? _____ Yes X No

Significant deficiency(ies) identified that are not considered to be (a) material weakness(es)? _____ Yes X None reported

Noncompliance material to financial statements noted? _____ Yes X No

Federal Awards:

Internal control over major programs:

Material weakness(es) identified? _____ Yes X No

Significant deficiency(ies) identified that are not considered to be (a) material weakness(es)? _____ Yes X None reported

Type of auditor's report issued on compliance for major programs: Unmodified

Any audit findings disclosed that are required to be reported in accordance with the Uniform Guidance _____ Yes X No

Identification of major programs:

<u>CFDA Number</u>	<u>Name of Federal Program</u>	<u>Amount Expended</u>
14.218	Community Development Block Grant/Entitlement Grants	\$ 1,592,356
17.258, 17.259 and 17.278	WIA Cluster	2,762,617
20.205	Highway Planning and Construction	1,762,506

County of Berks

Schedule of Findings and Questioned Costs (continued)

December 31, 2017

Section I - Summary of Auditor's Results (continued)

<u>CFDA Number</u>	<u>Name of Federal Program</u>	<u>Amount Expended</u>
93.558	Temporary Assistance for Needy Families	\$ 3,671,122
93.658	Foster Care-Title IV-E	5,257,600
93.659	Adoption Assistance	3,382,480

Dollar threshold used to distinguish between Type A and Type B programs: \$ 975,460

Auditee qualified as low-risk auditee? X Yes No

County of Berks

Schedule of Findings and Questioned Costs (continued)

December 31, 2017

Section II - Financial Statement Findings

None.

County of Berks

Schedule of Findings and Questioned Costs (continued)

December 31, 2017

Section III - Federal Award Findings and Questioned Costs

None.