



COUNTY OF BERKS, PENNSYLVANIA

Single Audit Report December 31, 2018



County of Berks

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December 31, 2018

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County of Berks

Report Distribution List

December 31, 2018

Board of County Commissioners
County Controller
County of Berks
Berks County Services Center
633 Court Street
Reading, PA 19601

Single Audit Clearinghouse
1201 E. 10th Street
Jeffersonville, IN 47132

Commonwealth of Pennsylvania
Office of the Budget
Bureau of Audits
Special Audit Services Division
Forum Place 8th Floor
555 Walnut Street
Harrisburg, PA 17101



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, 2018, and the related notes to the financial statements, which collectively comprise the County's basic financial statements, and have issued our report thereon, dated September 23, 2019. 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.

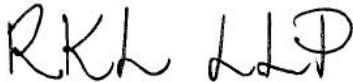
Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies. Given these limitations, during our audit we did not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

Handwritten signature in black ink that reads "RKL LLP". The letters are stylized and cursive.

September 23, 2019
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, 2018. 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.

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, 2018.

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, 2018, and have issued our report thereon dated September 23, 2019, 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 30, 2019, except for the paragraph on Page 6 as to which the date is September 23, 2019
Wyomissing, Pennsylvania

COUNTY OF BERKS

SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS

YEAR ENDED DECEMBER 31, 2018

Federal Grantor/Pass-Through Grantor/Program	Source Code	Federal CFDA Number	Pass-Through Grantor's Number	Accrued (Deferred) Revenue at 12/31/17	Federal Grant Receipts	Federal Grant Expenditures	Accrued (Deferred) Revenue at 12/31/18	Passed Through to Subrecipients
U.S. Department of Agriculture								
Passed through the Pennsylvania Department of Agriculture								
Emergency Food Assistance Program (Administrative Costs)	I	10.568	ME44165689	22,668	54,094	58,343	26,917	58,343
Emergency Food Assistance Program (Food Commodities)	I	10.569	8-07-06-074	7,144	368,060	376,550	15,634	-
Total U.S. Department of Agriculture				29,812	422,154	434,893	42,551	58,343
U.S. Department of Housing and Urban Development								
Community Development Block Grant Cluster								
Community Development Block Grants/Entitlement Grants	D	14.218	B-15-UC-42-0003, B-17-UC-42-0003 and B-18-UC-42-0003	7,094	1,221,867	1,214,867 *	94	1,214,867
Emergency Solutions Grant Program	D	14.231	E-17-UC-42-0003 and E-18-UC-42-0003	-	162,876	162,876	-	162,876
Home Investment Partnerships Program	D	14.239	M-15-UC-42-0206, M-16-UC-42-0206, M-17-UC-42-0206 and M-18-UC-42-0206	-	483,674	483,674	-	483,674
Total U.S. Department of Housing and Urban Development				7,094	1,868,417	1,861,417	94	1,861,417
U.S. Department of Justice								
State Criminal Alien Assistance Program	D	16.606	2016-AP-BX-0067	(2,514)	-	-	(2,514)	-
Drug Enforcement (DEA) overtime reimbursement	D	16.999	21 U.S.C. 878	1,684	6,281	6,263	1,666	-
Drug Enforcement (DEA) overtime reimbursement - Sheriff	D	16.999	Unknown	-	2,000	2,000	-	-
Drug Enforcement (DEA) overtime reimbursement - Sheriff	D	16.999	Unknown	-	1,275	1,275	-	-
				(830)	9,556	9,538	(848)	-
Passed Through Delaware County, PA Treasurer								
Missing Children's Assistance	I	16.543	Unknown	2,975	9,252	10,316	4,039	-
Passed through City of Reading, PA								
Edward Byrne Memorial Justice Assistance Grant Program	I	16.738	2013-DJ-BX-1018	(46)	-	-	(46)	-
Edward Byrne Memorial Justice Assistance Grant Program	I	16.738	2014-DJ-BX-0966	(189)	-	-	(189)	-
Edward Byrne Memorial Justice Assistance Grant Program	I	16.738	2015-DJ-BX-0966	3,569	-	-	3,569	-
Edward Byrne Memorial Justice Assistance Grant Program	I	16.738	2016-DJ-BX-0965	3,760	3,760	-	-	-
Edward Byrne Memorial Justice Assistance Grant Program	I	16.738	2017-DJ-BX-0226	-	-	14,190	14,190	-
Passed through Pennsylvania Commission on Crime and Delinquency								
Edward Byrne Memorial Justice Assistance Grant Program	I	16.738	2014-JG-02-27199	137,906	137,906	-	-	-
Total Edward Byrne Memorial Justice Assistance Grant Program				145,000	141,666	14,190	17,524	-

COUNTY OF BERKS

SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS

YEAR ENDED DECEMBER 31, 2018

<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>Accrued (Deferred) Revenue at 12/31/17</u>	<u>Federal Grant Receipts</u>	<u>Federal Grant Expenditures</u>	<u>Accrued (Deferred) Revenue at 12/31/18</u>	<u>Passed Through to Subrecipients</u>
Passed through Pennsylvania Commission on Crime and Delinquency Paul Coverdell Forensic Sciences Improvement Grant Program	I	16.742	2016-FS-01-27476	5,682	5,682	-	-	-
Total Paul Coverdell Forensic Sciences Improvement Grant Program				5,682	5,682	-	-	-
Passed through Pennsylvania Commission on Crime and Delinquency Crime Victim Assistance	I	16.575	2016-JV/VF-03/06-27380	57,773	258,868	265,802	64,707	-
Crime Victim Assistance	I	16.575	2016-VF-07-27389	26,270	105,079	105,079	26,270	-
Crime Victim Assistance	I	16.575	2016/2017-VF-05 28239	-	13,474	31,866	18,392	-
Total Crime Victim Assistance				84,043	377,421	402,747	109,369	-
Second Chance Act Reentry Initiative	I	16.812	2016/2017/2018-SR/VP-04/ST-27535	12,852	38,948	55,114	29,018	-
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	(780)	-	-	(780)	-
Violence Against Women Formula Grants	I	16.588	2015/2016-VA-01/02/03 26294-2	17,813	17,813	-	-	-
Violence Against Women Formula Grants	I	16.588	2015/2016/2017-VA-01/02/03 26294-3	-	60,938	81,115	20,177	-
Total Violence Against Women Formula Grants				17,033	78,751	81,115	19,397	-
Total U.S. Department of Justice				266,755	661,276	573,020	178,499	-
<u>U.S. Department of Labor</u>								
Passed through Pennsylvania Department of Labor and Industry Bureau of Workforce Development Administration Employment Service Cluster								
Employment Service/Wagner-Peyser Funded Activities	I	17.207	224-18-5501, 224-17-1300 & 224-18-1300	7,199	25,479	28,583	10,303	-
Local Veterans' Employment Representative Program	I	17.804	224-17-2200 & 224-18-2200	5,526	13,843	10,991	2,674	-
Total Employment Service Cluster				12,725	39,322	39,574	12,977	-
Temporary Labor Certification for Foreign Workers	I	17.273	224-17-1641 & 224-18-1641	5,526	10,739	6,369	1,156	-
Trade Adjustment Assistance	I	17.245	224-17-1009 & 224-18-1009	5,526	13,844	10,992	2,674	-
Unemployment Insurance	I	17.225	224-18-1700 & 224-18-1701	1,967	4,782	4,629	1,814	-

COUNTY OF BERKS

SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS

YEAR ENDED DECEMBER 31, 2018

Federal Grantor/Pass-Through Grantor/Program	Source Code	Federal CFDA Number	Pass-Through Grantor's Number	Accrued (Deferred) Revenue at 12/31/17	Federal Grant Receipts	Federal Grant Expenditures	Accrued (Deferred) Revenue at 12/31/18	Passed Through to Subrecipients
WIOA Cluster								
WIA/WIOA Adult Program	I	17.258	015-16-301-1	25,982	25,984	2	-	-
WIA/WIOA Adult Program	I	17.258	015-17-300-1	80,663	85,566	4,903	-	4,903
WIA/WIOA Adult Program	I	17.258	015-17-301-1	21,782	612,389	590,607	-	384,611
WIA/WIOA Adult Program	I	17.258	015-17-300-5	-	478	478	-	431
WIA/WIOA Adult Program	I	17.258	015-18-300-1	-	98,025	148,454	50,429	105,878
WIA/WIOA Adult Program	I	17.258	015-18-301-1	-	-	36,618	36,618	6,730
Total WIA/WIOA Adult Program				128,427	822,442	781,062	87,047	502,553
Business Education Partnership								
Business Education Partnership	I	17.259	015-15-334-2	30,203	64,701	34,498	-	30,451
WIA/WIOA Youth Activities	I	17.259	015-17-330-1	165,014	701,312	536,298	-	426,527
WIA/WIOA Youth Activities	I	17.259	015-17-330-6	-	4,162	4,162	-	3,746
WIA/WIOA Youth Activities	I	17.259	015-18-330-1	-	249,025	315,339	66,314	196,341
WIA/WIOA Youth Activities	I	17.259	015-17-334-2	-	2,095	2,640	545	545
Passed through ResCare, Inc.								
Job Corps - WIOA Title I C	I	17.259	N/A	2,361	7,603	11,202	5,960	-
Total WIA/WIOA Youth Activities				197,578	1,028,898	904,139	72,819	657,610
Resource Room Conversion Funds								
Resource Room Conversion Funds	I	17.278	015-15-415-5	-	21,702	21,702	-	-
Business Education Partnership	I	17.278	015-17-403-1	-	32,696	46,412	13,716	41,077
WIA/WIOA Dislocated Worker Formula Grants	I	17.278	015-15-415-1	9,632	50,000	40,368	-	-
WIA/WIOA Dislocated Worker Formula Grants	I	17.278	015-16-405-1	18,073	73,307	55,234	-	31,709
WIA/WIOA Dislocated Worker Formula Grants	I	17.278	015-16-415-1	-	45,043	58,180	13,137	58,180
WIA/WIOA Dislocated Worker Formula Grants	I	17.278	015-17-405-3	-	-	12,128	12,128	12,128
WIA/WIOA Dislocated Worker Formula Grants	I	17.278	015-17-415-1	-	-	12,693	12,693	12,693
WIA/WIOA Dislocated Worker Formula Grants	I	17.278	015-17-400-1	52,735	52,735	-	-	-
WIA/WIOA Dislocated Worker Formula Grants	I	17.278	015-17-401-1	106,331	678,283	571,952	-	356,308
WIA/WIOA Dislocated Worker Formula Grants	I	17.278	015-17-400-5	-	637	637	-	574
WIA/WIOA Dislocated Worker Formula Grants	I	17.278	015-18-400-1	-	171,513	171,513	-	120,424
WIA/WIOA Dislocated Worker Formula Grants	I	17.278	015-18-401-1	-	-	84,307	84,307	23,823
WIA/WIOA Dislocated Worker Formula Grants	I	17.278	015-16-413-4	12,578	180,683	168,105	-	151,632
WIA/WIOA Dislocated Worker Formula Grants	I	17.278	015-17-413-2	-	52,260	52,260	-	48,619
WIOA Rapid Response	I	17.278	224-17-5552	5,526	10,739	5,213	-	-
Total WIA/WIOA Dislocated Worker Formula Grants				204,875	1,369,598	1,300,704	135,981	857,167
Total WIA Cluster				530,880	3,220,938	2,985,905	295,847	2,017,330
Apprenticeship USA Grants								
Apprenticeship USA Grants	I	17.285	224-18-4101	-	3,104	5,778	2,674	-
Apprenticeship USA Grants	I	17.285	015-16-740-4	34,713	89,089	54,376	-	51,950
Total Apprenticeship USA Grants				34,713	92,193	60,154	2,674	51,950

COUNTY OF BERKS

SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS

YEAR ENDED DECEMBER 31, 2018

<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>Accrued (Deferred) Revenue at 12/31/17</u>	<u>Federal Grant Receipts</u>	<u>Federal Grant Expenditures</u>	<u>Accrued (Deferred) Revenue at 12/31/18</u>	<u>Passed Through to Subrecipients</u>
Passed through PathStone Corporation National Farmworker Jobs Program - WIOA Sec. 167	I	17.264	N/A	471	2,133	2,195	533	-
Passed through Berks Connections Pretrial Services Reentry Employment Opportunities Program - Second Chance Act Sec. 212 and WIOA Sec. 169	I	17.270	N/A	1,250	3,918	3,547	879	-
Passed through AARP Foundation Senior Community Services Employment Program - Older Americans Act Title V	I	17.235	N/A	-	1,643	3,547	1,904	-
Passed through United Community Services YouthBuild - WIOA Sec. 171	I	17.274	N/A	-	2,668	3,547	879	-
Passed Through Lehigh Valley Workforce Development Board, Inc. WIOA National Dislocated Worker Grants / WIA National Emergency Grants	I	17.277	5112	-	-	-	-	-
Total U.S. Department of Labor				593,058	3,392,180	3,120,459	321,337	2,069,280
<u>U.S. Department of Transportation</u>								
Passed through Pennsylvania Department of Transportation Highway Planning and Construction	I	20.205	521166	172,329	451,834	372,413	92,908	-
Highway Planning and Construction	I	20.205	350350-B	661,288	2,612,273	3,450,822	1,499,837	-
Total Highway Planning and Construction				833,617	3,064,107	3,823,235	1,592,745	-
Metropolitan Transportation Planning and State and Non-Metropolitan Planning and Research	I	20.505	521166	83,868	168,040	102,252	18,080	93,380
				917,485	3,232,147	3,925,487	1,610,825	93,380
Passed through Pennsylvania Emergency Management Agency Interagency Hazardous Materials Public Sector Training and Planning Grants	I	20.703	4100078038	-	-	37,809	37,809	-
Total U.S. Department of Transportation				917,485	3,232,147	3,963,296	1,648,634	93,380

COUNTY OF BERKS

SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS

YEAR ENDED DECEMBER 31, 2018

<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>Accrued (Deferred) Revenue at 12/31/17</u>	<u>Federal Grant Receipts</u>	<u>Federal Grant Expenditures</u>	<u>Accrued (Deferred) Revenue at 12/31/18</u>	<u>Passed Through to Subrecipients</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	13,237	17,315	8,619	4,541	-
Passed through Reading Area Community College Adult & Literacy Program - WIOA Title II	I	84.002	N/A	470	2,130	2,194	534	-
Passed through Reading Area Community College Career & Technical Program - Carl D. Perkins Career & Technical Education Act	I	84.048	N/A	1,879	8,520	8,777	2,136	-
Passed through Pennsylvania Department of Human Services Special Education-Grants for Infants and Families	I	84.181	70170	121,722	263,350	244,539	102,911	244,539
Total U.S. Department of Education				137,308	291,315	264,129	110,122	244,539
<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	-	5,287	4,880	(407)	-
Special Programs for the Aging_Title VII, Chapter 2_ Long Term Care Ombudsman Services for Older Individuals	I	93.042	Unknown	-	13,217	12,200	(1,017)	-
Special Programs for the Aging_Title III, Part D_Disease Prevention and Health Promotion Services	I	93.043	Unknown	-	23,812	22,087	(1,725)	-
National Family Caregiver Support, Title III, Part E	I	93.052	Unknown	-	163,773	147,395	(16,378)	-
Medicare Enrollment Assistance Program	I	93.071	Unknown	-	21,621	21,621	-	-
Aging Cluster								
Special Programs for the Aging_Title III_Part B-Grants for Supportive Services and Senior Centers	I	93.044	Unknown	-	646,023	596,329	(49,694)	-
Special Programs for the Aging_Title III, Part C_Nutrition Services	I	93.045	Unknown	-	399,548	368,814	(30,734)	-
Nutrition Services Incentive Program	I	93.053	Unknown	-	220,644	207,409	(13,235)	-
Total Aging Cluster				-	1,266,215	1,172,552 *	(93,663)	-
State Health Insurance Assistance Program	I	93.324	Unknown	-	60,679	54,912	(5,767)	-

COUNTY OF BERKS

SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS

YEAR ENDED DECEMBER 31, 2018

Federal Grantor/Pass-Through Grantor/Program	Source Code	Federal CFDA Number	Pass-Through Grantor's Number	Accrued (Deferred) Revenue at 12/31/17	Federal Grant Receipts	Federal Grant Expenditures	Accrued (Deferred) Revenue at 12/31/18	Passed Through to Subrecipients
Passed through County of York								
Substance Abuse and Mental Health Services_Projects of Regional and National Significance	I	93.243	None	151,765	243,260	170,085	78,590	170,085
Passed through Pennsylvania Department of Human Services								
Substance Abuse and Mental Health Services_Projects of Regional and National Significance	I	93.243	Unknown	(12,009)	80,000	72,668	(19,341)	72,668
Total Substance Abuse and Mental Health Services_Projects of Regional and National Significance				139,756	323,260	242,753	59,249	242,753
Medicaid Cluster								
Medical Assistance Program	I	93.778	None	19,972	161,413	152,255	10,814	-
Medical Assistance Program	I	93.778	4100070464	14,432	102,691	103,453	15,194	-
Medical Assistance Program	I	93.778	70175	90,044	369,483	387,991	108,552	387,991
Medical Assistance Program	I	93.778	70127	-	-	-	-	-
Medical Assistance Program	I	93.778	70184	(9,429)	18,858	28,287	-	28,287
				115,019	652,445	671,986	134,560	416,278
Passed through Pennsylvania Department of Aging								
Medicaid Cluster								
Medical Assistance Program	I	93.778	4100078252	28,665	393,448	383,742	18,959	-
Medical Assistance Program	I	93.778	AWPA-PSA32AAA-2017-2020	-	132,739	375,262	242,523	-
Passed through Pennsylvania Department of Drug and Alcohol Programs								
Medicaid Cluster								
Medical Assistance Program	I	93.778	71-079	534	894,227	893,693	-	893,693
Total Medicaid Cluster				144,218	2,072,859	2,324,683 *	396,042	1,309,971
Passed through Pennsylvania Department of Drug and Alcohol Programs								
Block Grants for Prevention and Treatment of Substance Abuse	I	93.959	4100070680	143,554	1,866,194	1,722,640 *	-	1,722,640
Passed through Pennsylvania Department of Labor and Industry								
TANF Cluster								
Temporary Assistance for Needy Families	I	93.558	4100077462	92,426	522,687	430,261	-	439,419
Temporary Assistance for Needy Families	I	93.558	4100077462	63,400	377,036	313,636	-	136,219
Temporary Assistance for Needy Families	I	93.558	4100077462	-	363,953	557,539	193,586	285,463
Temporary Assistance for Needy Families	I	93.558	4100077462	-	109,100	171,900	62,800	15,066
Temporary Assistance for Needy Families	I	93.558	015-17-336-1	21,351	435,179	413,828	-	370,578
Temporary Assistance for Needy Families	I	93.558	015-18-336-1	-	173,311	226,002	52,691	154,844
Temporary Assistance for Needy Families	I	93.558	224-17-5003 & 224-18-5003	5,533	13,862	10,995	2,666	-
				182,710	1,995,128	2,124,161	311,743	1,401,589

COUNTY OF BERKS

SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS

YEAR ENDED DECEMBER 31, 2018

<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>Accrued (Deferred) Revenue at 12/31/17</u>	<u>Federal Grant Receipts</u>	<u>Federal Grant Expenditures</u>	<u>Accrued (Deferred) Revenue at 12/31/18</u>	<u>Passed Through to Subrecipients</u>
Passed through Pennsylvania Department of Human Services TANF Cluster								
Temporary Assistance for Needy Families	I	93.558	N/A	1,372,276	1,571,067	1,259,446	1,060,655	-
Total Temporary Assistance for Needy Families Cluster				1,554,986	3,566,195	3,383,607	1,372,398	1,401,589
Guardianship Assistance	I	93.090	N/A	50,603	108,165	85,150	27,588	-
Promoting Safe and Stable Families	I	93.556	Unknown	-	80,725	80,725	-	80,725
Promoting Safe and Stable Families	I	93.556	None	-	24,296	24,296	-	-
Total Promoting Safe and Stable Families				-	105,021	105,021	-	80,725
Child Support Enforcement	I	93.563	4100070464	2,067,756	5,168,650	4,691,464 *	1,590,570	-
Passed through Pennsylvania Department of Labor and Industry, Bureau of Workforce Development Administration								
Community Services Block Grant	I	93.569	224-17-7890 & 224-18-7890	3,996	10,019	8,052	2,029	-
Community-Based Child Abuse Prevention Grants	I	93.590	Unknown	-	-	-	-	-
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	2,731,974	5,603,726	5,366,750	2,494,998	-
Adoption Assistance	I	93.659	N/A	1,719,771	4,705,716	3,895,891	909,946	-
Social Services Block Grant	I	93.667	None	-	318,913	318,913	-	-
Social Services Block Grant	I	93.667	70177	79,195	158,389	158,389	79,195	-
Social Services Block Grant	I	93.667	70135	34,146	117,575	142,216	58,787	-
Total Social Services Block Grant				113,341	594,877	619,518	137,982	-
John H. Chafee Foster Care Independence Program	I	93.674	N/A	99,499	116,082	132,665	116,082	-
Block Grants for Community Mental Health Services	I	93.958	70167	45,587	340,214	306,125	11,498	-
Total U.S. Department of Health and Human Services				8,815,041	26,266,816	24,451,200	6,999,425	4,757,678

COUNTY OF BERKS

SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS

YEAR ENDED DECEMBER 31, 2018

Federal Grantor/Pass-Through Grantor/Program	Source Code	Federal CFDA Number	Pass-Through Grantor's Number	Accrued (Deferred) Revenue at 12/31/17	Federal Grant Receipts	Federal Grant Expenditures	Accrued (Deferred) Revenue at 12/31/18	Passed Through to Subrecipients
U.S. Department of Homeland Security								
Passed through Pennsylvania Emergency Management Agency								
Emergency Management Performance Grants	I	97.042	4100078441	-	-	-	-	-
Emergency Management Performance Grants	I	97.042	PEMA 2018-046 EMPG	26,716	-	111,453	138,169	-
Total Emergency Management Performance Grants				26,716	-	111,453	138,169	-
Pre-Disaster Mitigation	I	97.047	4100077301	36,924	19,784	20,815	37,955	-
Passed through East Central PA Counter Terrorism Task Force								
Homeland Security Grant Program	I	97.067	UNKNOWN	-	-	-	-	-
Homeland Security Grant Program	I	97.067	EMW-2016-SS-00048	53,715	109,552	171,362	115,525	-
Total Homeland Security Grant Program				53,715	109,552	171,362	115,525	-
Total U.S. Department of Homeland Security				117,355	129,336	303,630	291,649	-
Total Federal Awards				10,883,908	36,263,641	34,972,044	9,592,311	9,084,637

I - Indirect

D - Direct

* Denotes major program as defined by Uniform Guidance.

County of Berks

Schedule of Pennsylvania Department of Human Services Expenditures
December 31, 2018

Program (As Defined in the Pennsylvania Department of Human Services Single Audit Supplement)	Combined Federal/State Expenditures for Calendar Year Ended December 31, 2018
Child Support Enforcement	\$ 6,027,771*
Children and Youth	51,037,319
Human Services Block Grant Program	3,750,441
Early Intervention	<u>14,090,184</u>
	<u>\$ 74,905,715</u>

- * Major Pennsylvania Department of Human Services programs. The 2018 threshold for major programs under the federal definition is \$1,049,161 (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 supplemental 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, 2018. 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 2018**

Title	CFDA#	NOO Number	Agreement Period	Authorized Budget	Cumulative Expenditures	(Over) Under
WIOA Adult	17.258	015-17-3001	7/1/2017 - 6/30/2018	\$ 94,152	\$ 94,152	\$ -
WIOA Adult	17.258	015-17-3011	10/1/2017 - 6/30/2019	\$ 613,218	\$ 417,986	\$ 195,232
WIOA Youth	17.259	015-17-3301	4/1/2017 - 6/30/2019	\$ 813,167	\$ 712,402	\$ 100,765
WIOA Dislocated Worker	17.278	015-17-4001	7/1/2017 - 6/30/2018	\$ 126,664	\$ 126,664	\$ -
WIOA Dislocated Worker	17.278	015-17-4011	10/1/2017 - 6/30/2019	\$ 678,283	\$ 533,635	\$ 144,648
TANF Youth	93.558	015-17-3361	7/1/2017 - 6/30/2019	\$ 569,778	\$ 332,404	\$ 237,374
SLIP Grant	17.278	015-17-4132	4/1/2018 - 10/31/2018	\$ 52,260	\$ 6,925	\$ 45,335
TOTALS PY 17				\$ 2,947,522	\$ 2,224,168	\$ 723,354

Title	CFDA#	NOO Number	Agreement Period	Authorized Budget	Cumulative Expenditures	(Over) Under
WIOA Adult	17.258	015-16-3011	10/1/2016 - 6/30/2018	\$ 579,605	\$ 579,605	\$ -
WIOA Rapid Response	17.278	015-16-4051	7/1/2016 - 6/30/2018	\$ 200,000	\$ 200,000	\$ -
WIOA Rapid Response	17.278	015-16-4151	1/1/2017 - 6/30/2019	\$ 58,180	\$ 5,113	\$ 53,067
WIOA Dislocated Worker	17.278	015-16-4011	10/1/2016 - 6/30/2018	\$ 618,877	\$ 618,877	\$ -
Strategic Innovation - CRI	17.278	015-16-4134	5/1/2017 - 6/30/2018	\$ 195,000	\$ 155,389	\$ 39,611
WIOA Youth	17.259	015-16-3301	4/1/2016 - 6/30/2018	\$ 780,558	\$ 780,558	\$ -
TANF Youth	93.558	015-16-3362	4/1/2017 - 6/30/2017	\$ 231,900	\$ 231,900	\$ -
TOTALS PY 16				\$ 2,664,120	\$ 2,571,442	\$ 92,678

Title	CFDA#	NOO Number	Agreement Period	Authorized Budget	Cumulative Expenditures	(Over) Under
Resource Room Conversi	17.278	015-15-4155	10/1/2015 - 6/30/2018	\$ 21,702	\$ 21,702	\$ -
BEP Grant	17.259	015-15-3342	3/1/2017 - 6/30/2018	\$ 117,758	\$ 117,758	\$ -
WIOA Rapid Response	17.278	015-15-4052	7/1/2015 - 6/30/2018	\$ 25,000	\$ 25,000	\$ -
RSAB - NEG SP	17.277	015-15-5103	7/1/2015 - 6/30/2018	\$ 18,990	\$ 18,990	\$ -
WIOA Rapid Response	17.278	015-15-4151	10/1/2015 - 6/30/2018	\$ 50,000	\$ 50,000	\$ -
TOTALS PY 15				\$ 233,450	\$ 233,450	\$ -

GRAND TOTAL				\$ 5,845,092	\$ 5,029,060	\$ 816,032
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County of Berks

Notes to Schedule of Expenditures of Federal Awards and Pennsylvania Department of Human Services Expenditures
December 31, 2018

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	\$ 58,343
	10.569	376,550
		<u>\$ 434,893</u>
WIOA Cluster	17.258	\$ 781,062
	17.259	904,139
	17.278	1,300,704
		<u>\$ 2,985,905</u>
Aging Cluster	93.044	\$ 596,329
	93.045	368,814
	93.053	207,409
		<u>\$ 1,172,552</u>

County of Berks

Notes to Schedule of Expenditures of Federal Awards and Pennsylvania Department of Human Services Expenditures (continued)
December 31, 2018

Note 5 - Correction of Beginning Accrued (Deferred) Revenue

As a result of information obtained during 2018, 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, 2017 Report</u>	<u>Beginning Balance per December 31, 2018 Report</u>	<u>Adjustment Amount</u>
Foster Care Title IV-E	93.658	\$ 1,937,915	\$ 2,731,974	\$ 794,059
Crime Victim Assistance	93.563	62,424	57,773	(4,651)
WIOA National Dislocated Worker Grants	17.277	5	-	(5)
Bureau of Workforce Development Administration Community Services Block Grant	93.569	-	3,996	3,996
Temporary Assistance for Needy Families	93.558	177,177	182,710	5,533
Career & Technical Program	84.048	-	1,879	1,879
Adult & Literacy Program - WIOA Title II	84.002	-	470	470
Reentry Employment Opportunities Program	17.270	-	1,250	1,250
National Farmworker Jobs Program	17.264	-	471	471
WIOA Rapid Response	17.278	-	5,526	5,526
WIOA Cluster	17.259	195,217	197,578	2,361
Employment Services Cluster	17.207/ 17.804	-	12,725	12,725

County of Berks

Notes to Schedule of Expenditures of Federal Awards and Pennsylvania Department of Human Services Expenditures (continued)
December 31, 2018

Note 5 - Correction of Beginning Accrued (Deferred) Revenue (continued)

<u>Program</u>	<u>CFDA</u>	<u>Ending Balance per December 31, 2017 Report</u>	<u>Beginning Balance per December 31, 2018 Report</u>	<u>Adjustment Amount</u>
Temporary Labor Certification for Foreign Workers	17.273	\$ -	\$ 5,526	\$ 5,526
Trade Adjustment Assistance	17.245	-	5,526	5,526
Unemployment Insurance	17.225	-	1,967	1,967
				<u>\$ 836,633</u>

Reconciliation of the Schedule of Expenditures of Federal Award totals:

Total December 31, 2017 Receivable (Deferral)

As previously reported	\$ 10,047,275
Adjustments	<u>836,633</u>
Adjusted	<u>\$ 10,883,908</u>

County of Berks

Summary Schedule of Prior Audit Findings

December 31, 2018

None.

County of Berks

Schedule of Findings and Questioned Costs December 31, 2018

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 2 CFR 200.516(a) _____ 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	\$ 1,214,867
93.563	Child Support Enforcement	4,691,464
93.044, 93.045, 93.053	Aging Cluster	1,172,552

County of Berks

Schedule of Findings and Questioned Costs (continued)

December 31, 2018

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

<u>CFDA Number</u>	<u>Name of Federal Program</u>	<u>Amount Expended</u>
93.778	Medical Assistance	\$ 2,324,683
93.959	Block Grants for Prevention and Treatment of Substance Abuse	1,722,640

Dollar threshold used to distinguish between
Type A and Type B programs:

\$1,049,161

Auditee qualified as low-risk auditee?

X Yes No

County of Berks

Schedule of Findings and Questioned Costs (continued)

December 31, 2018

Section II - Financial Statement Findings

None.

County of Berks

Schedule of Findings and Questioned Costs (continued)

December 31, 2018

Section III - Federal Award Findings and Questioned Costs

None.