Greenwood County, South Carolina

OMB Circular A-133 Reports
(With Independent Auditor's Report Thereon)

For the year ended June 30, 2013

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Greenwood County, South Carolina
Schedule of Expenditures of Federal Awards
For the year ended June 30, 2013

Federal grantor/pass-through grantor/program title	Federal CFDA number	Pass-through grantor's number	Expenditures
U.S. DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT			
Passed through State Department of Commerce			
Community Development Block Grant Cluster (CDBG)			
2011 Regional Planning	14.228	4-RP-11-002	$ 50,000
Stockman Branch Sewer Upgrade	14.228	4-CI-10-011	10,718
Panola Mill Sewer Upgrade	14.228	4-CI-11-013	291,968
Total Community Development Block Grant Cluster (CDBG)			352,686
Passed through the Upper Savannah HOME Consortium			
HOME Investment Partnership Program	14.239	M-09-DC-45-0215	245,820
HOME Investment Partnership Program	14.239	M-10-DC-45-0215	267,451
HOME Investment Partnership Program	14.239	M-11-DC-45-0215	127,768
			641,039
Total U.S. Department of Housing & Urban Development			**993,725**
U.S. DEPARTMENT OF TRANSPORTATION			
Direct Awards			
Improvements for Fuel Farm	20.106	3-45-0027-012-2011	80,212
Airport Improvement Program	20.106	3-45-0027-013-2012	110,126
Greenwood County Airport Security Fencing	20.106	3-45-4500-014-2010	8,364
			198,702
Highway Safety Cluster			
DUI Prosecutor	20.601	2JCS1224	15,634
DUI Prosecutor	20.601	2JCS1324	59,831
Total Highway Safety Cluster			75,465
Passed through S.C. Department of Parks, Recreation & Tourism			
Highway Planning and Construction Cluster			
Recreational Trails Program	20.219	2011009	11,388
Total U.S. Department of Transportation			**285,555**
U.S. DEPARTMENT OF JUSTICE			
Passed through S.C. Department of Public Safety			
JAG Program Cluster			
FY12 Edward Byrne Memorial JAG Program	16.738	2012-DJ-BX-0815	21,843
ARRA - Justice Assistance Grant	16.804	2009-SB-B9-2585	7,231
Total JAG Program Cluster			29,074
2012 Bulletproof Vest Partnership	16.607	2012BUBX12061659	11,391
VAWA Prosecution Team	16.588	1K12002	102,029
Passed through S.C. State Election Commission			
HAVA Vote Grant	16.104	N/A	3,991
Total U.S. Department of Justice			**146,485**
U S HOMELAND SECURITY ADMINISTRATION			
Passed through S.C. Emergency Management Division			
LEMPG Competitive	97.042	10EMPG01	8,743
LEMPG Competitive	97.042	11EMPG01	5,615
LEMPG	97.042	12EMPG01	21,391
Total U.S. Department of Homeland Security			**35,749**
U S DEPARTMENT OF HEALTH & HUMAN SERVICES			
Passed through S C Department of Social Services			
DSS Incentive Cost	93.563	N/A	15,060
DSS Unit Cost	93.563	N/A	199,484
DSS Unit Cost - Sheriff's Department	93.563	N/A	14,289
Total U.S. Department of Health and Human Services			**228,833**
Total expenditures of Federal Awards			**$ 1,690,347**

The accompanying notes are an integral part of this schedule.

Note 1. Basis of Presentation

The accompanying schedule of expenditures of federal awards (the Schedule) includes the federal grant activity of Greenwood County, South Carolina (the County) under programs of the federal government for the year ended June 30, 2013. The information in this Schedule is presented in accordance with the requirements of the Office of Management and Budget (OMB) Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations.* Because the Schedule presents only a selected portion of the operations of the County, it is not intended to and does not present the financial position, changes in net position or cash flows of the County.

Note 2. Summary of Significant Accounting Policies

Expenditures reported on the Schedule are reported on the modified accrual basis of accounting. Such expenditures are recognized following the cost principles contained in OMB Circular A-87, *Cost Principles for State, Local, and Indian Tribal Governments*, wherein certain types of expenditures are not allowable or are limited as to reimbursement. Pass-through entity identifying numbers are presented where available.

Note 3. Subrecipients

Of the federal expenditures presented in the Schedule, the County provided federal awards to subrecipients as follows:

CDFA Number	Program Name	Amounts provided to Subrecipients
14.228	CDBG Cluster	$ 352,686
14.239	HOME Investment Partnership Program	$ 641,039

Independent Auditor's 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*

Greenwood County Council
County of Greenwood
Greenwood, South Carolina

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of the governmental activities, the business-type activities, the discretely presented component unit, each major fund, and the aggregate remaining fund information of Greenwood County (the County), as of and for the year ended June 30, 2013, and the related notes to the financial statements, which collectively comprise the County's basic financial statements, and have issued our report thereon dated December 16, 2013.

Internal Control Over Financial Reporting

In planning and performing our audit of the financial statements, we considered the County's internal control over financial reporting (internal control) to determine the audit procedures that are appropriate in the circumstances for the purpose of expressing our opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the County's internal control. Accordingly, we do not express an opinion on the effectiveness of the County's internal control.

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

Our consideration of internal control 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 of material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

Purpose of this Report

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

Elliott Davis, LLC

Greenwood, South Carolina
December 16, 2013

Independent Auditor's Report on Compliance for Each Major Federal Program; Report on Internal Control Over Compliance; and Report on the Schedule of Expenditures of Federal Awards Required by OMB Circular A-133

Greenwood County Council
County of Greenwood
Greenwood, South Carolina

Report on Compliance for Each Major Federal Program

We have audited Greenwood County's (the County) compliance with the types of compliance requirements described in the *OMB Circular A-133 Compliance Supplement* that could have a direct and material effect on each of the County's major federal programs for the year ended June 30, 2013. 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 the requirements of laws, regulations, contracts, and grants applicable to its federal programs.

Auditor's Responsibility

Our responsibility is to express an opinion on compliance for each of the County's major federal programs based on our audit of the types of compliance requirements referred to above. We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; and 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's compliance with those requirements and performing such other procedures as we consider necessary in the circumstances.

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

Opinion on Each Major Federal Program

In our opinion, the County complied, in all material respects, with the types of compliance requirements referred to above that could have a direct and material effect on each of its major federal programs for the year ended June 30, 2013.

Report on Internal Control Over Compliance

Management of the County is responsible for establishing and maintaining effective internal control over compliance with the types of compliance requirements referred to above. In planning and performing our audit of compliance, we considered the County's internal control over compliance with the types of requirements that could have a direct and material effect on each major federal program to determine the auditing procedures that are appropriate in the circumstances for the purpose of expressing an opinion on compliance for each major federal program and to test and report on internal control over compliance in accordance with 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's internal control over compliance.

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

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

The purpose of this report on internal control over compliance is solely to describe the scope of our testing of internal control over compliance and the results of that resting based on the requirements of OMB Circular A-133. Accordingly, this report is not suitable for any other purpose.

Report on Schedule of Expenditures of Federal Awards Required by OMB Circular A-133

We have audited the financial statements of the County as of and for the year ended June 30, 2013, and have issued our report thereon dated December 16, 2013, 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 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 schedule of expenditures of federal awards is fairly stated in all material respects in relation to the financial statements as a whole.

Elliott Davis, LLC

Greenwood, South Carolina
December 16, 2013

Section I. SUMMARY OF AUDITOR'S RESULTS

Financial Statements

Type of auditor's report issued: Unmodified

Internal control over financial reporting:

- Material weakness identified? _____ yes __X__ no
- Significant deficiency identified? _____ yes __X__ none reported

Noncompliance material to financial statements noted? _____ yes __X__ no

Federal Awards

Internal control over major federal programs:

- Material weakness identified? _____ yes __X__ no
- Significant deficiency identified? _____ yes __X__ none reported

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

Any audit findings disclosed that are required to be reported in accordance with Section 510(a) of OMB Circular A-133? _____ yes __X__ no

Identification of major federal programs:

CFDA #	Program / Cluster Name
14.228	U. S. Department of Housing and Urban Development - Community Development Block Grant Cluster (CDBG)
14.239	U. S. Department of Housing and Urban Development – HOME Investment Partnership Program
93.563	U.S. Department of Health and Human Services – Child Support Enforcement Program

Dollar threshold used to distinguish between Type A and Type B Programs $300,000

Auditee qualified as low-risk auditee? __X__ yes _____ no

Section II. Financial Statement Findings

None reported.

Section III. Federal Award Questioned Costs & Findings

None reported.

None reported.