

**GREENWOOD COUNTY, SOUTH CAROLINA**

**OMB CIRCULAR A-133 REPORTS  
(WITH INDEPENDENT AUDITOR'S REPORT THEREON)**

**FOR THE YEAR ENDED JUNE 30, 2012**

**GREENWOOD COUNTY, SOUTH CAROLINA**

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**GREENWOOD COUNTY, SOUTH CAROLINA**  
**SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS**  
**FOR THE YEAR ENDED**  
**JUNE 30, 2012**

<u>Federal grantor/pass-through grantor/program title</u>	<u>Federal CFDA number</u>	<u>Pass-through grantor's number</u>	<u>Expenditures</u>
<b><u>U.S. DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT</u></b>			
Passed through State Department of Commerce Community Development Block Grant Cluster (CDBG)			
2010 Regional Planning	14.228	4-RP-10-002	\$ 50,000
Seaboard Phase III	14.228	4-CI-10-011	232,858
Panola Mill Sewer Upgrade	14.228	4-CI-11-013	208,032
			<u>490,890</u>
Passed through the Greenwood County HOME Consortium HOME Investment Partnership Program	14.239	M-09-DC-45-0215	221,322
HOME Investment Partnership Program	14.239	M-10-DC-45-0215	101,970
			<u>323,292</u>
Total U.S. Department of Housing & Urban Development			<u><b>814,182</b></u>
<b><u>U.S. DEPARTMENT OF TRANSPORTATION</u></b>			
Direct Awards			
Improvements for Fuel Farm	20.106	3-45-0027-012-2011	314,602
Passed through S.C. Department of Parks, Recreation & Tourism Recreational Trails Program	20.219	2011009	8,073
			<u>322,675</u>
Total U.S. Department of Transportation			<u><b>322,675</b></u>
<b><u>U.S. DEPARTMENT OF JUSTICE</u></b>			
Direct Awards			
ARRA - COPS Grant	16.710	2009-RK-WX-0757	170,610
Passed through S.C. Department of Public Safety JAG Program Cluster			
FY10 Edward Byrne Memorial JAG Program	16.738	2011-DJ-BX-2798	28,191
Drug Prosecutor	16.738	1G11019	47,163
ARRA - Justice Assistance Grant	16.804	2009-SB-B9-2585	86
JAG Program Cluster			<u>75,440</u>
VAWA Prosecution Team	16.588	1K09025	127,099
VAWA Prosecution Team	16.588	1K11003	107,882
			<u>234,981</u>
DUI Prosecutor	20.601	2JCS1224	59,366
Passed through S.C. State Election Commission HAVA Vote Grant	16.104	N/A	19,315
			<u>559,712</u>
Total U.S. Department of Justice			<u><b>559,712</b></u>
<b><u>U. S. HOMELAND SECURITY ADMINISTRATION</u></b>			
Passed through S. C. Law Enforcement Division FY2007 Law Enforcement Terrorism Prevention Program	97.067	7LETP16	44,931
Passed through S.C. Emergency Management Division LEMPG	97.042	11EMPG01	56,650
			<u>101,581</u>
Total U.S. Department of Homeland Security			<u><b>101,581</b></u>
<b><u>U. S. DEPARTMENT OF HEALTH &amp; HUMAN SERVICES</u></b>			
Passed through S C Department of Social Services			
DSS Incentive Cost	93.563	N/A	31,338
DSS Unit Cost	93.563	N/A	238,208
DSS Unit Cost - Sheriff's Department	93.563	N/A	13,415
			<u>282,961</u>
Total U.S. Department of Health and Human Services			<u><b>282,961</b></u>
<b><u>U.S. DEPARTMENT OF ENERGY</u></b>			
Passed through S.C. Energy Office			
ARRA - Carolina Blue Skies and Green Jobs Initiative	81.129	TJCOG-CBS-042	115,446
ARRA - Energy Retrofit Award	81.128	EUS-09	55,159
			<u>170,605</u>
Total U.S. Department of Energy			<u><b>170,605</b></u>
Total expenditures of federal awards			<u><b>\$ 2,251,716</b></u>

**GREENWOOD COUNTY, SOUTH CAROLINA  
NOTES TO THE SCHEDULE OF EXPENDITURES  
OF FEDERAL AWARDS**

**NOTE 1 - BASIS OF PRESENTATION**

The accompanying schedule of expenditures of federal awards (the Schedule) includes the federal grant activity of the County under programs of the federal government for the year ended June 30, 2012. 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 assets 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:

<u>CDFA Number</u>	<u>Program Name</u>	<u>Amounts provided to Subrecipients</u>
14.228	CDBG Cluster	\$ 440,890
14.239	HOME Investment Partnership Program	\$ 155,291



**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 the financial statements of the governmental activities, the business type activities, the aggregate discretely presented component units, each major fund, and remaining fund information of Greenwood County (the County) as of and for the year ended June 30, 2012, which collectively comprise the County's basic financial statements and have issued our report thereon dated December 18, 2012. Our report includes a reference to other auditors. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Other auditors audited the financial statements of Greenwood County School District 51 (discretely presented component unit), as described in our report on the County's financial statements. This report does not include the results of the other auditors' testing of internal controls over financial reporting or compliance and other matters that are reported on separately by those auditors.

**Internal Control Over Financial Reporting**

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

*A 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.

Our consideration of internal control over financial reporting 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 financial reporting that might be deficiencies, significant deficiencies, or material weaknesses. We did not identify any deficiencies in internal control over financial reporting that we consider to be material weaknesses, as defined previously.

### **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*.

This report is intended for the information and use of management, County Council, others within the entity, federal awarding agencies and pass-through entities and is not intended to be and should not be used by anyone other than these specified parties.

Greenwood, South Carolina  
December 18, 2012

*Elliott Davis, LLC*



**INDEPENDENT AUDITOR'S REPORT ON COMPLIANCE WITH REQUIREMENTS  
THAT COULD HAVE A DIRECT AND MATERIAL EFFECT ON EACH MAJOR PROGRAM AND ON  
INTERNAL CONTROL OVER COMPLIANCE IN ACCORDANCE WITH OMB CIRCULAR A-133 AND ON THE  
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS**

Greenwood County Council  
County of Greenwood  
Greenwood, South Carolina

**Compliance**

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 to each of the County's major federal programs for the year ended June 30, 2012. 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. Compliance with the requirements of laws, regulations, contracts and grants applicable to each of its major federal programs is the responsibility of the County's management. Our responsibility is to express an opinion on the County's compliance based on our audit.

We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; and OMB Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations*. Those standards and OMB Circular A-133 require that we plan and perform the audit to obtain reasonable assurance about whether noncompliance with the types of compliance requirements referred to above that could have a direct and material effect on a major federal program occurred. An audit includes examining, on a test basis, evidence about the County'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. Our audit does not provide a legal determination on the County's compliance with those requirements.

In our opinion, the County complied, in all material respects, with the requirements referred to above that could have a direct and material effect on each of its major federal programs for the year ended June 30, 2012.

## Internal Control Over Compliance

The management of the County is responsible for establishing and maintaining effective internal control over compliance with requirements of laws, regulations, contracts and grants applicable to federal programs. In planning and performing our audit, we considered the County's internal control over compliance with the requirements that could have a direct and material effect on a major federal program to determine the auditing procedures for the purpose of expressing our opinion on compliance and to test and report on internal control over compliance in accordance with OMB Circular A-133, but not for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, we do not express an opinion on the effectiveness of the County's internal control over compliance.

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

Our consideration of internal control over compliance was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control over compliance that might be deficiencies, significant deficiencies, or material weaknesses. We did not identify any deficiencies in internal control over compliance that we consider to be a material weakness, as defined above.

## Schedule of Expenditures of Federal Awards

We have audited the financial statements of the governmental activities, the business type activities, the aggregate discretely presented component units, each major fund and the aggregate remaining fund information of Greenwood County as of and for the year ended June 30, 2012, except for Greenwood County School District 51 (discretely presented component unit) which was audited by other auditors. We have issued our report thereon dated December 18, 2012, which contained an unqualified opinion on those financial statements. Our audit was conducted for the purpose of forming our opinions on the financial statements that collectively comprise the County's financial statements. The accompanying schedule of expenditures of federal awards is presented for purposes of additional analysis as required by OMB Circular A-133 and is not a required part of the basic financial statements. Such information 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.

This report is intended solely for the information and use of management, County Council, others within the entity, federal awarding agencies and pass-through entities and is not intended to be and should not be used by anyone other than these specified parties.

Greenwood, South Carolina  
December 18, 2012



**GREENWOOD COUNTY, SOUTH CAROLINA**  
**SCHEDULE OF FINDINGS AND QUESTIONED COSTS**  
**For the year ended June 30, 2012**

**Section I. SUMMARY OF AUDITOR'S RESULTS**

Financial Statements

Type of auditor's report issued: Unqualified

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: Unqualified

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:

<u>CFDA #</u>	<u>Program / Cluster Name</u>
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
16.710	U. S. Department of Justice – COPS Grant (ARRA)
20.106	U. S. Department of Transportation – Improvements for Fuel Farm

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

Auditee qualified as low-risk auditee? \_\_\_\_\_ yes      X   no

**GREENWOOD COUNTY, SOUTH CAROLINA**  
**SCHEDULE OF FINDINGS AND QUESTIONED COSTS**  
**For the year ended June 30, 2012**

**Section II. Financial Statement Findings**

None.

**Section III. Federal Award Questioned Costs & Findings**

None.

**GREENWOOD COUNTY, SOUTH CAROLINA**  
**SUMMARY SCHEDULE OF PRIOR YEAR AUDIT FINDINGS**  
*For the year ended June 30, 2012*

None reported.