



# Larimer County Colorado



**Single Audit**  
Year ended December 31, 2014



Independent Auditors' Report on Additional Information

Board of County Commissioners  
Larimer County, Colorado

We have audited the financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of Larimer County, Colorado, as of and for the year ended December 31, 2014, and have issued our report thereon dated June 26, 2015. Our audit was performed for the purpose of forming opinions on the financial statements that collectively comprise Larimer County, Colorado's basic 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. In our opinion, the information is fairly stated in all material respects in relation to the financial statements as a whole.

*Anderson & Whitney, P.C.*

June 26, 2015

**LARIMER COUNTY, COLORADO**  
**SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS**  
**Year Ended December 31, 2014**

	Federal or Pass-Through Grantor Program Title	Federal CFDA Number	Grant Number	Grant Period	2014 Expenditures
<b><u>DEPARTMENT OF AGRICULTURE</u></b>					
GENERAL/NATURAL DISASTER:					
*	Emergency Watershed Protection	10.923	68-8B05-A-12-08	9/12-8/14	\$ 545,415
*	Technical Assistance Emergency Watershed Protection	10.923	68-8B05-A-13-04	7/13-8/14	73,114
<b>State Department of Public Safety</b>					
	Flood Exigent Needs Emergency Watershed Protection	10.923	14NRC14LC	09/13-08/14	2,192,315
					2,810,844
PEST CONTROL:					
*	Canyon Lakes Ranger District Noxious Weed	10.000	12-PA-11021005-043	11/12-09/14	88,235
<b>State Department of Agriculture</b>					
	Early Detection and Rapid Respond:				
	Mediterranean sage and 2013 flooding	10.000	14000000089	03/14-10/14	17,164
	Assault on the List A weeds	10.000	14000000115	04/14-09/14	8,000
					113,399
<b>State Department of Natural Resources</b>					
OPEN LANDS:					
	Hermit Park Open Space Front Range Fuels Treatment Partnership	10.664	1929500-FC-06	06/13-04/15	25,000
	Horsetooth Mountain Open Space Front Range Fuels Treatment Partnership	10.664	5379590-1-2	09/13-09/15	31,873
					56,873
<b>State Department of Human Services</b>					
HUMAN SERVICES:					
**	Food Assistance Administration	10.561	ABA-14-02-A	07/14-06/15	1,809,298
<b>State Department of Public Health and Environment</b>					
HEALTH AND ENVIRONMENT:					
	Special Supplemental Food Program for Women, Infants and Children (WIC)	10.557	WIC1458769	10/13-09/14	645,774
	Special Supplemental Food Program for Women, Infants and Children (WIC)	10.557	WIC1571886	10/14-09/15	187,236
	Women, Infants and Children (WIC) Breastfeeding	10.557	WIC1458813	10/13-09/14	21,519
	Women, Infants and Children (WIC) Breastfeeding	10.557	WIC1571846	10/14-09/15	5,319
	WIC Food Vouchers	10.557	-	01/14-12/14	2,396,404
					3,256,252
Total Department of Agriculture					8,046,666

**DEPARTMENT OF HEALTH AND HUMAN SERVICES**

HUMAN SERVICES:					
*	No Place Like Home	93.605	90CF0051-02-02	10/13-09/14	273,323
<b>State Department of Human Services</b>					
**	Special Programs for the Aging - Title III:				
	Area Plan Administration	93.044	02A-89	07/14-06/15	59,333
	Part B	93.044	02A-89	07/14-06/15	201,368
	Part C-1	93.045	02A-89	07/14-06/15	227,812
	Part C-2	93.045	02A-89	07/14-06/15	177,463
	Part D	93.043	02A-89	07/14-06/15	8,382
	Part E	93.052	02A-89	07/14-06/15	89,127
	Ombudsman	93.042	02A-89	07/14-06/15	13,803
	Nutrition Services Incentive Program	93.053	02A-89	07/14-06/15	67,160
**	Aging and Disability Resource Center	93.779	AGAD1200012	01/14-09/14	44,000
**	Title IV-E FC	93.658	ABA-14-02-A	07/14-06/15	2,737,578
**	Child Support Enforcement:				
	Federal Income to Counties	93.563	ABA-14-02-A	01/14-12/14	1,789,317
**	Child Support Enforcement: ARRA	93.090	-	2014	371
**	Medicare Enrollment Assistance Program	93.071	IHA ASUA 1400017	01/14-09/14	41,119
**	Child Care	93.596	ABA-14-02-A	07/14-06/15	2,846,596
**	Family Preservation	93.556	13 IHA 56371	07/14-06/15	99,804
**	Colorado Works	93.558	ABA-14-02-A	07/14-06/15	6,723,986
**	Title IV-E Independent Living	93.674	-	07/14-06/15	105,465
**	Community Services Block Grant (Title XX)	93.667	ABA-14-02-A	07/14-06/15	1,254,230
**	Child Welfare Services-Maintenance Assistance:				
	Title IV-B	93.645	ABA-14-02-A	07/14-06/15	62,047

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**LARIMER COUNTY, COLORADO**  
**SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS**  
**Year Ended December 31, 2014**

	Federal or Pass-Through Grantor Program Title	Federal CFDA Number	Grant Number	Grant Period	2014 Expenditures
**	Medicaid Title XIX: Child Services	93.778	ABA-14-02-A	07/14-06/15	\$ 1,799,459
**	Low-Income Energy Assistance Program (LEAP)	93.568	ABA-14-02-A	07/14-06/15	2,322,141
**	Adoption	93.659	ABA-14-02-A	07/14-06/15	435,560
**	Child Care and Development Block Grant	93.575	ABA-14-02-A	07/14-06/15	(199,836)
**	IV-E Lump Sum	93.658	ABA-14-02-A	07/14-06/15	41,488
**	Trauma Informed System of Care	93.243	DBHM1400042	10/13-09/14	57,755
					21,278,851
<b>State Department of Local Affairs</b>					
HUMAN SERVICES:					
Community Services Block Grants:					
**	Health and Human Services	93.569	L12CSBG27	03/12-02/15	287,534
<b>State Department of Health Care Policy &amp; Financing</b>					
HEALTH AND ENVIRONMENT:					
Healthy Communities Outreach and Case Management:					
	Medical Assistance Program - EPSDT	93.778	CMS24571	07/13-06/14	43,034
	Medical Assistance Program - EPSDT	93.778	CMS24571	07/14-06/15	40,043
					83,077
HUMAN SERVICES:					
**	Money Follows the Person (CCT)	93.791	13-49918	12/12-11/14	53,078
**	Single Entry Point	93.778	15-70210	07/14-06/15	690,556
					743,634
<b>State Department of Public Health and Environment</b>					
HEALTH AND ENVIRONMENT:					
	Bioterrorism Public Health Preparedness	93.069	EPR1454007	07/13-06/14	122,304
	Bioterrorism Public Health Preparedness	93.069	EPR1568453	07/14-06/15	115,703
	Infertility Prevention Project	93.977	EPI1467931	06/14-12/14	15,183
	Family Planning	93.217	PSD1355335	07/13-06/14	121,234
	Family Planning	93.217	PSD1567006	07/14-06/15	46,034
	Immunization Action Plan (CDC)	93.268	EPI1464378	01/14-12/14	69,612
	VFC Site Visits	93.268	FHHA2015-74	04/14-12/14	11,550
	Maternal and Child Health Services Block Grant:	93.994			
	Care Coordination		MCH1459148	10/13-09/14	92,235
	Medical Home		MCH1459148	10/13-09/14	29,224
	Children and Adolescents		MCH1459148	10/13-09/14	26,609
	Children and Adolescents		MCH1571945	10/14-09/15	17,402
	Prenatal		MCH1459148	10/13-09/14	82,532
	Prenatal		MCH1571945	10/14-09/15	26,853
	Tuberculosis Control Program	93.116	EPI1567221	07/14-06/15	3,824
	Public Health Improvement (CHAPS)	93.991	ADM14000023	10/13-09/14	10,000
					790,299
	Total Department of Health and Human Services				23,183,395
<b>DEPARTMENT OF HOMELAND SECURITY</b>					
<b>State Department of Public Safety</b>					
GENERAL:					
(1)	Emergency Management Performance Grant	97.042	12-EM-13-36	10/11-06/13	18,200
	Emergency Management Performance Grant	97.042	13-EM-14-36	07/13-06/14	48,000
					66,200
VARIOUS FUNDS:					
Disaster Grants - Public Assistance (Presidentially Declared Disasters):					
(1)	2013 Flood Disaster	97.036	14-D4145-014	09/13-09/18	16,582,019
	Total Department of Homeland Security				16,648,219
<b>DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT</b>					
<b>State Department of Local Affairs</b>					
HUMAN SERVICES:					
Community Development Block Grants:					
**	Home Investment	14.239	H2CDB12041	01/12-06/14	20,203

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**LARIMER COUNTY, COLORADO**  
**SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS**  
**Year Ended December 31, 2014**

Federal or Pass-Through Grantor Program Title	Federal CFDA Number	Grant Number	Grant Period	2014 Expenditures
<b><u>DEPARTMENT OF INTERIOR</u></b>				
PARKS:				
* Implementation of Water Management & Conservation	15.524	R11AC60131	10/11-04/15	\$ 30,000
* Integrated Pest Management Plan for Noxious Weeds	15.524	R12AC60021	02/12-09/16	24,836
* Pinewood Reservoir Recreation Facilities	15.524	R13AC60028	09/13-06/15	164,529
* Horsetooth Reservoir Olive Trees Removal/Replacement	15.524	R13AP60079	09/13-12/14	12,500
Total Department of Interior				231,865
<b><u>DEPARTMENT OF JUSTICE</u></b>				
State Department of Public Safety:				
GENERAL:				
Victim of Crime Act	16.575	13-VA-8-44	01/14-12/14	81,031
Victim of Crime Act	16.575	13-VA-8-46	01/14-12/14	26,117
				107,148
CRIMINAL JUSTICE SERVICES:				
Edward Byrne Memorial Justice Assistance:				
Employment Success	16.738	DJ-13-001436	10/13-09/14	49,869
Residential Substance Abuse Treatment	16.593	2013-RS-01	01/14-12/14	17,773
				67,642
HUMAN SERVICES:				
** Juvenile Accountability Block Grant	16.523	11-JB-L-08-19	10/12-09/14	20,799
Total Department of Justice				195,589
<b><u>DEPARTMENT OF LABOR</u></b>				
State Department of Labor and Employment				
WORKFORCE CENTER:				
Workforce Investment Act:				
Wagner-Peyser Base	17.207	-	2014	537,001
Wagner-Peyser Employment Support Fund	17.207	-	2014	436,895
Wagner-Peyser Governor's Summer Job Hunt	17.207	-	2014	41,000
Wagner Peyser Business Events	17.207	-	2014	28,737
Unemployment Insurance	17.225	-	2014	28,396
Trade Adjustment Act - Case Management	17.245	-	2014	23,179
Adult	17.258	-	2014	485,886
Youth In School	17.259	-	2014	197,815
WIA Youth Corps In School	17.259	-	2014	6,959
Youth Out of School	17.259	-	2014	556,551
WIA Youth Corps Out of School	17.259	-	2014	16,827
H-1B Technical Skills Training	17.268	-	2014	128,064
National Emergency Grant On-the-Job Training	17.277	-	2014	398
Disaster Emergency Grant NEG-Flood	17.277	-	2014	237,262
Disaster Emergency Grant CORPS	17.277	-	2014	327,494
Disaster Emergency Grant CREW	17.277	-	2014	96,060
25% Dislocated Worker - Discretionary	17.278	-	2014	123,660
Dislocated Worker	17.278	-	2014	482,488
UI Initiative Claimant Discretionary	17.278	-	2014	46,528
UI Pilot	17.278	-	2014	121,472
Disabled Veterans Outreach Program	17.801	-	2014	19,000
Veterans Workforce Investment Program	17.802	-	2014	36,461
Local Veterans Employment Representative	17.804	-	2014	6,500
Total Department of Labor				3,984,633
<b><u>DEPARTMENT OF TRANSPORTATION</u></b>				
State Department of Transportation				
ROAD AND BRIDGE:				
Bridge Replacement on CR11C	20.205	10-HA419371	09/10-09/15	401,345
Bridge Replacement on Shields Street	20.205	12-HA436014	11/11-11/16	182,619
Larimer CR30 and Larimer CR11	20.205	12-HA440432	02/12-02/17	535,000
Bridge Replacement No 50-0.0-17	20.205	13-HA446009	07/12-07/17	16,301
Emergency Flood Repairs	20.205	14HA464552	04/14-04/19	3,595,093
Total Department of Transportation				4,730,358

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**LARIMER COUNTY, COLORADO  
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS  
Year Ended December 31, 2014**

Federal or Pass-Through Grantor Program Title	Federal CFDA Number	Grant Number	Grant Period	2014 Expenditures
<b><u>ENVIRONMENTAL PROTECTION AGENCY</u></b>				
<b>State Department of Public Health and Environment</b>				
<b>HEALTH AND ENVIRONMENT:</b>				
Air Pollution PM2.5	66.034	AIR1568606	07/14-06/15	\$ 228
<b>Colorado Water Resources &amp; Power Development Authority</b>				
<b>IMPROVEMENT DISTRICT CONSTRUCTION:</b>				
River Glen Estates	66.458	W13F313	01/14-12/14	554,875
Berthoud Estates	66.458	W14F332	01/14-12/14	20,491
Fish Creek	66.468	D14F331	01/14-12/14	12,528
				<u>587,894</u>
<b>Total Environmental Protection Agency</b>				<b>588,122</b>
<b>Total Expenditures of Federal Awards</b>				<b>\$ 57,629,050</b>

Explanatory Notes:

\* Direct Federal Assistance Programs.

\*\* Federal Share Computed Using Percentages Provided by the State Department of Human Services.

ARRA identifies American Recovery and Reinvestment Act funding.

(1) The expenditures for these grants include expenditures from prior years.

The County has no significant subrecipients.

The accompanying schedule of expenditures of federal awards is a summary of the activity of the County's federal award programs presented on the accrual basis of accounting in accordance with generally accepted accounting principles.



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*

Board of County Commissioners  
Larimer County, Colorado

We have audited in accordance with auditing standards generally accepted in the United States 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 Larimer County and the related notes to the financial statements as of and for the year ended December 31, 2014, and have issued our report thereon dated June 26, 2015.

**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 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 County'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 would not necessarily identify all deficiencies in internal control that might be significant deficiencies or material weaknesses. Given these limitations, during our audit we did not identify any deficiencies in internal control over financial reporting 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 Larimer 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 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.

*Anderson & Whitney, P.C.*

June 26, 2015



Report on Compliance for Major Federal Programs and  
Report on Internal Control Over Compliance Required by OMB Circular A-133

Board of County Commissioners  
Larimer County, Colorado

**Report on Compliance for Major Federal Programs**

We have audited the compliance of Larimer County, Colorado with the types of compliance requirements described in the *U.S. Office of Management and Budget (OMB) Circular A-133 Compliance Supplement* that could have a direct and material effect on each of its major federal programs for the year ended December 31, 2014. Larimer County's major federal programs are identified in the summary of auditors' 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; 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 considered 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 of Larimer County's compliance.

## **Opinion on Major Federal Programs**

In our opinion, Larimer County complied, in all material respects, with the requirements referred to above that are applicable to each of its major federal programs for the year ended December 31, 2014.

## **Internal Control Over Compliance**

The management of Larimer 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 Larimer County's internal control over compliance with the types of requirements that could have a direct and material effect on a major federal program in order to determine our auditing procedures for the purpose of expressing our opinion on compliance for each major federal program, 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 deficiencies, significant deficiencies, or material weaknesses. We did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses.

## **Other Matter**

The results of our auditing procedures disclosed instances of noncompliance with those requirements, which are required to be reported in accordance with OMB Circular A-133 and which are described in the accompanying schedule of findings and questioned costs as items 2014-1 through 2014-2.

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

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 OMB Circular A-133. Accordingly, this report is not suitable for any other purpose.

*Anderson & Whitney, P.C.*

September 25, 2015

# LARIMER COUNTY, COLORADO

## SCHEDULE OF FINDINGS AND QUESTIONED COSTS

Year Ended December 31, 2014

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### SUMMARY OF AUDITORS' RESULTS

- Type of report issued on financial statements Unmodified
- Internal control over financial reporting:
  - Material weaknesses identified No
  - Significant deficiencies identified None reported
- Noncompliance material to the financial statements noted No
- Internal control over federal awards:
  - Material weaknesses identified No
  - Significant deficiencies identified Yes
- Type of report issued on major programs Unmodified
- Audit findings disclosed None under .510(a). See others below.
- Major programs
  - 10.561 Food Assistance Administration
  - 93.596 Child Care Cluster
  - 93.575
  - 93.568 LEAP
  - 20.205 Highway Construction
  - 97.036 Disaster Grants
- Dollar threshold between Type A and Type B programs \$1,728,872
- Low-risk auditee Yes

### FINDINGS RELATED TO FINANCIAL STATEMENTS

- None Reported

## FINDINGS AND QUESTIONED COSTS RELATED TO FEDERAL AWARDS

### ➤ **Finding 2014-1:**

#### **CFDA 93.568 Low-Income Home Energy Assistance**

**Pass-Through Agency:** Colorado Department of Human Services

**Criteria: *Eligibility*** – In determining eligibility of households for energy assistance, income must be accurately entered into the LEAP system.

**Condition:** Of the 25 files tested, one had incorrect income information input into the LEAP system.

**Questioned Costs:** None

**Context:** At the time this household applied for assistance, support for two weeks' pay, which was a final paycheck, was submitted with the application, amounting to \$558.62. LEAP technicians must manually enter the amounts from supporting documentation into the LEAP system, and entered as \$960.00, based on a calculation of what the final paycheck would be at \$12 per hour multiplied by 80 hours. The final paycheck was not confirmed by the technician. This error in data input resulted in no change in what benefits should have been paid out.

**Effect:** If the household income is not properly calculated, energy assistance benefits may not be appropriately paid to clients.

**Cause:** Manual data entry in the state LEAP system allows for potential entry errors. This appeared to be an oversight in entry.

**Recommendation:** We recommend controls be better designed to ensure income data is more accurately calculated and entered into the LEAP system.

**Management's Response:** *Agree*

An employer letter may be used for verification of income (ongoing, terminated, or new) when the applicant is unable to provide the verification. In this specific case, the final pay check showing gross pay of \$558.62 was contained in the file and should have been used. The purpose of the employer letter was to verify the last day of employment.

**Corrective Action:**

**Contact Person:** Peggy Koskie

**Corrective Action Planned:** Additional training on how to treat terminated income will be provided to all LEAP technicians.

➤ **Finding 2014-2:**

**CFDA 97.036 Disaster Grants – Public Assistance (Presidentially Declared Disasters)**

**Pass-Through Agency:** Colorado Department of Public Safety

**Criteria: *Procurement*** – Federal standards at 44 CFR 13.36 require the County to perform procurement transactions in a manner providing full and open competition, including affirmative steps to assure the use of minority firms and women’s business enterprises when possible, except under certain circumstances. One allowable circumstance is when a public exigency or emergency exists that will not permit a delay for competitive solicitation.

**Condition:** Out of 25 disbursements tested, one disbursement was noted for \$18,121.30 for contract services on November 23, 2014 which was based on a contract dated in 2011 and had not been subject to the necessary affirmative steps.

**Questioned Costs:** \$18,121.30

**Context:** Pre-existing contracts are allowable in the exigent period, but later must be subject to full and open competition.

**Effect:** The County has no assurance that disadvantaged firms received sufficient opportunities to bid on federally-funded work.

**Cause:** Emergency conditions existed originally and the County used existing contracts through renewals.

**Recommendation:** We recommend new contracts that promote open and full competition and affirmative steps be solicited.

**Management’s Response:** *Agree*

While the contract in question was bid out using full and open competition, the County did not incorporate affirmative steps to ensure the use of minority businesses and women’s business enterprises.

**Corrective Action:**

**Contact Person:** Heather MacMillan

**Corrective Action Planned:** The County is now taking affirmative steps to ensure minority businesses and women’s business enterprises have an opportunity to bid on FEMA projects.

## LARIMER COUNTY, COLORADO

### SUMMARY SCHEDULE OF PRIOR YEAR FINDINGS

Year Ended December 31, 2014

➤ **Finding 2013-1:**

**CFDA 93.778 Medicaid Title XIX: Child Services**

**Pass-Through Agency:** Colorado Department of Human Services

**Criteria:** *Eligibility* – The Code of Colorado Regulations specific to the Department of Health Care Policy and Financing indicates the County is required to secure information concerning health insurance or other medical coverage of an individual at the time that individual applies or is predetermined eligible for public assistance. This information should be entered onto the Client Health Resource Information Form (MS-10.)

**Condition:** Out of 25 files tested, five children were missing client health insurance forms (MS-10) that comprised eight instances in the sample.

**Questioned Costs:** None, as the individuals in the cases noted may be eligible for the program.

**Context:** Information on the MS-10 is entered into computerized files and serves as the basis for claims payment or denial. File documentation at the County does not support the eligibility determination in four instances.

**Effect:** Claims could be improperly paid or denied.

**Cause:** This appears to have been an oversight.

**Recommendation:** We recommend including the client health insurance form (MS-10) for every client.

**Management's Response:** *Agree*

**Corrective Action:**

**Contact Person:** Catherine Weaver, Social Casework Manager

**Status:** Implemented

➤ **Finding 2013-2:**

**CFDA 10.557 Special Supplemental Foods Programs for Women, Infants and Children**

**Pass-Through Agency:** Department of Public Health and Environment

**Criteria:** *Eligibility* – To be certified eligible for the WIC program there are eligibility criteria that must be met. One criteria is based on nutritional risk and includes a hematological test for anemia. The WIC Manual addresses the timing of this criterion in Section III: Anemia and Blood Collection. It is required at the certification visit.

**Condition:** Out of 25 files tested, one instance was noted in which certification was completed on March 28, 2013 and the hemoglobin screening was not completed until September 5, 2013.

**Questioned Costs:** None, as the woman may be eligible.

**Context:** The WIC Manual Section III documents that adequate iron is critical during pregnancy. The only way a woman can know if her iron is adequate is by testing.

**Effect:** WIC services were provided to an individual for nearly six months that did not meet all the eligibility criteria.

**Cause:** This appears to be an oversight during this certification visit.

**Recommendation:** We recommend developing procedures to ensure pregnant women have required hematological tests for anemia at their certification visit.

**Management's Response:** *Agree*

**Corrective Action:**

**Contact Person:** Ingrid Rosoff, Nutrition Supervisor

**Status:** Implemented

➤ **Finding 2013-3:**

**CFDA 93.658 Title IV-E (Foster Care)**

**Pass-Through Agency:** Colorado Department of Human Services

**Criteria: *Activities Allowed/Allowable Costs*** – The rate paid for a child in County Kinship or Foster Home is based on the child’s age.

**Condition:** Out of 25 files tested, we noted one instance in which a provider was paid the four year old rate for a child that turned five the previous month.

**Questioned Costs:** The four year old rate is \$16.34 and the five year old rate is \$14.72. An extra \$1.62 per day was paid for seven days totaling an excess payment of \$11.34.

**Context:** The allowed cost was \$14.72 for five year old children per the Larimer County Rates sheet. Unallowed costs of \$11.34 was paid.

**Effect:** Federal funds were expended that should not have been.

**Cause:** This is believed to be an oversight by the staff member while entering the rates and not recognizing the child would have a birthday during the authorization period resulting in a different rate.

**Recommendation:** We recommend more care be exercised over determining the age of the child.

**Management’s Response:** *Agree*

**Corrective Action:**

**Contact Person:** Catherine Weaver, Social Casework Manager

**Status:** Implemented

➤ **Finding 2013-4:**

**CFDA 93.658 Title IV-E (Foster Care)**

**Pass-Through Agency:** Colorado Department of Human Services

**Criteria:** *Activities Allowed/Allowable Costs* – Agreements to Purchase Out-Of-Home Placement Services are put in place for children in Foster Family Home Care. The administrative maintenance approved to be paid per day is part of this agreement.

**Condition:** Of the 25 files tested, we noted one instance in which the Agreement to Purchase Out-Of-Home Placement Services indicated the approved daily rate administrative maintenance was \$8.09 and the TRAILS system indicated the rate being paid was \$11.34.

**Questioned Costs:** For 21 days, a total of \$68.25 was overpaid.

**Context:** The allowed cost was \$8.09 daily per the Agreement to Purchase Out-Of-Home Placement Services. Unallowed costs of \$3.25 were paid for 21 days totaling \$68.25.

**Effect:** Federal funds were used to pay for unallowed costs.

**Cause:** It appears to be a data entry error into TRAILS.

**Recommendation:** We recommend additional controls be considered over determining appropriate placement rates.

**Management's Response:** *Agree*

**Corrective Action:**

**Contact Person:** Catherine Weaver, Social Casework Manager

**Status:** Implemented

➤ **Finding 2013-5:**

**CFDA 10.923 Emergency Watershed Protection and Technical Assistance**

**Pass-Through Agency:** Colorado Department of Agriculture

**Criteria:** *Suspension and Debarment* – Nonfederal entities are prohibited from contracting with parties who are suspended or debarred from federal awards. For certain covered transactions over \$25,000, the program must verify that an entity is not suspended or debarred through the Excluded Parties List System (EPLS), alternative certification, or contract language.

**Condition:** One contractor was not checked against EPLS and three others did not have screen prints from EPLS to document the contractors were timely checked.

**Questioned Costs:** None.

**Context:** Attachment B, General Terms and Conditions, of the grant document, section b. states the recipient, and any recipients of any sub awards under this award, assures and certifies that it will comply with specific regulations. Line item 1 identifies 7 CFR Part 3017, “Government wide Debarment and Suspension.”

**Effect:** Amounts may be paid to parties not eligible to receive federal funding.

**Cause:** The contractor not checked was inadvertently missed. The other three have worked with the County on other projects and were checked when they were awarded the bid, but a copy of the EPLS check was not maintained.

**Recommendation:** We recommend controls be better designed to ensure all contractors are checked against the EPLS database.

**Management’s Response:** *Agree*

**Corrective Action:**

**Contact Person:** Linda Sanders, Business Operations Manager

**Status:** Implemented