

Larimer County, Colorado Single Audit

For the Year Ended December 31, 2016



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Title and Registration	9 Minutes	7
Plate Renewal Only	10 Minutes	3

Total Customers Served Today: **334**

Loveland Office

Transaction Type	Wait Time	Customers Waiting
Title and Registration	1 Minute	1
Plate Renewal Only	---	0

Total Customers Served Today: **246**

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LARIMER
COUNTY

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**Independent Auditors' 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
Fort Collins, Colorado

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, each major fund and the aggregate remaining fund information of Larimer County, Colorado (the County), as of and for the year ended December 31, 2016, and the related notes to the financial statements, which collectively comprise the County's basic financial statements, and have issued our report thereon dated June 28, 2017.

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 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.

RubinBrown LLP

June 28, 2017

**Independent Auditors' 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 The Uniform Guidance**

Board of County Commissioners
Larimer County, Colorado
Fort Collins, Colorado

Report On Compliance For Each Major Federal Program

We have audited the Larimer County, Colorado's (the County) compliance with the types of compliance requirements described in the Office of Management and Budget's *OMB Compliance Supplement* that could have a direct and material effect on each of Larimer's major federal programs for the year ended December 31, 2016. Larimer'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 federal statutes, regulations and the terms and conditions of its federal awards applicable to its federal programs.

Auditors' 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 the audit requirements of Title 2 U.S. Code of Federal Regulations Part 200, *Uniform Administrative Requirements, Costs Principles and Audit Requirements for Federal Awards* (the Uniform Guidance). Those standards and the Uniform Guidance 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 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 December 31, 2016.

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 the Uniform Guidance, 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 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 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, and therefore, material weaknesses or significant deficiencies may exist that were not identified. We did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses. However, we identified certain deficiencies in internal control over compliance, as described in the accompanying schedule of findings and questioned costs as items 2016-001, 2016-002 and 2016-003, that we consider to be significant deficiencies.

The County's responses to the internal control over compliance findings identified in our audit are described in the accompanying schedule of findings and questioned costs and the County's corrective action plan. The County's responses were not subjected to the auditing procedures applied in the audit of compliance, 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 Uniform Guidance. Accordingly, this report is not suitable for any other purpose.

Report On Schedule Of Expenditures Of Federal Awards Required By The Uniform Guidance

We have audited the financial statements of the governmental activities, the business-type activities, each major fund and the aggregate remaining fund information of the County as of and for the year ended December 31, 2016, and the related notes to the financial statements, which collectively comprise the County's basic financial statements. We issued our report thereon dated June 28, 2017, which contained unmodified opinions on those financial statements. Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the basic financial statements. The accompanying schedule of expenditures of federal awards is presented for purposes of additional analysis as required by the Uniform Guidance 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 basic 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 basic financial statements or to the basic 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 basic financial statements as a whole.

RubinBrown LLP

July 6, 2017, except for our report on the schedule of expenditure of federal awards for which the date is June 28, 2017

LARIMER COUNTY, COLORADO
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
Year Ended December 31, 2016

Federal or Pass-Through Grantor Program Title	Federal CFDA Number	Grant Number	Grant Period	2016 Expenditures	Expenditures to Subrecipients
DEPARTMENT OF AGRICULTURE					
PEST CONTROL:					
* Canyon Lakes Ranger District Noxious Weed	10.000	12-PA-11021005-043	10/12-12/17	\$ 97,481	\$ -
State Department of Agriculture					
Early Detection and Rapid Respond:					
Assault on the List A weeds	10.680	BDAA201600...0881	05/16-10/16	14,000	-
Assault on the List B weeds	10.000	BDAA201600...0895	05/16-10/16	14,668	-
Emergency Funding - 2016	10.000	BDAA201600...0346	08/16-12/16	3,000	-
				129,149	-
GENERAL/NATURAL DISASTER:					
Poudre Invasive Species Partnership	10.000	2016000966	06/16-11/16	3,455	-
State Department of Natural Resources					
OPEN LANDS:					
Pinewood/Chimney Front Range Fuels Treatment Partnership	10.664	5314112-07	03/15-09/18	9,000	-
PARKS:					
Carter Lake Front Range Fuels Treatment Partnership	10.664	5314209-1	09/15-09/17	28,000	-
PEST CONTROL:					
Tamarisk removal in Big Thompson watershed	10.000	BDAA201700...0387	09/16-06/18	1,009	-
State Department of Human Services					
HUMAN SERVICES:					
** Food Assistance Administration	10.561	OM-OPSO-2016-0006	07/16-06/17	2,013,093	-
State Department of Public Health and Environment					
HEALTH AND ENVIRONMENT:					
Special Supplemental Food Program for Women, Infants and Children (WIC)	10.557	16FHLA82511	10/15-09/16	632,460	-
Special Supplemental Food Program for Women, Infants and Children (WIC)	10.557	17FHLA93379	10/16-09/17	217,629	-
Women, Infants and Children (WIC) Breastfeeding	10.557	16FHLA82272	10/15-09/16	22,006	-
Women, Infants and Children (WIC) Breastfeeding	10.557	17FHLA92944	10/16-09/17	7,175	-
WIC Food Vouchers	10.557	-	01/15-12/15	2,066,744	-
				2,946,014	-
Total Department of Agriculture				5,129,720	-
DEPARTMENT OF HEALTH AND HUMAN SERVICES					
State Department of Human Services					
HUMAN SERVICES:					
** Special Programs for the Aging - Title III:					
Aging Cluster					
Area Plan Administration	93.044	16 IHEA AASC 77141	07/16-06/17	95,732	-
Part B	93.044	16 IHEA AASC 77141	07/16-06/17	199,090	12,231
Part C-1	93.045	16 IHEA AASC 77141	07/16-06/17	226,235	226,235
Part C-2	93.045	16 IHEA AASC 77141	07/16-06/17	196,537	196,537
Nutrition Services Incentive Program	93.053	16 IHEA AASC 77141	10/16-09/17	108,252	108,252
Subtotal Aging Cluster				825,846	543,255
Part D	93.043	16 IHEA AASC 77141	07/16-06/17	6,049	6,049
Part E	93.052	16 IHEA AASC 77141	07/16-06/17	88,397	-
Ombudsman	93.042	16 IHEA AASC 77141	07/16-06/17	12,402	-
** Cogrgate Care Resiliency Opportunity Project	93.243	1U79SM0633196-01DHHS	09/16-09/17	2,904	-
** Aging and Disability Resource Center	93.779	OE IHA AGAD1200012	10/15-09/16	87,744	-
** Title IV-E FC	93.658	OM-OPSO-2016-0006	07/16-06/17	4,624,333	-
** Child Support Enforcement:					
Federal Income to Counties	93.563	OM-OPSO-2016-0006	01/16-12/16	2,066,954	-
** ARRA	93.090	na	01/16-12/16	26,198	-
** Medicare Enrollment Assistance Program	93.071	na	10/15-09/16	35,008	-
Child Care Cluster					
** Child Care	93.596	OM-OPSO-2016-0006	07/16-06/17	1,771,754	-
** Child Care and Development Block Grant	93.575	OM-OPSO-2016-0006	07/16-06/17	1,564,672	-
Subtotal Child Care Cluster				3,336,426	-
** Family Preservation	93.556	16IHIA78779	07/15-06/16	99,797	-
** Colorado Works	93.558	OM-OPSO-2016-0006	07/16-06/17	6,211,225	175,946
** Title IV-E Independent Living	93.674	CAN-2015G994415	10/16-09/17	104,196	104,196
** Community Services Block Grant (Title XX)	93.667	OM-OPSO-2016-0006	07/16-06/17	1,879,738	-
** Child Welfare Services-Maintenance Assistance:					
Title IV-B	93.645	OM-OPSO-2016-0006	07/16-06/17	103,195	-
** Medicaid Title XIX	93.778	OM-OPSO-2016-0006	07/16-06/17	2,182,498	-
** Low-Income Energy Assistance Program (LEAP)	93.568	OM FEA 2015-0001	10/15-09/16	1,688,382	-
** IV-E Adoption	93.659	OM-OPSO-2016-0006	07/16-06/17	355,863	-
				23,737,155	829,446

LARIMER COUNTY, COLORADO
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
Year Ended December 31, 2016

	Federal or Pass-Through Grantor Program Title	Federal CFDA Number	Grant Number	Grant Period	2016 Expenditures	Expenditures to Subrecipients
State Department of Local Affairs						
HUMAN SERVICES:						
**	Community Services Block Grant: Health and Human Services	93.569	L12CSBG27	03/15-09/18	\$ 344,052	\$ 55,118
State Department of Health Care Policy & Financing						
HEALTH AND ENVIRONMENT:						
Healthy Communities Outreach and Case Management:						
	Medical Assistance Program - EPSDT	93.778	20160000000000000015	07/15-06/16	43,116	-
	Medical Assistance Program - EPSDT	93.778	2016000000000000015A1	07/16-06/17	34,832	-
					77,948	-
HUMAN SERVICES:						
**	Money Follows the Person (CCT)	93.791	2015001864OL2	07/16-06/17	47,377	-
**	Single Entry Point	93.778	14-55365OL4	07/16-06/17	803,060	-
					850,437	-
State Department of Public Health and Environment						
HEALTH AND ENVIRONMENT:						
	Ebola Phase II - Infectious Disease Planning	93.069	16FHJA80364	07/15-09/16	23,645	-
	Ebola Phase II - Infectious Disease Planning	93.069	17FHJA93455	09/16-03/17	11,019	-
	Bioterrorism Public Health Preparedness	93.069	16FHJA81995	07/15-06/16	127,197	-
	Bioterrorism Public Health Preparedness	93.069	17FHJA86722	07/16-06/17	118,050	-
	Tuberculosis Control Program	93.116	14FHA5520	07/15-06/16	3,750	-
	Tuberculosis Control Program	93.116	17FHHA90151	07/16-06/17	3,750	-
	Family Planning	93.217	16FHLA86015	07/15-06/16	68,331	-
	Family Planning	93.217	17FHLA86952	07/16-06/17	30,885	-
	Immunization Action Plan (CDC)	93.269	FHHA2015-138	01/16-12/16	71,099	-
	VFC Compliance and AFIX Site Visits	93.269	16FHHA87731	04/16-12/16	9,812	-
	Public Health Improvement Process	93.758	2BOT2010090007-15	10/15-09/16	10,000	-
	Public Health Improvement Process	93.758	FAAA201700004152	10/16-09/17	12,500	-
	Infertility Prevention Project	93.283	16FAAA85460	01/16-12/16	13,902	-
	Maternal and Child Health Services Block Grant:	93.994				
	Care Coordination		16FHLA82151	10/15-09/16	90,602	-
	Care Coordination		17FHLA92831	10/16-09/17	25,923	-
	Children and Adolescents		16FHLA82151	10/15-09/16	51,990	-
	Children and Adolescents		17FHLA92831	10/16-09/17	12,494	-
	Prenatal		16FHLA82151	10/15-09/16	91,925	-
	Prenatal		17FHLA92831	10/16-09/17	32,691	-
					809,565	-
	Total Department of Health and Human Services				25,819,157	-
DEPARTMENT OF HOMELAND SECURITY						
State Department of Public Safety						
GENERAL:						
	Hazard Mitigation Grant	97.039	DR-4145-CO	01/15-03/17	40,485	-
(1)	Homeland Security Grant	97.067	14SHS16NER	09/15-08/16	88,282	-
	Homeland Security Grant	97.067	15SHS16NER	09/15-08/18	83,912	-
	Homeland Security Grant	97.067	16SHS17NER	08/16-08/19	99,108	-
	EMPG-LCSO Emergency Operations Center	97.042	2014 EMPG 14EM-16-171	09/15-03/16	56,125	-
	Emergency Management Performance Grant	97.042	2015 EMPG 15EM-17-150	01/16-09/16	12,096	-
					380,008	-
VARIOUS FUNDS:						
Disaster Grants - Public Assistance (Presidentially Declared Disasters):						
(1)	2013 Flood Disaster	97.036	14-D4145-014	09/13-09/18	5,273,078	-
	Total Department of Homeland Security				5,653,086	-
DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT						
State Department of Local Affairs						
HUMAN SERVICES:						
**	Community Development Block Grant: Home Investment	14.239	H2CDB12041	01/12-06/16	4,762	4,762
GENERAL/NATURAL DISASTER:						
	Community Development Block Grants Disaster Recovery:	14.269				
	Infrastructure Local Share PW#425		D5DR1-60-23	09/13-03/16	\$ 1,414,694	-
	Infrastructure Local Share PW#425		D6DR1-60-LAR04	09/15-03/16	598,336	-
	Poudre River Resiliency Planning Grant		F5DR2P15061	09/15-12/16	73,000	-
					2,086,030	-
GENERAL:						
	Community Development Block Grants Disaster Recovery:					
	Resiliency Planning Grant	14.269	CDBG-DR P16-022	06/16-02/18	26,843	-
State Department of Public Safety						
GENERAL/NATURAL DISASTER:						
	Community Development Block Grants Disaster Recovery:					
	Infrastructure Local Share PW#1210 and PW#1212		CDBGDR2-LAR-06	09/16-12/17	2,140	-
	Total Department of Housing and Urban Development				2,119,775	-

LARIMER COUNTY, COLORADO
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
Year Ended December 31, 2016

Federal or Pass-Through Grantor Program Title	Federal CFDA Number	Grant Number	Grant Period	2016 Expenditures	Expenditures to Subrecipients
DEPARTMENT OF INTERIOR					
PARKS:					
* Pinewood Reservoir Recreation Facilities	15.524	R13AC60028	09/14-09/16	9,372	-
* Horsetooth Visitor Center and Ranger Station	15.524	R15AC00065	09/15-09/16	198,462	-
* Integrated Pest Management Plan for Noxious Weeds	15.524	R15AC00034	01/15-09/19	25,452	-
Total Department of Interior				233,286	-
DEPARTMENT OF JUSTICE					
State Department of Public Safety:					
GENERAL:					
Victim of Crime Act	16.575	2015-VA-14-009029-08	01/16-12/16	29,601	-
Victim of Crime Act	16.575	2015-VA-14-009027-80	01/16-12/16	81,031	-
Victim of Crime Act	16.575	2015-VX-15-009582-08	05/16-06/16	7,581	-
Victim of Crime Act	16.575	2015-VA-GX-0040	05/16-04/17	26,631	-
Diversion for Juveniles who sexually offend	16.738	2013-DJ-15-006893-02-1	10/15-09/16	40,253	-
				185,097	-
CRIMINAL JUSTICE SERVICES:					
Violence Against Women Formula Grant	16.588	2014-WF-AX-0016	01/16-12/16	800	-
Total Department of Justice				185,897	-
DEPARTMENT OF LABOR					
State Department of Labor and Employment					
WORKFORCE CENTER:					
Workforce Investment Act (WIA) and Workforce Innovation & Opportunity Act (WIOA):					
Wagner-Peyser Base/Business Events	17.207	-	2016	299,628	-
WIOA Wagner-Peyser Base	17.207	-	2016	368,334	-
Wagner-Peyser Employment Support Fund	17.207	-	2016	284,780	-
Wagner-Peyser Governor's Summer Job Hunt	17.207	-	2016	41,000	-
Disabled Veterans Outreach Program	17.801	-	2016	5,250	-
Local Veterans Employment Representative	17.804	-	2016	5,250	-
Subtotal Employment Services Cluster				1,004,242	-
WIA/WIOA Cluster					
WIA Adult	17.258	-	2016	264,445	-
WIOA Adult	17.258	-	2016	283,641	-
WIA Youth Out of School	17.259	-	2016	290,288	-
WIOA Youth Out of School	17.259	-	2016	295,815	-
WIA Youth In School	17.259	-	2016	58,467	-
WIOA Youth In School	17.259	-	2016	45,788	-
25% Discretionary Dislocated Worker	17.278	-	2016	92,662	-
WIA Dislocated Worker	17.278	-	2016	253,038	-
WIOA Dislocated Worker	17.278	-	2016	270,343	-
HIRE for Colorado	17.278	-	2016	98,875	-
WIOA 5% Regional Planning	17.278	-	2016	34,096	-
Subtotal WIA/WIOA Cluster				1,987,458	-
Trade Adjustment Act - Case Management	17.245	-	2016	20,207	-
Performance Incentive Grant	17.245	-	2016	26,341	-
Champ Initiative	17.245	-	2016	50,644	-
Disaster Emergency Grant NEG-Flood	17.277	-	2016	49,682	-
Disaster Emergency Grant CORPS	17.277	-	2016	76,168	-
WIA Sector	17.277	-	2016	288,372	-
Sector Manufacturing	17.277	-	2016	8,740	-
Sector Health	17.277	-	2016	8,435	-
City and County of Denver					
(1) Technology Employment in Colorado Partnership (TEC-P)	17.268	201520606	2015-2016	209,606	-
Total Department of Labor				3,729,895	-
DEPARTMENT OF TRANSPORTATION					
State Department of Transportation					
ROAD AND BRIDGE:					
Bridge Replacement No 17-0.5-48	20.205	12HA436014	11/11-11/16	73,038	-
Bridge Replacement No 50-0.2-17	20.205	13HA446009	07/12-07/17	485,574	-
Bridge Replacement No 3-0.2-50	20.205	15HA474406	12/14-12/19	105,643	-
SH 14 at Greensfield Ct. Intersection	20.205	15HA471425	10/14-10/19	73,351	-
Big Thompson at CR 19E	20.205	15H4XC00130	09/15-09/20	75,768	-
Larimer County Canal at CR 9	20.205	15H4XC00132	09/15-09/20	54,660	-
VARIOUS FUNDS:					
Emergency Flood Repairs	20.205	14HA464552	04/14-04/19	1,822,545	-
Total Department of Transportation				2,690,579	-

LARIMER COUNTY, COLORADO
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
Year Ended December 31, 2016

Federal or Pass-Through Grantor Program Title	Federal CFDA Number	Grant Number	Grant Period	2016 Expenditures	Expenditures to Subrecipients
<u>ENVIRONMENTAL PROTECTION AGENCY</u>					
State Department of Public Health and Environment					
HEALTH AND ENVIRONMENT:					
Air Pollution PM2.5	66.034	16FAA80451	07/15-06/16	229	-
Air Pollution PM2.5	66.034	17FAA90221	07/16-06/17	360	-
				589	-
Colorado Water Resources & Power Development Authority					
*** IMPROVEMENT DISTRICT CONSTRUCTION:					
Berthoud Estates	66.458	W14F332	01/16-12/16	93,191	-
Fish Creek	66.468	D14F331	01/16-12/16	176,271	-
				269,462	-
Total Environmental Protection Agency				270,051	-
Total Expenditures of Federal Awards				\$ 45,831,446	\$ 889,326

Explanatory Notes:

* Direct Federal Assistance Programs.

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

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

The County has no significant subrecipients.

*** Loan Balances as of 12/31/16:

Berthoud Estates	\$	904,042
Fish Creek	\$	276,001

Loan balances consist of Federal and State monies; however, expenditure amounts reported above include only the Federal portion

The accompanying schedule of expenditures of federal awards includes the federal grant activity of Larimer County, Colorado for the year ended December 31, 2016 and is presented on the accrual basis of accounting. All federal awards received directly from federal agencies, as well as federal awards passed through other governmental agencies, are included on this schedule. The information in this schedule is presented in accordance with requirements of the Uniform Guidance. Therefore, some amounts presented in this schedule may differ from amounts presented in, or used in preparation of, the basic financial statements

Larimer County has not elected to use the 10% de minimis indirect cost rate as allowed in the Uniform Guidance, Section 414

LARIMER COUNTY, COLORADO

**SCHEDULE OF FINDINGS AND QUESTIONED COSTS
For The Year Ended December 31, 2016**

Section I - Summary Of Auditors' Results

Financial Statements

Type of report the auditor issued on whether the financial statements audited were prepared in accordance with accounting principles generally accepted in the United States of America:

Unmodified

Internal control over financial reporting:

Material weakness(es) identified?	_____ yes	_____ <input checked="" type="checkbox"/> no
Significant deficiency(ies) identified?	_____ yes	_____ <input checked="" type="checkbox"/> none reported
Noncompliance material to financial statements noted?	_____ yes	_____ <input checked="" type="checkbox"/> no

Federal Awards

Internal control over major federal programs:

Material weakness(es) identified?	_____ yes	_____ <input checked="" type="checkbox"/> no
Significant deficiency(ies) identified?	_____ <input checked="" type="checkbox"/> yes	_____ none reported

Type of auditors' report issued on compliance for major federal programs:

Unmodified

Any audit findings disclosed that are required to be reported in accordance with 2 CFR 200.516(a)?

_____ yes _____ no

Identification of major federal programs:

CFDA No.	Name Of Federal Program Or Cluster
93.778	Medical Assistance Program (Medicaid)
93.658	Title IV-E Foster Care
93.667	Title XX Social Security Block Grant
10.557	Special Supplemental Food Program for Women, Infants, and Children (WIC)
14.269	Community Development Block Grant - Disaster Recovery (CDBG-DR)

Dollar threshold used to distinguish between Type A and Type B programs: \$1,374,943

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

LARIMER COUNTY, COLORADO

**SCHEDULE OF FINDINGS AND QUESTIONED COSTS (*CONTINUED*)
For The Year Ended December 31, 2016**

Section II - Financial Statement Findings

There were no findings related to the audit of the County financial statements that are required to be reported under *Government Auditing Standards*.

Section III - Federal Award Findings And Questioned Costs

Finding 2016-001

Eligibility

Significant Deficiency On Internal Control Over Compliance

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

Federal Agency: U.S. Department of Health and Human Services

Federal Award Identification Number: OM-OPSO-2016-0006

Pass-Through Entity: Colorado Department of Human Services

Criteria Or Specific Requirement: The County is responsible for establishing internal controls over eligibility data to ensure recipients are in compliance with requirements of the grant.

Condition: Internal controls over the eligibility compliance requirement are the responsibility of management. The County did not have a documented process over its monitoring and oversight function in place where a person independent of the input process reviews eligibility information to ensure compliance with federal requirements.

Cause: Program personnel have the ability to approve applicants and enter eligibility information into the program database. There is no documentation of a review process in place for another person to verify application data was input in the database correctly.

Effect: There is potential for applicant data to be input incorrectly that would go undetected, resulting in funding for ineligible applicants.

Questioned Costs: Not applicable

Context: A nonstatistical sample of 3 months out of 12 months of eligibility files for documentation of the review of the eligibility files

Identification As A Repeat Finding: Not applicable

LARIMER COUNTY, COLORADO

SCHEDULE OF FINDINGS AND QUESTIONED COSTS (*CONTINUED*) For The Year Ended December 31, 2016

Recommendation: We recommend the County implement a documentation process over the monitoring and oversight function where a person independent of the input process would review and approve applicant information entered in the program database.

Views Of Responsible Officials And Planned Corrective Action: A monthly review/audit of IVE determined cases is conducted. The sample includes both initial determinations and re-determinations; sample size varies from 1-10 cases. Sample is selected based on the Administrative Review/Foster Care Review schedule. During a 12 month period, 100% of the IVE cases are reviewed and audited. Review of the cases is completed by the supervisor. While the reviews of the cases were being performed, there was no formal documentation maintained of the reviews. The supervisor will sign all audit/review documentation and maintain a file of audit documents.

LARIMER COUNTY, COLORADO

SCHEDULE OF FINDINGS AND QUESTIONED COSTS (*CONTINUED*) For The Year Ended December 31, 2016

Finding 2016-002

Special Tests

Significant Deficiency On Internal Control Over Compliance

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

Federal Agency: U.S. Department of Health and Human Services

Federal Award Identification Number: OM-OPSO-2016-0006

Pass-Through Entity: Colorado Department of Human Services

Criteria Or Specific Requirement: Title IV-E agencies establish payment rates for maintenance payments (e.g., payments to foster parents, child care institutions or directly to youth). Payment rates may also be established for Title IV-E administrative expenditures (e.g., payments to child placement agencies or other contractors, which may be either subrecipients or vendors) and for other services. Payment rates must provide for proper allocation of costs between Foster Care maintenance payments, administrative expenditures and other services in conformance with the cost principles. The Title IV-E agency's plan approved by ACF must provide for periodic review of payment rates for Foster Care maintenance payments at reasonable, specific, time-limited periods established by the Title IV-E agency to assure the rate's continuing appropriateness for the administration of the Title IV-E program (42 USC 671(a)(11); 45 CFR Section 1356.21(m)(1); 45 CFR Section 1356.60(a)(1) and (c)). The County is responsible for establishing controls over the rates charged for all types of Foster Care cases, including kinship maintenance rates.

Condition: Internal controls over the maintenance rates compliance requirement are the responsibility of management. The County does not have a process regarding signing of contracts for kinship payment rates and then a monitoring and oversight function in place for kinship maintenance rates to ensure compliance with federal requirements.

Cause: Contracts are not signed for kinship payment rates, therefore, there is no review process over the rates.

Effect: There is potential for rates to be paid that are not appropriate for the administration of the Title IV-E program.

Questioned Costs: Not applicable

Context: A nonstatistical sample of 9 cases out of 90 cases for documentation of the review of maintenance rates

LARIMER COUNTY, COLORADO

SCHEDULE OF FINDINGS AND QUESTIONED COSTS (*CONTINUED*) For The Year Ended December 31, 2016

Identification As A Repeat Finding: Not applicable

Recommendation: We recommend the County implement a review and approval process over all Foster Care rates determined by the County.

Views Of Responsible Officials And Planned Corrective Action: Rate agreements are signed by the kinship parent and Department. Larimer County rates are established based on the age of the child. Copies of the agreements have been maintained in the child's placement binder; the binder is maintained at the placement. This has been a requirement of the Colorado Department of Human Services. Rate agreements will be maintained at the Department and a copy will be provided to the kinship provider and rate agreements will then be submitted for review and stored in the electronic case record (Onbase). Additionally, the Department will develop a Crystal Report for the purposes of identifying exceptions in the Trails system. This report will be developed in the next 3-5 months. Once developed, the report will run monthly for the review of kinship rates. Any identifying exceptions will be documented and a record will be maintained by the supervisor.

LARIMER COUNTY, COLORADO

SCHEDULE OF FINDINGS AND QUESTIONED COSTS (*CONTINUED*) For The Year Ended December 31, 2016

Finding 2016-003

Allowable Costs

Significant Deficiency On Internal Control Over Compliance

CFDA 93.667 SSBG, 93.778 Medicaid, 10.557 WIC

Federal Agency: U.S. Department of Health and Human Services

Federal Award Identification Number: OM-OPSO-2016-0006, 16FHLA82511
16FHLA82511, 16FHLA82272, 17FHLA92944

Pass-Through Entity: Colorado Department of Human Services

Criteria Or Specific Requirement: The County is responsible for verifying employment eligibility to comply with employment laws and to support allowed costs charged to federal programs.

Condition: For four employees selected in the sample tested, the original Employment Verification Form (I-9) was not located.

Cause: Due to lack of or failure of appropriate processes, the County was unable to locate the I-9.

Effect: Possible errors in conformance with employment law could lead to instances of noncompliance with grant requirements and questioned costs related to the payment of those employees' salaries, wages or benefits.

Questioned Costs: Not applicable

Context: A nonstatistical sample of 4 out of the 120 transactions was tested for documentation of allowable costs.

Recommendation: We recommend the County perform a periodic review of personnel files to ensure all I-9s are properly maintained.

Views Of Responsible Officials And Planned Corrective Action: Larimer County Payroll was unable to locate the original I-9 form for one employee. We did, however, produce the copy of the E-Verify document from the E-Verify internet-based system. The employee was hired on March 20, 2014 and the E-Verify case was submitted on March 20, 2014. Her employment was authorized by the E-Verify system. Per the audit recommendations, we will review our processes and consider a periodic review to assure we have I-9's for all employees.



LARIMER COUNTY

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CORRECTIVE ACTION PLAN For the Year Ended December 31, 2016

Finding 2016-001

Personnel Responsible for Corrective Action: Larimer County Human Services Department

Anticipated Completion Date: October 31, 2017

Corrective Action Plan:

A monthly review/audit of IVE determined cases is conducted. The sample includes both initial determinations and re-determinations, sample size varies from 1-10 cases. Sample is selected based on the Administrative Review/Foster Care Review schedule. During a 12 month period, 100% of the IVE cases are reviewed/audited. Review of the cases is completed by the supervisor. While the review of the cases were being performed there was no formal documentation maintained of the review. The supervisor will sign all audit/review documentation and maintain a file of audit documents.



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CORRECTIVE ACTION PLAN For the Year Ended December 31, 2016

Finding 2016-002

Personnel Responsible for Corrective Action: Larimer County Human Services Department

Anticipated Completion Date: October 31, 2017

Corrective Action Plan:

Rate agreements are signed by the kinship parent and Department. Larimer County rates are established based on the age of the child. Copies of the agreements have been maintained in the child's placement binder; the binder is maintained at the placement. This has been a requirement of the Colorado Department of Human Services. Rate agreements will be maintained at the Department and a copy will be provided to the kinship provider and rate agreements will then be submitted for review and stored the electronic case record (Onbase). Additionally, the Department will develop a Crystal Report for the purposes of identifying exceptions in the Trails system. This report will be developed in the next 3-5 months. Once developed the report will run monthly for review/audit of kinship rates. Any identifying exceptions will be documented and a record will be maintained by the supervisor.



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CORRECTIVE ACTION PLAN For the Year Ended December 31, 2016

Finding 2016-003

Personnel Responsible for Corrective Action: Larimer County Human Resources Department

Anticipated Completion Date: October 31, 2017

Corrective Action Plan:

Larimer County Payroll was unable to locate the original I-9 form for one employee. We did, however, produce the copy of the E-Verify document from the E-Verify internet-based system. The employee was hired on March 20, 2014 and the E-Verify case was submitted on March 20, 2014. Her employment was authorized by the E-Verify system.

Per the audit recommendations, we will review our processes and consider a periodic review to assure we have I-9's for all employees.



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SUMMARY SCHEDULE OF PRIOR YEAR FINDINGS For The Year Ended December 31, 2016

Finding 2015-001

Significant Deficiency On Internal Control Over Compliance

CFDA 17.258, 17.259, 17.278 - WIA Cluster

Federal Agency: U.S. Department of Labor

Pass-Through Entity: Colorado Department of Labor and Employment

Criteria Or Specific Requirement: Per the Procurement, Suspension, and Debarment compliance requirement, nonfederal entities are prohibited from contracting with or making subawards under covered transactions to parties that are suspended or debarred or whose principals are suspended or debarred. "Covered transactions" include those procurement contracts for goods and services awarded under a nonprocurement transaction (e.g., grant or cooperative agreement) that are expected to equal or exceed \$25,000 or meet certain other specified criteria. When a nonfederal entity enters into a covered transaction with an entity at a lower tier, the nonfederal entity must verify that the entity is not suspended or debarred or otherwise excluded. This verification may be accomplished by checking the Excluded Parties List System maintained by the General Services Administration, collecting a certification from the entity or adding a clause or condition to the covered transaction with that entity (2 CFR Section 180.300).

Status: The County has updated their policies and procedures regarding internal review of vendors and determining if those vendors are federally debarred and implemented these procedures during the current year.