



OHIO AUDITOR OF STATE  
KEITH FABER





KNOX COUNTY  
DECEMBER 31, 2018

TABLE OF CONTENTS

<u>TITLE</u>	<u>PAGE</u>
Prepared by Management:	
Schedule of Expenditures of Federal Awards .....	1
Notes to the Schedule of Expenditures of Federal Awards .....	3
Independent Auditor's Report on Internal Control Over Financial Reporting and on Compliance and Other Matters Required by <i>Government Auditing Standards</i> .....	5
Independent Auditor's Report on Compliance with Requirements Applicable to Each Major Federal Program and on Internal Control Over Compliance Required by the Uniform Guidance .....	7
Schedule of Findings.....	11
Prepared by Management:	
Summary Schedule of Prior Audit Findings .....	12

**THIS PAGE INTENTIONALLY LEFT BLANK**

KNOX COUNTY  
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS  
FOR THE YEAR ENDED DECEMBER 31, 2018

FEDERAL GRANTOR <i>Pass Through Grantor</i> Program / Cluster Title	Federal CFDA Number	Pass Through Entity Identifying Number	Passed Through to Subrecipients	Total Federal Expenditures
<b>U.S. Department of Agriculture:</b>				
Passed through Ohio Department of Job and Family Services:				
Supplemental Nutrition Assistance Program (SNAP) Cluster				
State Administrative Matching Grants for the Supplemental Nutrition Assistance Program				
	10.561	G-1819-11-5759	\$ -	\$ 278,155
Total U.S. Department of Agriculture and SNAP Cluster			-	278,155
<b>U.S. Department of Housing and Urban Development:</b>				
Passed through Ohio Development Services Agency:				
Community Development Block Grants/State's Program and Non-Entitlement Grants in Hawaii				
	14.228	B-E-18-1BM-1 B-F-16-1BM-1 B-X-17-1BM-1	-	432,800 4,861 39,627
Total Community Development Block Grant / State's Program and Non-Entitlements Grants in Hawaii			-	477,288
Total U.S. Department of Housing and Urban Development			-	477,288
<b>U.S. Department of Justice:</b>				
Passed through the Ohio Attorney General:				
Crime Victim Assistance				
	16.575	201518-VOCA-109310604	-	52,814
Total U.S. Department of Justice			-	52,814
<b>U.S. Department of Labor:</b>				
Passed-through Ohio Department of Job and Family Services:				
Passed-through Montgomery County Auditor, WIA Area 7 Board				
Employment Service Cluster				
Employment Service/Wagner-Peyser Funded Activities				
	17.207	31-6400072	-	26,814
Total Employment Service Cluster			-	26,814
Trade Adjustment Assistance				
	17.245	31-6400072	-	4,981
Workforce Investment Opportunity Act Cluster				
Workforce Investment Act - Adult Program				
	17.258	31-6400072	-	123,672
Workforce Investment Act - Youth Activities				
	17.259	31-6400072	-	239,052
Workforce Investment Act - Dislocated Worker Formula Grants				
	17.278	31-6400072	-	38,412
Total Workforce Investment Opportunity Act Cluster			-	401,136
Total U.S. Department of Labor			-	432,931
<b>U.S. Department of Transportation:</b>				
Direct Program:				
Airport Improvement Program				
	20.106		-	315,407
Passed-through Ohio Department of Transportation:				
Highway Planning and Construction Cluster:				
Highway Planning and Construction Grant				
	20.205	PID 106613 - transit PID 106861 - engineer PID 104353 - engineer PID 103460 - engineer	-	11,016 12,240 486 9,643
Total Highway Planning and Construction Cluster			-	33,385
Formula Grants for Rural Areas				
	20.509	RPTF-4106-050-181 RPTM-0106-050-181	-	706,674 102,437
Total Formula Grants for Rural Areas			-	809,111
Transit Services Programs Cluster				
Enhanced Mobility of Seniors and Individuals with Disabilities				
	20.513	OCPX-0042-010-181	-	31,734
Total Transit Services Programs Cluster			-	31,734
Federal Transit Cluster				
Bus and Bus Facilities Formula Program				
	20.526	BABF-0106-052-181	-	1,080
Total Federal Transit Cluster			-	1,080
National Infrastructure Investments				
	20.933	PID 103309	-	10,918
Total U.S. Department of Transportation			-	1,201,635

KNOX COUNTY  
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS  
FOR THE YEAR ENDED DECEMBER 31, 2018  
(Continued)

FEDERAL GRANTOR <i>Pass Through Grantor</i> Program / Cluster Title	Federal CFDA Number	Pass Through Entity Identifying Number	Passed Through to Subrecipients	Total Federal Expenditures
<b>U.S. Department of Education:</b>				
Passed through Ohio Department of Developmental Disabilities:				
Special Education-Grants for Infants and Families	84.181	H181A160024/4181A170024	-	64,241
Total U.S. Department of Education			-	64,241
<b>U.S. Department of Health and Human Services:</b>				
Passed-through Ohio Department of Job and Family Services:				
Promoting Safe and Stable Families	93.556	G-1819-11-5759	-	29,181
TANF Cluster				
Temporary Assistance for Needy Families	93.558	G-1819-11-5759	175,022	1,490,200
Total TANF Cluster				1,490,200
Child Support Enforcement	93.563	G-1819-11-5759	-	744,459
CCDF Cluster				
Child Care and Development Block Grant	93.575	G-1819-11-5759	-	97,365
Total CCDF Cluster				97,365
Stephanie Tubbs Jones Child Welfare Services Program	93.645	G-1819-11-5759	-	53,894
Foster Care_Title IV-E	93.658	G-1819-11-5759	-	1,459,959
Adoption Assistance	93.659	G-1819-11-5759	-	19,451
Chafee Foster Care Independence Program	93.674	G-1819-11-5759	-	1,469
Children's Health Insurance Program	93.767	G-1819-11-5759		313,047
Passed-through Ohio Department of Job and Family Services:				
Social Services Block Grant	93.667	G-1819-11-5759	-	642,041
Passed-through Ohio Department of Developmental Disabilities				
Social Services Block Grant - Title XX	93.667	31-6400072	-	42,552
Total Social Services Block Grant			-	684,593
Passed-through Ohio Department of Job and Family Services:				
Medicaid Cluster:				
Medical Assistance Program	93.778	G-1819-11-5759	-	849,014
Passed-through Ohio Department of Developmental Disabilities				
Medical Assistance Program - Waiver Administration	93.778	31-6400072	-	170,300
Total Medicaid Cluster			-	1,019,314
Total U.S. Department of Health and Human Services			175,022	5,912,932
<b>U.S. Department of Homeland Security:</b>				
Passed through Ohio Emergency Management Agency:				
Emergency Management Performance Grants	97.042	EMC-2017-EP-00006-S01	-	41,036
Total U.S. Department of Homeland Security			-	41,036
<b>Total Expenditures of Federal Awards</b>			<b>\$ 175,022</b>	<b>\$ 8,461,032</b>

The accompanying notes are an integral part of this schedule.

**KNOX COUNTY**

**NOTES TO THE SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS  
2 CFR 200.510(b)(6)  
FOR THE YEAR ENDED DECEMBER 31, 2018**

**NOTE A – BASIS OF PRESENTATION**

The accompanying Schedule of Expenditures of Federal Awards (the Schedule) includes the federal award activity of Knox County (the County) under programs of the federal government for the year ended December 31, 2018. The information on this Schedule is prepared in accordance with the requirements of Title 2 U.S. Code of Federal Regulations Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance). 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 B – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

Expenditures reported on the Schedule are reported on the cash basis of accounting, except expenditures passed through Ohio Department of Transportation for the Formula Grants for Rural Areas Program (CFDA #20.509) are presented on an accrual basis. Such expenditures are recognized following the cost principles contained in Uniform Guidance wherein certain types of expenditures may or may not be allowable or may be limited as to reimbursement.

**NOTE C – INDIRECT COST RATE**

The County has elected not to use the 10-percent de minimis indirect cost rate as allowed under the Uniform Guidance.

**NOTE D - SUBRECIPIENTS**

The County passes certain federal awards received from Ohio Department of Jobs and Family Services to other governments or not-for-profit agencies (subrecipients). As Note B describes, the County reports expenditures of Federal awards to subrecipients when paid in cash.

As a subrecipient, the County has certain compliance responsibilities, such as monitoring its subrecipients to help assure they use these subawards as authorized by laws, regulations, and the provisions of contracts or grant agreements, and that subrecipients achieve the award's performance goals.

**NOTE E - COMMUNITY DEVELOPMENT BLOCK GRANT (CDBG) with REVOLVING LOAN CASH BALANCE**

The current cash balance on the County's local program income account as of December 31, 2018 is \$28,339.

**NOTE F - MATCHING REQUIREMENTS**

Certain Federal programs require the County to contribute non-Federal funds (matching funds) to support the Federally-funded programs. The County has met its matching requirements. The Schedule does not include the expenditure of non-Federal matching funds

KNOX COUNTY

NOTES TO THE SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS  
2 CFR 200.510(b)(6)  
FOR THE YEAR ENDED DECEMBER 31, 2018  
(continued)

**NOTE G - TRANSFERS BETWEEN FEDERAL PROGRAMS**

During fiscal year 2018, the County made allowable transfers of \$376,448 from the Temporary Assistance for Needy Families (TANF) (93.558) program to the Social Services Block Grant (SSBG) (93.667) program. The Schedule shows the County spent approximately \$1,490,200 on the TANF program. The amount reported for the TANF program on the Schedule excludes the amount transferred to the SSBG program. The amount transferred to the SSBG program is included as SSBG expenditures when disbursed. The following table shows the gross amount drawn for the TANF program during fiscal year 2018 and the amount transferred to the Social Services Block Grant program.

Temporary Assistance for Needy Families	\$ 1,866,648
Transfer to Social Services Block Grant	<u>(376,448)</u>
<b>Total Temporary Assistance for Needy Families</b>	<b><u>\$1,490,200</u></b>

**NOTE H – MAC RECONCILIATION PAYMENT/LIABILITIES**

During the calendar year, the Knox County Board of Development Disabilities received a settlement from the 2014 Cost Report from the Ohio Department of Development Disabilities for the Medicaid Program (CFDA #93.778) in the amount of \$21,641.01. The Cost Report Settlement is for settlement of the difference between the statewide payment rate and the rate calculated based upon actual expenditures for Medicaid services. This revenue is not listed on the County's Schedule of Expenditures of Federal Awards since the underlying expenses occurred in prior reporting periods.