



KNOX COUNTY

SINGLE AUDIT

FOR THE YEAR ENDED DECEMBER 31, 2020

**KNOX COUNTY
DECEMBER 31, 2020**

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KNOX COUNTY
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
FOR THE YEAR ENDED DECEMBER 31, 2020

FEDERAL GRANTOR Pass Through Grantor Program / Cluster Title	Federal CFDA Number	Pass Through Entity Identifying Number	Passed Through to Subrecipients	Total Federal Expenditures
U.S. Department of Agriculture:				
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/G-2021-11-5946	\$ -	\$ 350,100
Total U.S. Department of Agriculture and SNAP Cluster			-	350,100
U.S. Department of Housing and Urban Development:				
Passed through Ohio Development Services Agency: Community Development Block Grants/State's Program and Non-Entitlement Grants in Hawaii	14.228	B-F-18-1BM-1 B-X-18-1BM-1 B-X-19-1BM-1		111,875 140,815 19,738
Total Community Development Block Grant / State's Program and Non- Entitlements Grants in Hawaii			-	272,428
Total U.S. Department of Housing and Urban Development			-	272,428
U.S. Department of Justice:				
Passed through the Ohio Attorney General: Crime Victim Assistance	16.575	201518-VOCA-109310604	-	52,364
Total U.S. Department of Justice			-	52,364
U.S. Department of Labor:				
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	2018-7242-1/2020/2021-7242-1		30,774
Total Employment Service Cluster Total			-	30,774
Trade Adjustment Assistance	17.245	2018-7242-1/2020/2021-7242-1		5,579
Workforce Investment Opportunity Act Cluster				
Workforce Investment Act - Adult Program	17.258	2018-7242-1/2020/2021-7242-1		39,455
Workforce Investment Act - Youth Activities	17.259	2018-7242-1/2020/2021-7242-1		111,471
Workforce Investment Act - Dislocated Worker Formula Grants	17.278	2018-7242-1/2020/2021-7242-1		87,246
Total Workforce Investment Opportunity Act Cluster				238,172
Workforce Investment Act (WIA) - National Emergency Grants	17.277	2018-7242-1/2020/2021-7242-1	-	3,106
Total U.S. Department of Labor			-	277,631
U.S. Department of Transportation:				
Direct Program:				
Airport Improvement Program	20.106	n/a		2,217,435
Airport Improvement Program - COVID				30,000
Total Airport Improvement Program			-	2,247,435
Passed-through Ohio Department of Transportation:				
Highway Planning and Construction Cluster				
Highway Planning and Construction	20.205	PID 99500- engineer PID 99499- engineer PID 98813- engineer		304,960 240,416 284,957
Total Highway Planning and Construction Cluster			-	830,332
Formula Grants for Rural Areas - COVID	20.509	CARE-4106-024-201 RPTF-4106-005-201 OCPX-0042-024-201 RPTM-0106-005-201		819,561 205,301 60,263 27,114
Total Formula Grants for Rural Areas			-	1,112,239
Transit Services Programs Cluster				
Enhanced Mobility of Seniors and Individuals with Disabilities	20.513	TSTP-0106-GRF-201		11,996
Total Transit Services Programs Cluster			-	11,996
Federal Transit Cluster				
Buses and Bus Facilities Formula, Competitive And Low Or No Emissions Programs	20.526	BABF-0106-010-201 BABF-0106-010-202 BABF-0106-010-203 BABF-0106-010-204		54,176 30,044 98,580 30,044
Total Federal Transit Cluster			-	212,844
National Infrastructure Investments	20.933	0106-TTGR-160100		20,394
Total U.S. Department of Transportation			-	4,435,240

KNOX COUNTY
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
FOR THE YEAR ENDED DECEMBER 31, 2020
(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
U.S. Department of Treasury:				
Passed through Ohio Department of Budget and Management:				
Coronavirus Relief Fund	21.019	20-RTG-0100 Probate/Juvenile 20-RTG- Common Pleas HB481-CRF-Local	2,045 19,124 <u>645,878</u>	2,045 19,124 <u>3,551,455</u>
Total U.S. Department of Treasury and Coronavirus Relief Fund			<u>645,878</u>	<u>3,572,624</u>
U.S. Department of Education:				
Passed through Ohio Department of Developmental Disabilities:				
Special Education-Grants for Infants and Families	84.181	H181A160024/4181A170024	<u>-</u>	<u>77,687</u>
Total U.S. Department of Education			<u>-</u>	<u>77,687</u>
U.S. Election Assistance Commission				
Passed through Ohio Secretary of State:				
Help America Vote Act Requirements Payments - COVID	90.401	n/a	<u>-</u>	<u>88,126</u>
Total U.S. Election Assistance Commission			<u>-</u>	<u>88,126</u>
U.S. Department of Health and Human Services:				
Passed-through Ohio Department of Job and Family Services:				
Promoting Safe and Stable Families	93.556	G-1819-11-5759/G-2021-11-5946		48,105
TANF Cluster				
Temporary Assistance for Needy Families	93.558	G-1819-11-5759/G-2021-11-5946	<u>198,682</u>	<u>1,305,929</u>
Total TANF Cluster			<u>198,682</u>	<u>1,305,929</u>
Child Support Enforcement	93.563	G-1819-11-5759/G-2021-11-5946		693,726
CCDF Cluster				
Child Care and Development Block Grant	93.575	G-1819-11-5759/G-2021-11-5946	<u>-</u>	<u>64,824</u>
Total CCDF Cluster			<u>-</u>	<u>64,824</u>
Stephanie Tubbs Jones Child Welfare Services Program	93.645	G-1819-11-5759/G-2021-11-5946		73,519
Foster Care_Title IV-E	93.658	G-1819-11-5759/G-2021-11-5946		2,040,183
Adoption Assistance	93.659	G-1819-11-5759/G-2021-11-5946		32,410
John H. Chafee Foster Care Program For Successful Transition To Adulthood	93.674	G-1819-11-5759/G-2021-11-5946		23,554
Children's Health Insurance Program	93.767	G-1819-11-5759/G-2021-11-5946		262,363
Social Services Block Grant	93.667	G-1819-11-5759/G-2021-11-5946		548,639
Passed-through Ohio Department of Developmental Disabilities				
Social Services Block Grant - Title XX	93.667	G-1819-11-5759/G-2021-11-5946	<u>21,723</u>	<u>570,362</u>
Total Social Services Block Grant			<u>-</u>	<u>570,362</u>
Passed-through Ohio Department of Job and Family Services:				
Medicaid Cluster				
Medical Assistance Program	93.778	G-1819-11-5759/G-2021-11-5946		401,541
Passed-through Ohio Department of Developmental Disabilities				
Medical Assistance Program - Waiver Administration	93.778	31-6400072	<u>187,176</u>	<u>588,717</u>
Total Medicaid Cluster			<u>-</u>	<u>588,717</u>
Total U.S. Department of Health and Human Services			<u>198,682</u>	<u>5,703,692</u>
U.S. Department of Homeland Security:				
Passed through Ohio Emergency Management Agency:				
Hazard Mitigation Grant	97.039	FEMA-DR-4360-OH		13,500
Emergency Management Performance Grants	97.042	EMC-2018-EP-00008-S01/EMC-2019-EP-00005		64,724
Emergency Management Performance Grants - COVID	97.042	EMPG-S FY2020	<u>146</u>	<u>64,870</u>
Total Emergency Management Performance Grants			<u>-</u>	<u>64,870</u>
Total U.S. Department of Homeland Security			<u>-</u>	<u>78,370</u>
Total Expenditures of Federal Awards			<u>\$ 844,560</u>	<u>\$ 14,908,262</u>

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, 2020

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, 2020. 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 and Ohio Department of Budget and Management 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, 2020 is \$231,339.

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, 2020
(CONTINUED)

NOTE G - TRANSFERS BETWEEN FEDERAL PROGRAMS

During fiscal year 2020, the County made allowable transfers of \$293,931 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 \$1,305,929 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 2020 and the amount transferred to the Social Services Block Grant program.

Temporary Assistance for Needy Families	\$ 1,599,860
Transfer to Social Services Block Grant	<u>(293,931)</u>
Total Temporary Assistance for Needy Families	<u>\$ 1,305,929</u>

OHIO AUDITOR OF STATE KEITH FABER



88 East Broad Street, 5th Floor
Columbus, Ohio 43215-3506
(614) 466-3402 or (800) 443-9275
CentralRegion@ohioauditor.gov

INDEPENDENT AUDITOR'S REPORT ON INTERNAL CONTROL OVER FINANCIAL REPORTING AND ON COMPLIANCE AND OTHER MATTERS REQUIRED BY GOVERNMENT AUDITING STANDARDS

Knox County
117 East High Street
Mount Vernon, Ohio 43050

To the County Commissioners:

We have audited, in accordance with auditing standards generally accepted in the United States and the Comptroller General of the United States' *Government Auditing Standards*, the financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate discretely presented component units and remaining fund information of Knox County, (the County) as of and for the year ended December 31, 2020, 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 24, 2021, wherein we noted the County adopted new accounting guidance in Governmental Accounting Standards Board (GASB) Statement No. 84, *Fiduciary Activities* and the financial impact of COVID-19 and the continuing emergency measures which may impact subsequent periods of the County.

Internal Control Over Financial Reporting

As part of our financial statement audit, we considered the County's internal control over financial reporting (internal control) as a basis for designing audit procedures appropriate in the circumstances to the extent necessary to support our opinions on the financial statements, but not to the extent necessary to opine on the effectiveness of the County's internal control. Accordingly, we have not opined on it.

A *deficiency in internal control* exists when the design or operation of a control does not allow management or employees, when performing their assigned functions, to prevent, or detect and timely correct misstatements. A *material weakness* is a deficiency, or combination of internal control deficiencies resulting in a reasonable possibility that internal control will not prevent or detect and timely correct a material misstatement of the County's financial statements. 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 internal control deficiencies that might be material weaknesses or significant deficiencies. Given these limitations, we did not identify any deficiencies in internal control that we consider material weaknesses. However, unidentified material weaknesses may exist.

Compliance and Other Matters

As part of reasonably assuring whether the County's financial statements are free of material misstatement, we tested its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could directly and materially affect the financial statements. However, opining on compliance with those provisions was not an objective of our audit and accordingly, we do not express an opinion. The results of our tests disclosed no instances of noncompliance or other matters we must report under *Government Auditing Standards*.

Purpose of this Report

This report only describes the scope of our internal control and compliance testing and our testing results, and does not opine on the effectiveness of the County's internal control or on compliance. This report is an integral part of an audit performed under *Government Auditing Standards* in considering the County's internal control and compliance. Accordingly, this report is not suitable for any other purpose.



Keith Faber
Auditor of State
Columbus, Ohio

June 24, 2021

OHIO AUDITOR OF STATE KEITH FABER



88 East Broad Street, 5th Floor
Columbus, Ohio 43215-3506
(614) 466-3402 or (800) 443-9275
CentralRegion@ohioauditor.gov

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

Knox County
117 East High Street
Mount Vernon, Ohio 43050

To the County Commissioners:

Report on Compliance for Each Major Federal Program

We have audited Knox County's (the County) compliance with the applicable requirements described in the U.S. Office of Management and Budget (OMB) *Compliance Supplement* that could directly and materially affect Knox County's major federal programs for the year ended December 31, 2020. The *Summary of Auditor's Results* in the accompanying schedule of findings identifies the County's major federal programs.

Management's Responsibility

The County's Management is responsible for complying with federal statutes, regulations, and the terms and conditions of its federal awards applicable to its federal programs.

Auditor's Responsibility

Our responsibility is to opine on the County's compliance for the County's major federal programs based on our audit of the applicable compliance requirements referred to above. Our compliance audit followed auditing standards generally accepted in the United States of America; the standards for financial audits included in the Comptroller General of the United States' *Government Auditing Standards*; and the audit 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). These standards and the Uniform Guidance require us to plan and perform the audit to reasonably assure whether noncompliance with the applicable compliance requirements referred to above that could directly and materially affect 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 our audit provides a reasonable basis for our compliance opinion on the County's major programs. However, our audit does not provide a legal determination of the County's compliance.

Opinion on Each Major Federal Program

In our opinion, Knox County complied, in all material respects with the compliance requirements referred to above that could directly and materially affect its major federal programs for the year ended December 31, 2020.

Report on Internal Control Over Compliance

The County's management is responsible for establishing and maintaining effective internal control over compliance with the applicable compliance requirements referred to above. In planning and performing our compliance audit, we considered the County's internal control over compliance with the applicable requirements that could directly and materially affect a major federal program, to determine our auditing procedures appropriate for opining on each major federal program's compliance and to test and report on internal control over compliance in accordance with the Uniform Guidance, but not to the extent needed to opine on the effectiveness of internal control over compliance. Accordingly, we have not opined 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, when performing their assigned functions, to prevent, or to timely detect and correct, noncompliance with a federal program's applicable compliance requirement. 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 federal program compliance requirement will not be prevented, or timely detected and corrected. A *significant deficiency in internal control over compliance* is a deficiency, or a combination of deficiencies, in internal control over compliance with federal program's applicable compliance requirement 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 would not necessarily identify all deficiencies in internal control over compliance that might be material weaknesses or significant deficiencies. We did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

This report only describes the scope of our internal control over compliance tests and the results of this testing based on Uniform Guidance requirements. 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 also audited the financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate discretely presented component units and remaining fund information of Knox County (the County) as of and for the year ended December 31, 2020, and the related notes to the financial statements, which collectively comprise the County's basic financial statements. We issued our unmodified report thereon dated June 24, 2021, wherein we noted the County adopted new accounting guidance in Governmental Accounting Standards Board (GASB) Statement No. 84, *Fiduciary Activities* and the financial impact of COVID-19 and the continuing emergency measures which may impact subsequent periods of the County. We conducted our audit to opine on the County's basic financial statements as a whole. The accompanying schedule of expenditures of federal awards presents additional analysis required by the Uniform Guidance and is not a required part of the basic financial statements. The schedule is management's responsibility, and was derived from and relates directly to the underlying accounting and other records management used to prepare the basic financial statements. We subjected this schedule to the auditing procedures we applied to the basic financial statements. We also applied certain additional procedures, including comparing and reconciling this schedule 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, this schedule is fairly stated, in all material respects, in relation to the basic financial statements taken as a whole.



Keith Faber
Auditor of State
Columbus, Ohio

June 24, 2021

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KNOX COUNTY
SCHEDULE OF FINDINGS
2 CFR § 200.515
DECEMBER 31, 2020

1. SUMMARY OF AUDITOR'S RESULTS

<i>(d)(1)(i)</i>	Type of Financial Statement Opinion	Unmodified
<i>(d)(1)(ii)</i>	Were there any material weaknesses in internal control reported at the financial statement level (GAGAS)?	No
<i>(d)(1)(ii)</i>	Were there any significant deficiencies in internal control reported at the financial statement level (GAGAS)?	No
<i>(d)(1)(iii)</i>	Was there any reported material noncompliance at the financial statement level (GAGAS)?	No
<i>(d)(1)(iv)</i>	Were there any material weaknesses in internal control reported for major federal programs?	No
<i>(d)(1)(iv)</i>	Were there any significant deficiencies in internal control reported for major federal programs?	No
<i>(d)(1)(v)</i>	Type of Major Programs' Compliance Opinion	Unmodified
<i>(d)(1)(vi)</i>	Are there any reportable findings under 2 CFR § 200.516(a)?	No
<i>(d)(1)(vii)</i>	Major Programs (list):	CFDA# 20.106 Airport Improvement Program CFDA# 21.019 Coronavirus Relief Fund Highway Planning and Construction Cluster CFDA# 93.658 Foster Care Title IV-E
<i>(d)(1)(viii)</i>	Dollar Threshold: Type A\B Programs	Type A: > \$ 750,000 Type B: all others
<i>(d)(1)(ix)</i>	Low Risk Auditee under 2 CFR § 200.520?	No

**2. FINDINGS RELATED TO THE FINANCIAL STATEMENTS
REQUIRED TO BE REPORTED IN ACCORDANCE WITH GAGAS**

None

3. FINDINGS AND QUESTIONED COSTS FOR FEDERAL AWARDS

None

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KNOX COUNTY AUDITOR

JONETTE CURRY
auditor@co.knox.oh.us
Phone (740) 393-6750

117 East High Street, Suite 120
Mount Vernon, Ohio 43050
Fax (740) 393-6806

SUMMARY SCHEDULE OF PRIOR AUDIT FINDINGS
2 CFR 200.511(b)
DECEMBER 31, 2020

Finding Number	Finding Summary	Status	Additional Information
2019-001	Financial Statement Presentation	Partially Corrected	Auditor is reviewing with GAAP preparer the draft statements prior to submitting. Comment was issued in Management Letter

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