

COUNTY OF CHARLESTON, SOUTH CAROLINA

SUPPLEMENTAL FEDERAL FINANCIAL
ASSISTANCE REPORTS

FOR THE YEAR ENDED JUNE 30, 2019

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COUNTY OF CHARLESTON, SOUTH CAROLINA
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
FOR THE YEAR ENDED JUNE 30, 2019

Federal Grantor / Pass-Through Grantor / Program or Cluster Title	FEDERAL CFDA NUMBER	PASS-THROUGH ENTITY IDENTIFICATION NUMBER	EXPENDITURES TO SUB-RECIPIENTS	TOTAL FEDERAL EXPENDITURES
<u>U.S. Department of Agriculture</u>				
Direct Program:				
Title I Secure Schools and Roads FY19 (Schools and Roads - Grants to States)	10.665		\$ -	\$ 61,598
	Total CFDA 10.665 - Forest Service Schools and Roads Cluster		-	61,598
Total Direct Program			-	61,598
Total U.S. Department of Agriculture			-	61,598
<u>U.S. Department of HUD</u>				
Direct Programs:				
Emergency Shelter Grants Program - 2018	14.231		30,230	30,230
Emergency Shelter Grants Program - 2019	14.231		127,351	127,351
	Total CFDA 14.231		157,581	157,581
Urban Entitlement Grant - 2016	14.218		139,068	139,068
Urban Entitlement Grant - 2017	14.218		298,757	328,694
Urban Entitlement Grant - 2018	14.218		248,305	415,614
Urban Entitlement Grant - 2019	14.218		299,452	654,380
	Total CFDA 14.218 CDBG - Entitlement Grants Cluster		985,582	1,537,756
HOME Investment Partnership Program - 2015	14.239		9,174	9,174
HOME Investment Partnership Program - 2016	14.239		43,052	58,054
HOME Investment Partnership Program - 2017	14.239		156,120	178,062
HOME Investment Partnership Program - 2018	14.239		115,942	115,942
HOME Investment Partnership Program - 2019	14.239		40,174	40,174
	Total CFDA 14.239		364,462	401,406
Total Direct Programs			1,507,625	2,096,743
Total U.S. Department of HUD			1,507,625	2,096,743
<u>U.S. Department of the Interior</u>				
Direct Programs:				
Civil Rights Grant FY18	15.904		-	27,489
Total Direct Programs	Total CFDA 15.904		-	27,489
Total U.S. Department of the Interior			-	27,489
<u>U.S. Department of Justice</u>				
Direct Programs:				
State Criminal Alien Assistance Program (SCAAP) FY18	16.606	2019-AP-BX-0274	-	161,055
	Total CFDA 16.606		-	161,055
Formula JAG FY17	16.738	2016-DJ-BX-0920	-	13,925
	Total CFDA 16.738		-	13,925
Federal Equitable Sharing FY19	16.922	SC0100000	-	32,514
	Total CFDA 16.922		-	32,514
Total Direct Programs			-	207,494

The accompanying notes are an integral part of this schedule.
See accompanying independent auditor's report.

COUNTY OF CHARLESTON, SOUTH CAROLINA
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
FOR THE YEAR ENDED JUNE 30, 2019

Federal Grantor / Pass-Through Grantor / Program or Cluster Title	FEDERAL CFDA NUMBER	PASS-THROUGH ENTITY IDENTIFICATION NUMBER	EXPENDITURES TO SUB-RECIPIENTS	TOTAL FEDERAL EXPENDITURES
<u>U.S. Department of Justice</u>				
Passed Through SC Department of Public Safety:				
Domestic Violence Investigator FY18	16.738	IG16023	-	18,262
Domestic Violence Investigator FY19	16.738	1G18005	-	58,052
Total CFDA 16.738			-	76,314
State Coverdell Grant FY19	16.742	INF18003	-	16,321
Total CFDA 16.742			-	16,321
Total Pass-Through S.C. Department of Public Safety			-	92,635
Passed Through SC Office of Attorney General:				
Victim of Crime Act FY18	16.575	1V17004	-	10,650
Victim of Crime Act FY18	16.575	1V17029	-	93,945
Victim of Crime Act FY19	16.575	1V18043	-	186,615
Victim of Crime Act FY19	16.575	1V18070	-	321,750
Total CFDA 16.575			-	612,960
Violence Against Women FY18	16.588	1K17006	-	10,486
Violence Against Women FY19	16.588	1K18006	-	58,060
Total CFDA 16.588			-	68,546
Total Pass-Through S.C. Office of Attorney General			-	681,506
Passed Through City of North Charleston:				
Formula JAG FY19	16.738	2017-DJ-BX-0565	-	25,458
Total CFDA 16.738			-	25,458
Total Pass-Through City of North Charleston			-	25,458
Total U.S. Department of Justice			-	1,007,093
<u>U.S. Department of Transportation</u>				
Passed Through S.C. Emergency Management Division:				
HMEP Training Grant FY19	20.703	HM-HMP-0566-16-03-00	-	16,506
Total CFDA 20.703			-	16,506
Total Pass-Through S.C. Emergency Management Division			-	16,506
Passed Through SC Department of Public Safety:				
Speed Enforcement FY18	20.600	PT-2018-HS-08-18	-	118,406
Speed Enforcement FY19	20.600	PT-2019-HS-08-19	-	128,731
Total CFDA 20.600 Highway Safety Cluster			-	247,137
Total Pass-Through SC Department of Public Safety			-	247,137
Total U.S. Department of Transportation			-	263,643
<u>National Aeronautics and Space Administration</u>				
Passed Through College of Charleston NASA Program:				
NASA EPSCOR Grant FY19	43.008	521192-CHCO	-	17,403
Total CFDA 20.703			-	17,403
Total Pass-Through College of Charleston NASA Program			-	17,403
Total National Aeronautics and Space Administration				17,403

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COUNTY OF CHARLESTON, SOUTH CAROLINA
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
FOR THE YEAR ENDED JUNE 30, 2019

Federal Grantor / Pass-Through Grantor / Program or Cluster Title	FEDERAL CFDA NUMBER	PASS-THROUGH ENTITY IDENTIFICATION NUMBER	EXPENDITURES TO SUB-RECIPIENTS	TOTAL FEDERAL EXPENDITURES
<u>National Endowment for the Humanities</u>				
Direct Programs:				
Preservation Assistance FY18	45.149		-	1,682
Total Direct Programs	Total CFDA 45.149		-	1,682
Total National Endowment for the Humanities			-	1,682
<u>U.S. Department of Health and Human Services</u>				
Passed Through S.C. Department of Social Services (DSS):				
Child Support Enforcement IV-D Filing Fees FY19	93.563	C19010C	-	341,544
Child Support Enforcement IV-D Unit Cost Reimbursement FY19	93.563	C19010C	-	983,869
Child Support Enforcement IV-D Incentive Reimbursements FY19	93.563	C19010C	-	167,958
Child Support Enforcement IV-D Filing Fees FY19	93.563	C19010S	-	9,474
Child Support Enforcement IV-D Unit Cost Reimbursement FY19	93.563	C19010S	-	39,452
	Total CFDA 93.563		-	1,542,297
Total Pass-Through from SC DSS			-	1,542,297
Passed Through S.C. Department of Alcohol and Other Drug Abuse Services (SC DAODAS):				
Screening Brief Intervention & Referral FY18	93.243	CHA-SBIRT-18	-	7,831
	Total CFDA 93.243		-	7,831
PAIRS FY18	93.558	CHA-PAIRS-18	-	54,187
PAIRS FY19	93.558	CHA-PAIRS-19	-	167,250
	Total CFDA 93.558 TANF Cluster		-	221,437
Sobering Center FY19	93.788	CHA-STR-19	-	36,435
ECHO State Opioid Response FY19	93.788	CHA-SOR-19	-	25,251
	Total CFDA 93.788		-	61,686
SC DAODAS State Block Grant FY19	93.959	CHA-BG-19	-	1,406,476
SABG Block Grant FY17	93.959	CHA-HIV-19	-	29,355
	Total CFDA 93.959		-	1,435,831
Total Pass-Through from SC DAODAS			-	1,726,785
Passed Through Ernest F. Kennedy Center:				
Ernest Kennedy Center FY16	93.959	NA	-	657
Ernest Kennedy Center FY17	93.959	NA	-	6,000
Ernest Kennedy Center FY18	93.959	NA	-	3,624
	Total CFDA 93.959		-	10,281
Total Pass-Through Ernest F. Kennedy Center			-	10,281
Passed Through Medical University of South Carolina				
MUSC Medication Assisted Treatment (MAT)				
Access Emergency Department FY18	93.226	MUSC 18-001-8D073	-	77,737
Access Emergency Department FY19	93.226	A00-3411-S0004	-	103,372
	Total CFDA 93.226		-	181,109
MUSC Meditation FY16	93.279	MUSC 15-097	-	43,933
	Total CFDA 93.279		-	43,933
Total Pass-Through from MUSC			-	225,042
Total U.S. Department of Health and Human Services			-	3,504,405

The accompanying notes are an integral part of this schedule.
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COUNTY OF CHARLESTON, SOUTH CAROLINA
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
FOR THE YEAR ENDED JUNE 30, 2019

Federal Grantor / Pass-Through Grantor / Program or Cluster Title	FEDERAL CFDA NUMBER	PASS-THROUGH ENTITY IDENTIFICATION NUMBER	EXPENDITURES TO SUB-RECIPIENTS	TOTAL FEDERAL EXPENDITURES
U.S. Department of Homeland Security				
Direct Programs:				
Port Security Grant FY16	97.056	EMW-2015-PU-00585-S01	-	57,735
Port Security Grant FY19	97.056	EMW-2018-PU-00279-S01	-	100,001
Total Direct Programs	Total CFDA 97.056		-	157,736
Passed Through S.C. Emergency Management Division:				
Public Assistance (Presidentially Declared Disasters) FY16	97.036	FEMA-4241-DR-SC	-	37,345
Public Assistance (Presidentially Declared Disasters) FY18	97.036	FEMA-4346-DR-SC	-	1,465,777
Public Assistance (Presidentially Declared Disasters) FY19	97.036	FEMA-4394-DR-SC	-	258,504
Total CFDA 97.036			-	1,761,626
Hazard Mitigation Grant FY17	97.039	FEMA-4241-DR-SC	-	30,229
Hazard Mitigation Grant FY18	97.039	FEMA-4286-DR-SC	-	78,908
Total CFDA 97.039			-	109,137
Local Emergency Management Performance FY18	97.042	17EMPG01	-	6,511
Local Emergency Management Performance FY19	97.042	18EMPG01	-	89,351
Total CFDA 97.042			-	95,862
Total Pass-Through S.C. Emergency Management Division			-	1,966,625
Passed Through S.C. Law Enforcement Division (SLED):				
Lowcountry Regional WMD Bomb Team FY17	97.067	16SHSP05	-	16,606
Lowcountry Regional WMD Bomb Team FY18	97.067	17SHSP04	-	51,568
Lowcountry Regional WMD Bomb Team FY19	97.067	18SHSP04	-	52,496
HazMat Regional WMD Team FY18	97.067	17SHSP17	-	1,838
HazMat Regional WMD Team FY18	97.067	18SHSP16	-	40,689
Lowcountry Regional WMD SWAT Team FY18	97.067	17SHSP11	-	59,435
Lowcountry Regional WMD SWAT Team FY19	97.067	18SHSP11	-	59,503
Total CFDA 97.067			-	59,503
Total Pass-Through SLED			-	282,135
Total U.S. Department of Homeland Security			-	2,406,496
TOTAL EXPENDITURES OF FEDERAL AWARDS			\$ 1,507,625	\$ 9,386,552

The accompanying notes are an integral part of this schedule.
See accompanying independent auditor's report.

COUNTY OF CHARLESTON, SOUTH CAROLINA
NOTES TO SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
YEAR ENDED JUNE 30, 2019

Note A - Basis of Presentation

The accompanying Schedule of Expenditures of Federal Awards includes the federal grant activity of Charleston County, South Carolina (the "County") and is presented on the modified accrual basis of accounting. The information in the Schedule is presented 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") and *OMB Circular A-133 Audits of States, Local Governments, and Non-Profit Organizations* (as amended). Therefore, some amounts presented in this schedule may differ from amounts presented in or used in the preparation of the financial statements. Expenditures for federal financial assistance awarded directly from the federal agencies, as well as those passed through other government agencies, are included on the Schedule of Expenditures of Federal Awards. The non-federal share of certain program costs and loans are not included in the accompanying Schedule of Expenditures of Federal Awards.

Note B - Summary of Significant Accounting Policies

1 – The financial information shown in the Schedule of Expenditures of Federal Awards reflects amounts recorded by Charleston County during its fiscal year July 1, 2018 through June 30, 2019. Such expenditures are recognized following the cost principles contained in the Uniform Guidance, wherein certain types of expenditures are not allowed or are limited as to reimbursement.

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

Note C - Matching Costs

Matching costs, i.e. the non-federal share of certain program costs, are not included in the accompanying schedule.

**Independent Auditor's Report on Internal Control over
Financial Reporting and on Compliance and Other Matters Based
on an Audit of Financial Statements Performed in Accordance with
*Government Auditing Standards***

To the Members of County Council
County of Charleston, South Carolina

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, other than the financial statements of the aggregate discretely presented component units, and the budgetary comparison schedule of the general fund, of the County of Charleston, South Carolina (the "County"), as of and for the year ended June 30, 2019, and the related notes to the financial statements, which collectively comprise the County's basic financial statements and issued our report thereon dated December 12, 2019. We have also audited the financial statements of each of the County's non-major governmental, enterprise, internal service, and fiduciary funds, and the respective budgetary comparison schedules for the special revenue funds, presented as supplementary information in the combining financial statements and schedules, as of and for the year ended June 30, 2019. Our report includes a reference to other auditors who audited the financial statements of the discretely presented component units. This report does not include the results of the other auditors' testing of internal control over financial reporting or compliance and other matters that are reported on separately by those auditors.

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 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 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 County'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 County's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

Scott and Company LLC

Columbia, South Carolina
December 12, 2019

Independent Auditor's Report on Compliance for Each Major Program and on Internal Control over Compliance and Report on Schedule of Expenditures of Federal Awards Required by the Uniform Guidance

To the Members of County Council
County of Charleston, South Carolina

Report on Compliance for Each Major Federal Program

We have audited the County of Charleston, South Carolina's (the "County") compliance with the types of compliance requirements described in the *OMB Compliance Supplement* that could have a direct and material effect on each of the County's major federal programs for the year ended June 30, 2019. The County's major federal programs are identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs.

Management's Responsibility

Management is responsible for compliance with the requirements of federal statutes, regulations, and the terms and conditions of its federal awards 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 of America; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; and audit requirements of Title 2 U.S. *Code of Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (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 June 30, 2019.

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 combination of deficiencies, in internal control over compliance, such that there is a reasonable possibility that a 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. 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.

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, other than the financial statements of the aggregate discretely presented component units, and the budgetary comparison schedule of the general fund, of the County as of and for the year ended June 30, 2019, and the related notes to the financial statements, which collectively comprise the County's basic financial statements. We have also audited the financial statements of each of the County's non-major governmental, enterprise, internal service, and fiduciary funds, and the respective budgetary comparison schedules for the special revenue funds, presented as supplementary information in the combining financial statements and schedules, as of and for the year ended June 30, 2019. We issued our report thereon dated December 12, 2019, which contained unmodified opinions on those financial statements. Our audit was conducted for the purpose of forming opinions on the financial statements and other information discussed above. 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.

Scott and Company LLC

Columbia, South Carolina
January 31, 2020

**COUNTY OF CHARLESTON, SOUTH CAROLINA
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
YEAR ENDED JUNE 30, 2019**

Section I—Summary of Auditor's Results

Financial Statements:

We have issued unmodified opinions dated December 12, 2019 on the financial statements of the County of Charleston, South Carolina.

Internal control over financial reporting:

- Material weaknesses identified? No
- Significant deficiencies identified? None reported
- Noncompliance material to financial statements noted? No

Federal Awards:

Internal control over major programs:

- Material weaknesses identified? No
- Significant deficiencies identified? None Reported

We have issued an unmodified opinion dated January 31, 2020 on the County of Charleston, South Carolina's compliance for its major programs.

- Any audit findings disclosed that are required to be reported in accordance with 2 CFR 200.516(a)? No

Identification of major programs

<u>CFDA Number</u>	<u>Name of Federal Program</u>
20.600	Speed Enforcement Grant
93.959	DAODAS – State Block Grant
97.067	Haz Mat Regional WMD and Lowcountry Regional WMD programs

Dollar threshold used to be distinguished between Type A and Type B Programs: \$750,000

Auditee qualified as low-risk auditee? Yes

**COUNTY OF CHARLESTON, SOUTH CAROLINA
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
YEAR ENDED JUNE 30, 2019**

Section II - Financial Statement Findings:

None Reported.

Section III - Federal Award Findings and Questioned Costs:

None Reported.

Summary Schedule of Prior Audit Findings:

No prior year audit findings.