

MONTGOMERY COUNTY MARYLAND

Report on Expenditures of Federal Awards



Fiscal Year 2006

July 1, 2005 - June 30, 2006
Rockville, Maryland



Montgomery County

Vision Statement

*“Helping to make Montgomery County
the best place to be through efficient, effective and
responsive government that delivers quality services.”*

Guiding Principles

We Will Provide Excellence in Government By:

- Insisting upon customer satisfaction
- Ensuring high value for tax dollars
- Adhering to the highest ethical standards
- Appreciating diversity
- Being open, accessible and responsive
- Empowering and supporting employees
- Striving for continuous improvement
- Working together as a team
- Being accountable

MONTGOMERY COUNTY MARYLAND

Report on Expenditures of Federal Awards



Prepared by the
Department of Finance

Timothy L. Firestine, Director
101 Monroe Street
Rockville, Maryland 20850
240-777-8860

Fiscal Year 2006
July 1, 2005 - June 30, 2006



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KPMG LLP
2001 M Street, NW
Washington, DC 20036

**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***

The Honorable County Council
Montgomery County, Maryland:

We have audited the financial statements of the governmental activities, the business-type activities, the aggregate discretely presented component units, each major fund, and the aggregate remaining fund information of Montgomery County, Maryland (County) as of and for the year ended June 30, 2006, which collectively comprise the County's basic financial statements and have issued our report thereon dated December 11, 2006. Our report was modified to include reference to other auditors. We conducted our audit in accordance with 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. Other auditors audited the financial statements of the Montgomery County Public Schools, the Housing Opportunities Commission, the Montgomery Community College, the Montgomery County Revenue Authority, and the Bethesda Urban Partnership, Inc., as described in our report on the County's financial statements. 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, we considered the County's internal control over financial reporting in order to determine our auditing procedures for the purpose of expressing our opinions on the basic financial statements and not to provide an opinion on internal control over financial reporting. Our consideration of the internal control over financial reporting would not necessarily disclose all matters in the internal control that might be material weaknesses. A material weakness is a reportable condition in which the design or operation of one or more of the internal control components does not reduce to a relatively low level the risk that misstatements caused by error or fraud in amounts that would be material in relation to the financial statements being audited may occur and not be detected within a timely period by employees in the normal course of performing their assigned functions. We noted no matters involving the internal control over financial reporting and its operation that we consider to be material weaknesses.



Compliance and Other Matters

As part of obtaining reasonable assurance about whether the County's basic financial statements are free of material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

This report is intended solely for the information and use of the County Council members, County management, and federal awarding agencies and pass-through entities, and is not intended to be and should not be used by anyone other than these specified parties.

KPMG LLP

December 11, 2006



KPMG LLP
2001 M Street, NW
Washington, DC 20036

Report on Compliance with Requirements Applicable to Each Major Program and on Internal Control Over Compliance in Accordance with OMB Circular A-133

The Honorable County Council
Montgomery County, Maryland:

Compliance

We have audited the compliance of Montgomery County, Maryland (the County), with the types of compliance requirements described in the *U.S. Office of Management and Budget (OMB) Circular A-133 Compliance Supplement* that are applicable to each of its major federal programs for the year ended June 30, 2006. The County's major federal programs are identified in the summary of auditors' results section of the accompanying Schedule of Findings and Questioned Costs. Compliance with the requirements of laws, regulations, contracts, and grants applicable to each of its major federal programs is the responsibility of the County's management. Our responsibility is to express an opinion on the County's compliance based on our audit.

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 OMB Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations*. Those standards and OMB Circular A-133 require that we plan and perform the audit to obtain reasonable assurance about whether noncompliance with the types of compliance requirements referred to above that could have a direct and material effect on a major federal program occurred. An audit includes examining, on a test basis, evidence about the County's compliance with those requirements and performing such other procedures as we considered necessary in the circumstances. We believe that our audit provides a reasonable basis for our opinion. Our audit does not provide a legal determination of the County's compliance with those requirements.

In our opinion, the County complied, in all material respects, with the requirements referred to above that are applicable to each of its major federal programs for the year ended June 30, 2006.

Internal Control over Compliance

The management of the County is responsible for establishing and maintaining effective internal control over compliance with requirements of laws, regulations, contracts and grants applicable to federal programs. In planning and performing our audit, we considered the County's internal control over compliance with requirements that could have a direct and material effect on a major federal program in order to determine our auditing procedures for the purpose of expressing our opinion on compliance and to test and report on the internal control over compliance in accordance with OMB Circular A-133.



Our consideration of the internal control over compliance would not necessarily disclose all matters in the internal control that might be material weaknesses. A material weakness is a reportable condition in which the design or operation of one or more of the internal control components does not reduce to a relatively low level the risk that noncompliance with applicable requirements of laws, regulations, contracts, and grants caused by error or fraud that would be material in relation to a major federal program being audited may occur and not be detected within a timely period by employees in the normal course of performing their assigned functions. We noted no matters involving the internal control over compliance and its operation that we consider to be material weaknesses.

Schedule of Expenditures of Federal Awards

We have audited the financial statements of the governmental activities, the business-type activities, the aggregate discretely presented component units, each major fund, and the aggregate remaining fund information of the County as of and for the year ended June 30, 2006, and have issued our report thereon dated December 11, 2006. Our audit was performed for the purpose of forming opinions on the financial statements that collectively comprise the County's basic financial statements. We did not audit the financial statements of the Montgomery County Public Schools, the Housing Opportunities Commission, the Montgomery Community College, the Montgomery County Revenue Authority, and the Bethesda Urban Partnership, Inc., which represent 100% of the total assets, revenues and net assets of the aggregate discretely presented component units. The accompanying Schedule of Expenditures of Federal Awards is presented for purposes of additional analysis as required by OMB Circular A-133 and is not a required part of the basic financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and, in our opinion, is fairly stated, in all material respects, in relation to the basic financial statements taken as a whole.

This report is intended solely for the information and use of the County Council members, County management, and federal awarding agencies and pass-through entities, and is not intended to be and should not be used by anyone other than these specified parties.

KPMG LLP

March 22, 2007

**MONTGOMERY COUNTY, MARYLAND
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
FOR THE YEAR ENDED JUNE 30, 2006**

Federal Grantor, Pass Through Grantor, Program or Cluster Title	Federal CFDA Number	Pass Through Entity Identifying Number	Federal Expenditures
Office of National Drug Control Policy			
Pass Through Programs From:			
University of Maryland			
High Intensity Drug Trafficking Area (HIDTA)	07	Z975511	\$ 63,074
High Intensity Drug Trafficking Area (HIDTA)	07	Z964710	35,643
			\$ 98,717
U. S. Department of Agriculture			
Pass Through Programs From:			
Maryland State Department of Human Resources			
State Administrative Matching Grant for Food Stamps	10.561	Md. House Bill 669	\$ 3,747,095
Emergency Food Assistance Program (Administrative Costs)	10.568	CSA/FNS 05-016	15,000
Emergency Food Assistance Program (Administrative Costs)	10.568	CSA/FNS 05-016	33,970
Emergency Food Assistance Program (Food Commodities)	10.569	Food Bank	264,762
			\$ 4,060,827
U. S. Department of Housing and Urban Development			
Direct Programs:			
Community Development Block Grant (CDBG)	14.218	-	\$ 5,071,306
Addressing Cancer Health Disparities	14.218	-	8,453
Emergency Shelter Program	14.231	-	221,099
HOME Investment Partnership	14.239	-	1,633,117
HOME Investment Partnership			
Balance of 06/30/2005 Outstanding Loans as of 06/30/2006	14.239	-	17,207,044
CDBG - Economic Development Initiative	14.246	-	913,198
Subtotal Direct Programs			<u>25,054,217</u>
Pass Through Programs From:			
Housing Opportunities Commission of Montgomery County			
Supportive Housing Program	14.235	91-224	49,906
Housing for Citizens with AIDS	14.241	-	237,347
Subtotal Pass Through Programs			<u>287,253</u>
			\$ 25,341,470
U. S. Department of the Interior - National Park Service			
Pass Through Programs From:			
Maryland Department of Housing and Community Development			
Historic Preservation	15.904	24-05-20422	\$ 15,000
			\$ 15,000
U. S. Department of Justice			
Direct Programs:			
Gang Prevention Initiative	16.541	2005-JV-FX-0071	\$ 64,524
Byrne Memorial State and Local Law Enforcement Assistance	16.580	-	3,164,273
Encourage Arrest Policies	16.590	-	48,129
Local Law Enforcement Block Grant	16.592	-	33,294
State Criminal Alien Assistance Program (SCAAP)	16.606	-	964,300
Bulletproof Vest Partnership Grant	16.607	-	5,117
Public Safety Partnership and Community Policing	16.710	-	1,054,665
Subtotal Direct Programs			<u>5,334,302</u>

(Continued)

MONTGOMERY COUNTY, MARYLAND
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS, Continued
FOR THE YEAR ENDED JUNE 30, 2006

Federal Grantor, Pass Through Grantor, Program or Cluster Title	Federal CFDA Number	Pass Through Entity Identifying Number	Federal Expenditures
Pass Through Programs From: U.S. Department of Justice (concluded):			
National Youth Sports Corporation			
Juvenile Justice and Delinquency Prevention	16.541	2002-MU-MU-0100	10,489
Maryland State Department of Human Resources			
Crime Victim Assistance	16.575	Md. House Bill 669	248,412
Crime Victim Assistance	16.575	CSA/CVA 04-001	210,352
Crime Victim Assistance	16.575	CSA/CVA 04-002	75,195
Victims of Crime Assistance - Child Assessment	16.575	CSA/CVA 05-029	24,336
State of Maryland, Office of the Governor			
Paul Coverdell National Forensic Sciences Program	16.560	NFSL-2005-1008	189,530
Byrne Formula Program	16.579	BYRN-2004-1067	61,496
Byrne Formula Program	16.579	BYRN-2004-1066	56,585
Byrne Formula Program	16.579	BYRN-2003-1035	18,861
Byrne Formula Program	16.579	BYRN-2004-1034	198,799
Violence Against Women	16.588	VAWA 2003-1012	14,841
Violence Against Women	16.588	VAWA 2004-1012	69,234
Violence Against Women	16.588	VAWA 2004-1160	17,528
Violence Against Women	16.588	VAWA 2005-1160	11,275
Byrne Formula Program	16.738	BJAG-2005-1012	75,000
Byrne Formula Program	16.738	BJAG-2005-1035	55,970
Byrne Formula Program	16.738	BJAG-2005-1067	5,367
Byrne Formula Program	16.738	BJAG-2005-1066	134,314
University of Pennsylvania			
Batterers - National Institute for Justice	16.579	#5-43119-A	23,559
Silver Spring Team For Children and Family			
Weed and Seed Program	16.595	2005-WS-Q4-0005	89,637
Joint Terrorist Force	16.595	66F-BA-A101489-B	9,089
City of Baltimore Police Department			
Gun Initiative	16.609	2004-GP-CX-0605	5,559
Subtotal Pass Through Programs			1,605,428
Total U. S. Department of Justice			\$ 6,939,730
U. S. Department of Labor			
Pass Through Programs From:			
State Department of Labor, Licensing and Regulation			
Workforce Investment Act (WIA)			
WIA - Adult Program	17.258	5200014-B	\$ 289,971
WIA - Administration	17.258	5200014-B	84,446
WIA - Youth Activities	17.259	5200014-A	231,480
WIA - Incentives Grant	17.259	5200014-A	7,507
WIA - Incentive - State Wide	17.259	5200014-A	38,919
WIA - Incentive - Health Care	17.259	5200014-A	8,521
WIA - Incentive - Youth Activities	17.259	5200014-A	5,093
WIA - Dislocated Workers	17.260	5200014-A	12,566
WIA - Dislocated Workers	17.260	4200012-A	746,761
WIA - Rapid Response	17.260	5200013	38,985
WIA - Rapid Response - Early Intervention	17.261	5200064	96,944
Disability Navigator Grant	17.266	5200078	128,818
Maryland Incumbent Worker	17.267	5200052	53,413
Employees with Disabilities Program	17.720	-	592,020
Total U. S. Department of Labor			\$ 2,335,444

(Continued)

MONTGOMERY COUNTY, MARYLAND
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS, Continued
FOR THE YEAR ENDED JUNE 30, 2006

Federal Grantor, Pass Through Grantor, Program or Cluster Title	Federal CFDA Number	Pass Through Entity Identifying Number	Federal Expenditures
U. S. Department of Transportation			
Pass Through Programs From:			
Maryland State Department of Transportation			
Highway Planning and Construction	20.205	Bridge Design	\$ 3,017,185
Ride On Buses - Federal Earmark	20.500	MD-03-0092-01	3,800,189
Federal Transit Formula Grants	20.507	MD909090.09	245,656
Job Access - Reverse Commute	20.516	MD37-4002	319,139
State and Community Highway Safety	20.605	04-165	57,030
State and Community Highway Safety	20.605	05-165	111,876
Metropolitan Washington Council of Governments			
Transit Technical Studies	20.505	03-007	151,400
Total U. S. Department of Transportation			\$ 7,702,475
U. S. Department of the Treasury			
Direct Programs:			
Metro Alien Task Force Asset Forfeiture - Secret Service	21	-	\$ 37,616
Total U. S. Department of the Treasury			\$ 37,616
National Foundation on the Arts and the Humanities			
Pass Through Programs From:			
Maryland State Department of Education			
State Library Program	45.310	600789	\$ 8,967
State Library Program	45.310	500955	4,749
State Library Program	45.310	501681	42,017
State Library Program	45.310	6001161	31,205
Total National Foundation on the Arts and the Humanities			\$ 86,938
U. S. Department of Energy			
Pass Through Programs From:			
Maryland Department of Housing and Community Development			
Weatherization Assistance for Low-Income Persons	81.042	Weatherization	\$ 160,767
Total U. S. Department of Energy			\$ 160,767
U. S. Department of Education			
Pass Through Programs From:			
Maryland State Department of Education			
Special Education - Grants to States	84.027	SG600705-003	\$ 224,045
Infants and Families with Disabilities	84.173	SG600705-004	3,325
Infants and Families with Disabilities	84.181	SG-601884-01	75,000
Infants and Families with Disabilities	84.181	SG600705-002	559,929
Infants and Families with Disabilities	84.181	SG600705-002	344,242
Early Reading First	84.360	-	102,789
Montgomery County Public Schools			
Safe Schools, Healthy Kids	84.184	Q184L030339-04	21,447
Total U. S. Department of Education			\$ 1,330,777

(Continued)

MONTGOMERY COUNTY, MARYLAND
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS, Continued
FOR THE YEAR ENDED JUNE 30, 2006

Federal Grantor, Pass Through Grantor, Program or Cluster Title	Federal CFDA Number	Pass Through Entity Identifying Number	Federal Expenditures
U. S. Department of Health and Human Services			
Direct Programs:			
Medical Reserve Corps	93.008	-	\$ 43,607
Community Mental Health Services for Children	93.104	-	807,200
Head Start	93.600	-	4,348,872
Subtotal Direct Programs			<u>5,199,679</u>
Pass Through Programs From:			
Maryland State Office on Aging			
Special Programs for the Aging - Ombudsman Services	93.042	AAA-3-24-014	108,251
Special Programs for the Aging - Title IV & II - Discretionary Projects	93.048	ST-2517-011	6,290
National Family Care Giver Support	93.052	AAA-3-24-014	365,142
Programs for the Aging Cluster:			
Title III, Part D - Disease Prevention & Health Promotion Services	93.043	AAA-3-24-014	\$ 34,391
Title III, Part B - Supportive Services and Senior Centers	93.044	AAA-3-24-014	575,913
Title III, Part C - Nutrition Services	93.045	AAA-3-24-014	<u>1,146,484</u>
Subtotal Aging Programs Cluster			\$1,756,788
Medical Waiver for Older Adults - Administrative Billing	93.778	-	467,391
Health Care Financing Research	93.779	ST-2515-014/005	48,422
Maryland State Department of Human Resources			
Batterers - Centers for Disease Control	93.136	CSA/RC-03-004	15,000
Family Preservation	93.556	Md. State HB 669	67,996
Temporary Assistance for Needy Families	93.558	Md. State HB 669	2,731,000
Title IV-D - Child Support	93.563	Md. State HB 669	842,473
Child Support and Enforcement	93.563	CSEA/CR-04-043-A1	572,744
Low Income Home Energy Assistance	93.568	Md. State HB 669	414,586
Child Care and Development Fund (CCDF)	93.575	Md. State HB 669	5,105,850
CCDF	93.575	CCA-RR-98-101	197,573
Child Care Mandatory & Matching Funds of the CCDF	93.596	Md. State HB 669	1,703,890
Educational Training Vouchers	93.599	Md. State HB 669	59,428
Child Welfare Services	93.645	Md. State HB 669	353,370
Title IV-E - Training	93.658	Md. State HB 669	590,717
Title IV-E - Administration	93.658	Md. State HB 669	11,345,519
Title IV-E - Adoption	93.659	Md. State HB 669	96,712
Title XX - Social Services Block Grant	93.667	Md. State HB 669	3,571,120
Child Abuse and Neglect	93.669	Md. State HB 669	36,243
Family Violence Prevention and Services	93.671	CSA/FVPS-04-018	181,402
Independent Living	93.674	Md. State HB 669	3,017
Title XIX - Certification	93.778	Md. State HB 669	4,618,638
Title XIX - Health Related Services	93.778	Md. State HB 669	3,104,910
Maryland State Department of Housing and Community Development			
Community Services Block Grant	93.569	DCA/OCA-10-03-013	214,261
Community Services Block Grant	93.569	DCA/OCA-10-03-013	285,029
Georgetown University			
Microbiology Infectious Disease Research	93.856	RX4335-022MC	44,644
Microbiology Infectious Disease Research	93.856	RX4335-022MC	71,293
Prince Georges County			
HIV Emergency Relief	93.914	C-0815-04	965,379
HIV Emergency Relief	93.914	C-0809-06	396,212
Maryland State Department of Health and Mental Hygiene			
Refugee Health	93	CH421REF	153,258
Tuberculosis Control	93.116	CH015TBF	330,377
Transition from Homelessness	93.150	MH1700TH	125,720
Immunization Grants	93.268	CH354IMM	389,153
Disease Control and Prevention (DCP)			
DCP - Investigations and Technical Assistance	93.283	FH438CBC	524,112
DCP - Investigations and Technical Assistance	93.283	CH822PHP	882,237
DCP - Investigations and Technical Assistance	93.283	5646110101AA	423,814
DCP - Investigations and Technical Assistance	93.283	CH845AST	19,240
State Children's Insurance Program	93.767	MA286ACM	570,909

MONTGOMERY COUNTY, MARYLAND
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS, Continued
FOR THE YEAR ENDED JUNE 30, 2006

Federal Grantor, Pass Through Grantor, Program or Cluster Title	Federal CFDA Number	Pass Through Entity Identifying Number	Federal Expenditures
Pass Through Programs From: U. S. Department of Health and Human Services (concluded):			
Maryland State Department of Health and Mental Hygiene			
Programs for the Medicaid Cluster:			
State Survey and Certification of Health Care Providers	93.777	Nursing Care	\$ 475,965
Medical Assistance - Medicaid Transport	93.778	MA286ACM	1,435,453
Medical Assistance	93.778	MA366GTS	162,839
Medical Assistance	93.778	MA020EPS	350,299
Subtotal Medicaid Cluster			<u>2,424,556</u>
HIV Care Formula	93.917	AD486RWS	706,762
HIV Prevention	93.940	AD348CTR	228,118
HIV Prevention	93.940	AD506HER	261,988
Community Mental Health Services	93.958	MH234OTH	775,863
Prevention and Treatment of Substance Abuse	93.959	MU525ADP	200,330
Prevention and Treatment of Substance Abuse	93.959	MU171MPI	99,792
Prevention and Treatment of Substance Abuse	93.959	AS018MBG	812,172
Prevention and Treatment of Substance Abuse	93.959	MU615HRY	144,578
Preventive Health Services Block Grant	93.991	FH490NRR	45,121
Maternal and Child Health Services	93.994	CH567CFT	364,912
Maternal and Child Health Services	93.994	CH501CSN	77,927
Maternal and Child Health Services	93.994	FH886IPO	70,211
State of Maryland, Office of the Governor			
University of Maryland Center for Health Disparities Research	93.307	5P60MD000532-02	4,257
Subtotal Pass Through Programs			<u>49,976,697</u>
Total U. S. Department of Health and Human Services			<u>\$ 55,176,376</u>
Corporation for National and Community Service			
Direct Programs:			
Retired and Senior Volunteer Program	94.002	-	\$ 117,432
Total Corporation for National and Community Service			<u>\$ 117,432</u>
U. S. Department of Homeland Security			
Pass Through Programs From:			
District of Columbia - Office of the Deputy Mayor for Public Safety			
Homeland Security Grant Program	97.067	-	\$ 1,070,731
Maryland Emergency Management Agency			
State Domestic Preparedness Equipment Support Program	97.004	-	2,666,376
Urban Area Search Initiative	97.008	-	127,599
National Urban Search and Rescue Response System	97.025	-	3,642,524
Emergency Management Institute - Training	97.026	-	1,050
Public Assistance Grant (Hurricane Katrina)	97.036	-	65,285
Chesapeake Bay Small Watershed Grant	97.041	2005-0001-071	4,175
Assistance to Fire Fighters	97.044	-	297,054
Total U.S. Department of Homeland Security			<u>\$ 7,874,794</u>
TOTAL EXPENDITURES OF FEDERAL AWARDS			<u>\$ 111,278,363</u>

The accompanying notes are an integral part of this Schedule.

MONTGOMERY COUNTY, MARYLAND
NOTES TO THE SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
FOR THE YEAR ENDED JUNE 30, 2006

Note 1. Basis of Presentation

The accompanying Schedule of Expenditures of Federal Awards (the Schedule) includes the federal grant activity of the primary government of Montgomery County, Maryland (County) and is presented on the modified accrual basis of accounting. Federal awards of component units of the County reporting entity are not included in this Schedule.

The information in this Schedule is also presented in accordance with the requirements of OMB Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations*. Therefore, some amounts presented in this Schedule may differ from amounts presented in, or used in, the preparation of the basic financial statements.

Expenditures of federal award grant funds are made for the purposes specified by the grantor, and are subject to certain restrictions. Expenditures are also subject to audit by the relevant federal agency. In the opinion of management, disallowed costs, if any, from such audits will not have a material effect on this Schedule or the financial position of the County.

Note 2. Subrecipients

Of the expenditures presented in the Schedule, the County provided awards to subrecipients as follows:

<u>Program Title</u>	<u>Federal CFDA Number</u>	<u>Subrecipient Name</u>	<u>Amount Provided to Subrecipients</u>
Head Start	93.600	Montgomery County Public Schools	\$ 3,252,968
Infants and Toddlers	84.027	Montgomery County Public Schools	224,045
	84.181	Montgomery County Public Schools	344,242
High Intensity Drug Trafficking Area	07	YMCA of Greater Washington	77,394
Community Development Block Grant (CDBG)			
CDBG	14.218	City of Rockville	294,481
CDBG	14.218	City of Takoma Park	145,564
Workforce Investment Act			
Adult Program	17.258	Career Transition Center	290,454
Youth Activities	17.259	Career Transition Center	11,470
Youth Activities	17.259	Latin American Youth Center	193,397
Dislocated Workers	17.260	Career Transition Center	804,602
Rapid Response and Early Intervention	17.260	Career Transition Center	38,985
	17.261	Career Transition Center	96,944
State Wide - Incentive	17.259	Career Transition Center	38,919
Health Care - Incentive	17.259	Career Transition Center	8,521
Disability Navigator Grant	17.266	Career Transition Center	50,068
Disability Navigator Grant	17.266	Transcen, Inc.	78,750
Maryland Incumbent Worker	17.267	Career Transition Center	53,413
Employees with Disabilities Program (MCEP)			
MCEP	17.720	Career Transition Center	179,932
MCEP	17.720	Transcen, Inc.	351,577

Note 3. Loan Programs with Continuing Compliance Requirements

The County participates in the Home Investment Partnership Act federal loan program. The balance of loans from previous years and current year loan activity, as required under OMB Circular A-133, are presented in the Schedule.

MONTGOMERY COUNTY, MARYLAND
Schedule of Findings and Questioned Costs
Year ended June 30, 2006

Section I – Summary of Auditors’ Results

Financial Statements

Type of auditors’ report issued: Unqualified

Internal control over financial reporting:
Material weakness(es) identified: None

Reportable condition(s) identified that are not considered to be material weakness: None reported

Noncompliance material to financial statements: None

Federal Awards

Internal control over major programs:
Material weakness(es) identified: None

Reportable condition(s) identified that are not considered to be material weaknesses: None reported

Type of auditors’ report issued on compliance for major programs: Unqualified

Audit findings disclosed that are required to be reported in accordance with
Section 510(a) of Circular A-133: None

Identification of major programs:

<u>CFDA number</u>	<u>Name of federal program or cluster</u>
93.658	Foster Care
97.025	National Urban Search and Rescue Response System Grant
14.218	Community Development Block Grant
20.205	Highway Planning and Construction Cluster
97.004	State Domestic Preparedness Equipment Support Program
97.067	Homeland Security Grant
20.500 & 20.507	Federal Transit Cluster
93.777 & 93.778	Medicaid Cluster

Dollar threshold used to distinguish between type A and type B programs: \$2,670,000

Auditee qualified as low-risk auditee: Yes

Section II – Financial Statement Findings

No matters were reported.

Section III – Federal Awards Findings and Questioned Costs

No matters were reported.



Prepared by the:
Department of Finance
Division of the Controller
101 Monroe Street
Rockville, Maryland 20850
240-777-8860