



COUNTY OF OTTAWA

WEST OLIVE, MICHIGAN

SINGLE AUDIT REPORTS

FOR THE YEAR ENDED DECEMBER 31, 2010



Vredeveld Haefner LLC

COUNTY OF OTTAWA SINGLE AUDIT REPORTS

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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

June 3, 2011

County of Ottawa
Board of County Commissioners
West Olive, Michigan

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 of Ottawa, Michigan as of and for the year ended December 31, 2010, which collectively comprise the County of Ottawa's basic financial statements and have issued our report thereon dated June 3, 2011. Our report was modified to include a 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 Mental Health Special Revenue fund and the Protected Self-Funded Insurance - Mental Health Internal Service fund as described in our report on the County of Ottawa'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 of Ottawa's internal control over financial reporting as a basis for designing our auditing procedures 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 of Ottawa's internal control over financial reporting. Accordingly, we do not express an opinion on the effectiveness of the County of Ottawa's internal control over financial reporting.

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 combination of deficiencies, in internal control, such that there is a reasonable possibility that a material misstatement of the County of Ottawa's financial statements will not be prevented, or detected and corrected, on a timely basis.

Our consideration of internal control over financial reporting was for the limited purpose described in the first paragraph of this section and would not necessarily identify all deficiencies in internal control over financial reporting that might be deficiencies, significant deficiencies or material weaknesses. We did not identify any deficiencies in internal control over financial reporting that we consider to be material weaknesses, as defined above.

Compliance and Other Matters

As part of obtaining reasonable assurance about whether the County of Ottawa's 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*.

We noted certain matters that we reported to management in a separate letter dated June 3, 2011.

This report is intended solely for the information and use of management, the Board of County Commissioners, 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.

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**INDEPENDENT AUDITORS' REPORT ON COMPLIANCE WITH REQUIREMENTS
APPLICABLE TO EACH MAJOR PROGRAM AND ON INTERNAL CONTROL
OVER COMPLIANCE IN ACCORDANCE WITH OMB CIRCULAR A-133**

June 3, 2011

County of Ottawa
Board of County Commissioners
West Olive, Michigan

Compliance

We have audited the County of Ottawa's compliance with the types of compliance requirements described in the U. S. Office of Management and Budget (OMB) Circular A-133 Compliance Supplement that could have a direct and material effect on each of its major federal programs for the year ended December 31, 2010. The County of Ottawa's major federal programs are identified in the summary of auditor's 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 of Ottawa's management. Our responsibility is to express an opinion on the County of Ottawa'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 of Ottawa'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 on the County of Ottawa's compliance with those requirements.

In our opinion, the County of Ottawa, complied, in all material respects, with the 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, 2010. However, the results of our auditing procedures disclosed an instance of noncompliance with those requirements, which is required to be reported in accordance with OMB Circular A-133 and which is described in the accompanying schedule of findings and questioned costs as item 2010-1.

Internal Control Over Compliance

The management of the County of Ottawa is responsible for establishing and maintaining effective internal control over compliance with the requirements of laws, regulations, contracts, and grants applicable to federal programs. In planning and performing our audit, we considered the County of Ottawa'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 internal control over compliance in accordance with OMB Circular A-133, 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 of Ottawa'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 material noncompliance with a type of compliance requirement of a federal program will not be prevented, or detected and corrected, on a timely basis.

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 deficiencies, significant deficiencies, or material weaknesses. We did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses, as defined above.

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 of Ottawa as of and for the year ended December 31, 2010, and have issued our report thereon dated June 3, 2011, which contained unqualified opinions on those financial statements.. Our audit was performed for the purpose of forming our opinions on the financial statements that collectively comprise the County of Ottawa's basic financial statements. We did not audit the financial statements of the Mental Health Special Revenue fund which is a major fund, or the Protected Self-Funded Insurance - Mental Health Internal Service fund. Those financial statements were audited by other auditors whose report thereon has been furnished to us, and our opinion, insofar as it relates to the amounts included for the Mental Health funds, is based on the report of the other auditors. 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 is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the financial statements. The information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, is fairly stated, in all material respects, in relation to the basic financial statements taken as a whole.

The County of Ottawa's responses to the findings identified in our audit are described in the accompanying schedule of findings and questioned costs. We did not audit the County of Ottawa's responses and, accordingly, we express no opinion on the responses.

This report is intended solely for the information and use of management, the Board of County Commissioners, 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.

Uredexeld Haefner LLC

COUNTY OF OTTAWA
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
FOR THE YEAR ENDED DECEMBER 31, 2010

	CFDA Number	Program Expenditures Reported
<u>U.S. Department of Agriculture</u>		
Emergency Watershed Protection Program - ARRA	10.923	\$ 45,016
Conservation Reserve Enhancement Program	10.069	17,600
Passed through Michigan Department of Education:		
Emergency Food Assistance Program - TEFAP	10.568	33,765
Emergency Food Assistance Program - TEFAP - ARRA	10.568	12,766
Emergency Food Assistance Program - Commodities	10.569	172,226
Emergency Food Assistance Program - Commodities - ARRA	10.569	20,850
Commodity Supplemental Food Program	10.565	28,864
Commodity Supplemental Food Program - Commodities	10.565	97,380
National School Lunch Program:		
Commodities	10.550	2,949
School Breakfast Program	10.553	16,007
National School Lunch Program	10.555	29,315
Passed through Michigan Department of Labor and Economic Growth (1)		
Supplemental Nutrition Assistance program	10.561	52,623
Passed through Michigan Department of Community Health		
Food Stamps - Local Advisory Group	10.551	6,542
Total U.S. Department of Agriculture		<u>535,903</u>
<u>U.S. Department of the Interior</u>		
Fish & Wildlife Coordination Act - Habitat Development	15.631	5,500
<u>U.S. Department of Energy</u>		
Energy Efficiency & Conservation Block Grant - ARRA	81.128	1,029,448
Passed through MDHS		
Weatherization Assistance for Low-Income Persons	81.042	201,421
Weatherization Assistance for Low-Income Persons - ARRA	81.042	384,167
Total U.S. Department of Energy		<u>1,620,536</u>
<u>U.S. Environmental Protection Agency</u>		
Passed through Michigan Department of Environmental Quality		
SOM - Great Lakes	66.472	8,269
Noncommunity - Operator Certification Grant	66.471	710
Total U.S. Environmental Protection Agency		<u>8,979</u>
<u>U.S. Department of Health and Human Services</u>		
Passed through Michigan Department of Community Health:		
SOM - Family Planning	93.217	89,599
SOM - Family Planning	93.217	89,598
LCC Grant-SPF/SIG Project	93.243	19,107
Childhood Immun. Prg - Immunizations VFC/317	93.268	539,335
SOM - Immunization IAP	93.268	24,952
SOM - Immunization IAP	93.268	5,853
SOM - Immunization IAP	93.268	79,478
SOM - Immunization IAP	93.268	12,939
Immunization - Nurse Education	93.268	2,100
VFC Provider Site Visits	93.268	3,900

COUNTY OF OTTAWA
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
FOR THE YEAR ENDED DECEMBER 31, 2010

Bioterrorism - Pan Flu	93.069 \$	238,619
Bioterrorism - Pan Flu	93.069	194,247
H1N1 Vaccines	93.069	80,828
Bioterrorism - Focus A	93.069	151,882
Bioterrorism - Focus A	93.069	29,313
Preadmission Screenings and Annual Resident Reviews	93.778	128,775
SOM - Case Management Serv. (CSHCS)	93.778	65,787
Title XIX Federal Financial Participation	93.778	85,261
Title XIX Federal Financial Participation	93.778	42,221
Care Coordination	93.778	52,255
SOM - AIDS/HIV Prev.	93.940	2,000
Infant Mental Health Services	93.958	3,955
SOM - Case Management Serv. (CSHCS)	93.994	48,361
SOM - Oral Health	93.994	32,934
SOM - Maternal & Child Health Program	93.994	81,214
SIDS	93.994	85
LCC Grant	93.959	40,185
LCC Grant	93.959	33,071
ARRA-Reaching More Adults - ARRA	93.712	21,750
ARRA-Vaccines - ARRA	93.712	87,851
Building Healthy Communities-Obesity Prevention	93.283	22,311
Passed through Michigan Community Action Agency Association:		
MCAAA - Managed Care Enrollment -	93.778	6,760
Passed through Muskegon County CMH:		
PMTO Grant	93.958	17,448
Passed through Michigan Department of Energy, Labor and Economic Growth (1)		
TANF/Jet	93.558	467,888
TANF Supportive Services/JET	93.558	75,000
Passed through Michigan Department of Human Services:		
Friend of the Court Incentive Payment	93.563	308,758
Temporary Assistance for Needy Families	93.558	-
Low Income Home Energy Assistance	93.568	78,098
Community Services Block Grant - Administration	93.569	278,779
Community Services Block Grant - ARRA	93.569	390,016
Community Services Block Grant, Migrant Services	93.569	14,963
Community Services Block Grant, Disc Funding-Tax Prep Asstnce	93.569	22,807
CSBG, Disc Funding-Tax Prep Asstnce - Allegan County	93.569	19,134
LIHEAP Deliverable Fuels	93.568	5,577
Prosecuting Attorney Child Protection Investigations - Legal Services	93.658	7,886
Prosecuting Attorney Child Support Enforcement	93.563	114,804
CRP Friend of the Court Child Support Enforcement	93.563	1,088,984
CRP Friend of the Court Child Support Enforcement - ARRA	93.563	599,354
Passed through Region 6 ASPR Hospital Preparedness Program		
Medical Reserve Corp	93.889	7,313
Passed through National Association of County and City Health Officials		
Medical Reserve Corps	93.008	9,975
Medical Reserve Corps	93.008	3,211
Total U.S. Department of Health and Human Services		<u>5,826,521</u>

COUNTY OF OTTAWA
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
FOR THE YEAR ENDED DECEMBER 31, 2010

U.S. Department of Labor

Passed through Michigan Department of Energy, Labor and Economic Growth (1)		
WIA - Local Administrator Type A AY08 PY09	Cluster \$	302,386
WIA - Local Administrator Type A AY09 PY09	Cluster	11,315
WIA - Local Administrator - A/Y 2008 PY09 - ARRA	Cluster	90,400
WIA - Dislocated Worker NEG-West MI - ARRA	17.260	1,305,220
WIA - Statewide Activities (One Stop Operation)	17.258	29,708
	17.259	31,818
	17.260	42,353
Employment Service - Wagner Peyser	17.207	312,406
WIA - Statewide Rapid Response-Incumbent Worker	17.260	75,436
WIA - Statewide Activities-Replacement Program/Admin	17.258	10,668
	17.259	11,426
	17.260	14,908
WIA - Statewide Activities-Capacity Building E	17.258	6,919
	17.259	7,411
	17.260	9,670
WIA - National Emergency Grant	17.260	2,557
WIA - Wagner Peyser NCRC	17.207	5,247
WIA - Wagner Peyser NCRC-ARRA	17.207	52,620
WIA - Statewide - NCRC	17.258	7,244
	17.259	7,734
	17.260	17,463
WIA - Reemployment Services - ARRA	17.207	106,350
WIA - Statewide - ARRA	17.258	5,653
	17.259	13,544
	17.260	14,370
WIA - Dislocated Workers Grant - ARRA	17.260	707,087
Type A Trade	17.245	662,955
Type A Trade/Capacity Building	17.245	1,470
Workforce Investment Act - Youth	17.259	953,772
Workforce Investment Act - Youth - ARRA	17.259	1,035,150
WIA- Statewide Activities ---High Concentration Youth	17.258	1,952
WIA- Statewide Activities ---High Concentration Youth	17.259	2,090
WIA- Statewide Activities ---High Concentration Youth	17.260	2,727
Workforce Investment Act - Adult	17.258	603,251
Workforce Investment Act - Adult - ARRA	17.258	341,821
WIA - Dislocated Workers Grant	17.260	1,011,393
Total U.S. Department of Labor		7,818,494

U.S. Department of Justice

Byrne Memorial Formula Grant - 2008-DJ-BX-0163	16.738	38,635
Equipment Grant (LLEBG-ARRA) - 2009-SB-B9-1995 - ARRA	16.804	36,402
State Criminal Alien Apprehension Program	16.606	35,339
State Justice Institute - Curriculum, Adaptation & Training *	N/A	30,590
*Funding provided under the Commerce, Justice, and Science Appropriation Bill, Title IV Funding		
State Justice Institute - Scholarships *	N/A	9,000
*Funding provided under the Commerce, Justice, and Science Appropriation Bill, Title IV Funding		
Passed through Michigan State Police		
Alcohol Impaired Driving Prevention	16.727	47,204
Domestic Cannabis Suppression Program	16.2010-84	650
Edward Byrne Memorial Justice Assistance Grant Program	16.738	123,112

COUNTY OF OTTAWA
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
FOR THE YEAR ENDED DECEMBER 31, 2010

Passed through City of Holland		
Project Safe Neighborhood (PSN) 2007 Anti-Gang Initiative	16.744 \$	862
Passed through State of Michigan Department of Human Services		
Juvenile Accountability Incentive Block Grant	16.523	9,472
Total U.S. Department of Justice		331,266
<u>U.S. Department of Housing and Urban Development</u>		
HUD Housing Assistance	14.235	78,022
HUD Housing Assistance	14.235	11,125
HUD Housing Assistance	14.235	210,443
Passed through Michigan State Housing Development Authority		
Section 8 Housing Choice Vouchers	14.871	105,400
Community Development Block Grant	14.228	37,909
HOME Funds - Homebuyer Purchase Rehabilitation (HPR)	14.239	34,503
Section 8 & FSS (Family Self Sufficiency)	14.871	8,933
Total U.S. Department of Housing and Urban Development		486,335
<u>U.S. Department of Transportation</u>		
Passed through Michigan Department of State Police		
Hazardous Materials Emergency Preparedness	20.703	1,713
Passed through City of Holland		
Safe Communities Grant/ Drive Mi Safely	20.600	26,418
Safe Communities Grant/ High Visibility Enforcement	20.601	44,045
Passed through Michigan Department of Community Health		
Safe Routes to School	20.205	9,606
Total U.S. Department of Transportation		81,782
<u>Federal Emergency Management Agency</u>		
Port Security Equipment & Training - ARRA	97.116	94,268
<u>Executive Office of the President</u>		
Passed through Michigan Department of State Police		
High Intensity Drug Trafficking Areas (HIDTA) - Sheriff	N/A	645
<u>U.S. Department of Commerce</u>		
Passed through Michigan Department of State Police		
Public Safety Interoperable Communications Gran2	11.555	153,749
<u>U.S. Department of Education</u>		
Passed through OAISD		
Title I State Agy Prog for Neglected and Delinqt Children	84.013	41,192
Title I Grants to Local Educ Agencies, Recovery Act - ARRA	84.389	95,885
Total U.S. Department of Education		137,077

COUNTY OF OTTAWA
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
FOR THE YEAR ENDED DECEMBER 31, 2010

<u>U.S. Department of Homeland Security</u>		
Passed through United Way of America		
Emergency Food and Shelter National Board Program	97.024 \$	2,520
Passed through Michigan Department of State Police		
Emergency Management Performance Grant	97.042	37,273
Flood Mitigation Assistance Grant - FY08	97.029	1,058
Passed through West Michigan Shoreline Regional Development Commission, Region 6 HLSRGB		
2007 Homeland Security Grant	97.067	21,579
2008 Homeland Security Grant	97.067	82,415
Homeland Security Grant - Equipment Transfer	97.067	<u>256,459</u>
Total U.S. Department of Homeland Security		<u>401,304</u>
TOTAL FEDERAL FINANCIAL ASSISTANCE		<u><u>17,496,859</u></u>

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COUNTY OF OTTAWA

NOTES TO SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS

FOR THE YEAR ENDED DECEMBER 31, 2010

1. BASIS OF PRESENTATION

The accompanying schedule of expenditures of federal awards includes the federal grant activity of the County of Ottawa, Michigan and is presented on the modified accrual basis of accounting. The information in this schedule is 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 the financial statements.

2. ACCOUNTING PERIOD

Certain funds of the County utilize the fiscal years ended March 31, 2010, June 30, 2010, September 30, 2010, and December 31, 2010. Programs that fall under different fiscal years are reported on the schedule expenditures of federal awards based on the funds fiscal year end.

3. SUBRECIPIENTS

Of the federal expenditures presented in the accompanying schedule of expenditures of federal awards, the County of Ottawa provided federal awards to subrecipients as follows:

<u>Program Title</u>	<u>Federal CFDA number</u>	<u>Amount provided to subrecipients</u>
Food Assistance	10.561	\$ 49,137
Public Safety Interoperable Communications	11.555	153,749
Youth Alcohol Enforcement	16.727	22,420
Energy Efficiency and Conservation Block Grant	81.128	359,377
Homeland Security Equipment Grant	97.067	200,208
Temporary Assistance for Needy Families - Type T	93.558	427,070
Type A Trade	17.245	704,708
Wagner-Peyser Employment/Reemployment	17.207	342,841
Workforce Investment Act - Adult	17.258	756,796
Workforce Investment Act - Youth	17.259	1,713,004
Workforce Investment Act - Dislocated Worker	17.260	1,453,336
WIA - National Emergency Grant	17.260	1,508,371
WIA – Statewide Activities – Hi Concentration Youth	17.258-17.260	6,068
WIA – Statewide Activities - NCRC	17.258-17.260	29,448
WIA - Statewide Activities - Replacement	17.258-17.260	33,878
Total		<u>\$7,760,411</u>

COUNTY OF OTTAWA

NOTES TO SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS

FOR THE YEAR ENDED DECEMBER 31, 2010

4. VACCINES EXPENDITURES

Expenditures as reported on the Schedule of Expenditures of Federal Awards agree with the County general ledger and include inventory adjustments in accordance with generally accepted accounting principles. The amount shown above is reconciled to the amount reported by the State of Michigan as follows:

	CFDA #	93.268	93.712	93.069
		Regular	ARRA	H1N1
		<u>Vaccines</u>	<u>Vaccines</u>	<u>Vaccines</u>
Expenditures as reported		\$ 539,335	\$87,851	\$80,828
Less - inventory at beginning of year		(89,984)	-	-
Add - inventory at end of year		86,346	-	-
		<hr/>	<hr/>	<hr/>
Vaccines received per State of Michigan		<u>\$ 535,697</u>	<u>\$87,851</u>	<u>\$80,828</u>

COUNTY OF OTTAWA

SCHEDULE OF FINDINGS AND QUESTIONED COSTS

FOR THE YEAR ENDED DECEMBER 31, 2010

SECTION I - SUMMARY OF AUDITORS' RESULTS

Financial Statements

Type of auditors' report issued	Unqualified on basic financial statements	
Internal controls over financial reporting		
Material weaknesses identified?	_____ yes	<u> X </u> no
Deficiencies identified not considered to be material weaknesses?	_____ yes	<u> X </u> none reported
Noncompliance material to financial statements noted?	_____ yes	<u> X </u> no

Federal Awards

Internal control over major programs	Unqualified	
Material weaknesses identified?	_____ yes	<u> X </u> no
Deficiencies identified not considered to be material weaknesses?	_____ yes	<u> X </u> none reported
Type of auditors' report issued on compliance for major programs	Unqualified	
Any audit findings disclosed that are required to be reported in accordance with Circular A-133, section 510(a)?	<u> X </u> yes	_____ no

Identification of Major Programs

<u>CFDA Number(s)</u>	<u>Name of Federal Program or Cluster</u>
17.207	Wagner-Peyser Employment
17.245	Trade adjustment assistance
17.258, 17.259 & 17.260	WIA Cluster
81.042	Weatherization
81.128	EECBG
93.558	TANF/JET
93.569	CSBG
93.268 & 93.712	Immunization
93.069	PHEP, PHER

Dollar threshold used to distinguish between Type A and B programs?	<u> \$524,906 </u>
Auditee qualified as low-risk auditee?	<u> X </u> yes _____ no

SECTION II - FINANCIAL STATEMENT FINDINGS

None noted.

SECTION III - FEDERAL AWARD FINDINGS AND QUESTIONED COSTS

2010-1 - CFDA # 81.128

Condition: The County's construction contractor was required to comply with Davis Bacon Act provisions. The County was not obtaining certified payrolls, verifying compliance with prevailing wage requirements, or conducting job site interviews as required.

Effect: The contract with the vendor included provisions that they would comply with Davis Bacon Act and maintain the appropriate documentation. The County was advised by Department of Energy Field Office staff that this was allowable, however, DOE EECBG program notice 10-004 specifically requires full compliance with the Davis Bacon Act. The County's practice did not meet the requirements of the Act.

Recommendation: Require the contractor to fully comply with the Act and submit required documentation to the County prior to payment of related invoices.

Management corrective action: County management has implemented the above recommendation.

SECTION IV - SUMMARY OF PRIOR AUDIT FINDINGS

None noted.

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