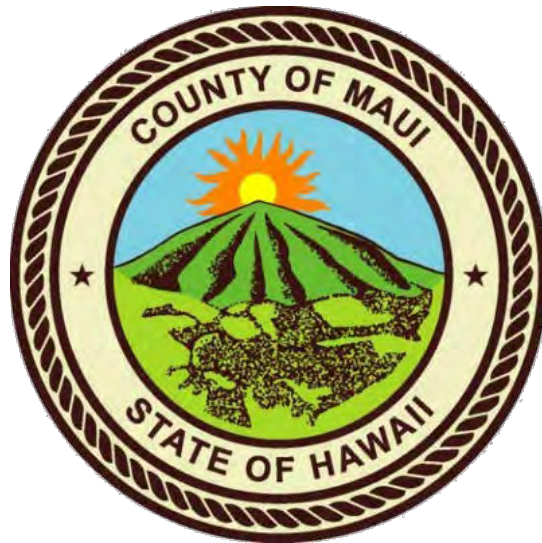


# **COUNTY OF MAUI**

**STATE OF HAWAII**



## **SINGLE AUDIT REPORT**

**FOR THE FISCAL YEAR ENDED  
JUNE 30, 2019**

March 13, 2020

To the Council Chair,  
and Members of the Council  
County of Maui  
Wailuku, Maui, Hawai'i

We have completed our financial audit of the basic financial statements and other supplementary information of the County of Maui, State of Hawai'i (the County), as of and for the fiscal year ended June 30, 2019. Our report containing our opinions on those basic financial statements is included in the County's *Comprehensive Annual Financial Report*. We submit herein our reports on the County's internal control over financial reporting and on compliance and other matters, compliance for each major federal program and internal control over compliance, and the schedule of expenditures of federal awards required by the Uniform Guidance.

## **OBJECTIVES OF THE AUDIT**

The primary purpose of our audit was to form opinions on the fairness of the presentation of the County's basic financial statements as of and for the fiscal year ended June 30, 2019, and to comply 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), which establishes audit requirements for state and local governments that receive federal financial assistance. More specifically, the objectives of the audit were as follows:

1. To provide opinions on the fairness of the presentation of the County's financial statements.
2. To consider the County's internal control over financial reporting in order to determine our auditing procedures for the purpose of expressing our opinion on the financial statements.
3. To perform tests of the County's 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.

4. To report on internal control over compliance related to major federal programs and an opinion on compliance with federal statutes, regulations, and the terms and conditions of federal awards that could have a direct and material effect on each major federal program in accordance with the Single Audit Act Amendments of 1996 and the Uniform Guidance.

## SCOPE OF THE AUDIT

Our audit was conducted 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. The scope of our audit included tests of the transactions and accounting records of the County for the fiscal year ended June 30, 2019.

## ORGANIZATION OF THE REPORT

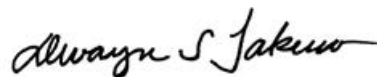
This report is presented in five parts as follows:

- Part I - Our report on internal control over financial reporting and on compliance and other matters.
- Part II - Our report on compliance for each major federal program and on internal control over compliance; and report on the schedule of expenditures of federal awards required by the Uniform Guidance.
- Part III - The schedule of findings and questioned costs.
- Part IV - The corrective action plan.
- Part V - The summary schedule of prior audit findings.

We wish to express our sincere appreciation for the excellent cooperation and assistance extended by the staff of the County.

Sincerely,

N&K CPAs, INC.



Dwayne S. Takeno  
Principal

COUNTY OF MAUI, STATE OF HAWAI'I

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**PART I**

**REPORT ON INTERNAL CONTROL OVER FINANCIAL  
REPORTING AND ON COMPLIANCE AND OTHER MATTERS**

**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 Council Chair,  
and Members of the Council  
County of Maui  
Wailuku, Maui, Hawai'i

We have audited, 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, the financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the County of Maui, State of Hawai'i (the County) as of and for the fiscal year ended June 30, 2019, and the related notes to the financial statements, which collectively comprise the County's basic financial statements, and have issued our report thereon dated December 20, 2019.

**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.

Our consideration of internal control was for the limited purpose described in the preceding paragraph and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies and therefore, material weaknesses or significant deficiencies may exist that have not been identified. However, as described in the accompanying schedule of findings and questioned costs, we did identify certain deficiencies in internal control that we consider to be material weaknesses and significant deficiencies.

*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 entity's financial statements will not be prevented, or detected and corrected, on a timely basis. We consider the deficiency described in the accompanying schedule of findings and questioned costs as item 2019-001 to be a material weakness.

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. We consider the deficiency described in the accompanying schedule of findings and questioned costs as item 2019-002 to be a significant deficiency.

### **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*.

### **The County's Response to Findings**

The County's response to the findings identified in our audit is described in the accompanying schedule of findings and questioned costs. The County's response was not subjected to the auditing procedures applied in the audit of the financial statements and, accordingly, we express no opinion on it.

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

*N&K CPAs, Inc.*

Honolulu, Hawai'i  
December 20, 2019

**PART II**

**REPORT ON COMPLIANCE FOR EACH MAJOR FEDERAL PROGRAM;  
REPORT ON INTERNAL CONTROL OVER COMPLIANCE;  
AND REPORT ON SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS  
REQUIRED BY THE UNIFORM GUIDANCE**



**INDEPENDENT AUDITOR’S REPORT ON COMPLIANCE FOR EACH MAJOR  
FEDERAL PROGRAM; REPORT ON INTERNAL CONTROL OVER COMPLIANCE;  
AND REPORT ON SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS  
REQUIRED BY THE UNIFORM GUIDANCE**

To the Council Chair,  
and Members of the Council  
County of Maui  
Wailuku, Maui, Hawai‘i

**Report on Compliance for Each Major Federal Program**

We have audited the County of Maui, State of Hawai‘i’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 fiscal 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 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 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). 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 fiscal year ended June 30, 2019.

### **Other Matters**

The results of our auditing procedures disclosed instances of noncompliance which are required to be reported in accordance with the Uniform Guidance and which are described in the accompanying schedule of findings and questioned costs as items 2019-003 to 2019-005. Our opinion on each major federal program is not modified with respect to these matters.

The County's response to the noncompliance findings identified in our audit is described in the accompanying schedule of findings and questioned costs. The County's response was not subjected to the auditing procedures applied in the audit of compliance and, accordingly, we express no opinion on the response.

### **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 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 and therefore, material weaknesses or significant deficiencies may exist that have not been identified. We did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses. However, we did identify certain deficiencies in internal control over compliance, described in the accompanying schedule of findings and questioned costs as items 2019-003 to 2019-005 that we consider to be significant deficiencies.

The County's response to the internal control over compliance findings identified in our audit is described in the accompanying schedule of findings and questioned costs. The County's response was not subjected to the auditing procedures applied in the audit of compliance and, accordingly, we express no opinion on the response.

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 of the County as of and for the fiscal year ended June 30, 2019, and the related notes to the financial statements, which collectively comprise the basic financial statements. We issued our report thereon dated December 20, 2019, which contained unmodified opinions on those financial statements. Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the basic financial statements. 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 basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying

N&K CPAs, Inc.

ACCOUNTANTS | CONSULTANTS

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.

N&K CPAs, Inc.

Honolulu, Hawai'i

March 13, 2020

**County of Maui, State of Hawai'i**  
**SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS**  
**Fiscal Year Ended June 30, 2019**

Federal Grantor/Pass-Through Grantor/Program or Cluster Title	Federal CFDA Number	Pass-Through Entity Identifying Number	Total Federal Expenditures	Provided Through to Subrecipients
<b>CORPORATION FOR NATIONAL AND COMMUNITY SERVICE PROGRAMS</b>				
Retired Senior Volunteer Program	94.002		\$ <u>68,488</u>	\$ --
TOTAL CORPORATION FOR NATIONAL AND COMMUNITY SERVICE PROGRAMS			<u>68,488</u>	--
<b>DEPARTMENT OF AGRICULTURE PROGRAMS</b>				
Pass-through State - Summer Food Service Program for Children: Play and Learn Sessions (PALS)	10.559	17177HHIN1099	<u>62,876</u>	--
TOTAL DEPARTMENT OF AGRICULTURE PROGRAMS			<u>62,876</u>	--
<b>DEPARTMENT OF COMMERCE PROGRAMS</b>				
Pass-through State - Coastal Zone Management Administration Awards: Coastal Zone Management #47363		47363	(11,368)	--
Coastal Zone Management FY18		NA16NOS4190093	99,997	--
Coastal Zone Management FY19		NA17NOS4190102	<u>231,807</u>	--
Total Coastal Zone Management Administration Awards	11.419		<u>320,436</u>	--
TOTAL DEPARTMENT OF COMMERCE PROGRAMS			<u>320,436</u>	--
<b>DEPARTMENT OF HEALTH AND HUMAN SERVICES PROGRAMS</b>				
Pass-through State - Special Programs for the Aging Title III, Part D, Disease Prevention and Health Promotion Services Aging Title IIID		MA2016N03	13,815	--
Aging Title IIID		MA2016N03	<u>3,088</u>	--
Total Special Programs for the Aging Title III, Part D, Disease Prevention and Health Promotion Services	93.043		<u>16,903</u>	--
Aging Cluster				
Pass-through State - Special Programs for the Aging Title III, Part B, Grants for Supportive Services Senior Centers Aging Title III Programs		MA2016N03	41,868	--
Aging Title III Programs		MA2016N03	183,961	--
State Health Insurance Assistance Program		MA2017N11	27,262	--
Aging Title III Programs		MA2016N03	<u>105,481</u>	--
Total Special Programs for the Aging Title III, Part B, Grants for Supportive Services Senior Centers	93.044		<u>358,572</u>	--
Pass-through State - Special Programs for the Aging Title III, Part C, Nutrition Services Aging Title IIIC-1		MA2016N03	12,923	--
Aging Title IIIC-1		MA2016N03	<u>56,179</u>	--
Total Special Programs for the Aging Title III, Part C, Nutrition Services	93.045		<u>69,102</u>	--
Total Aging Cluster			<u>427,674</u>	--
Pass-through State - National Family Caregiver Support, Title III, Part E Aging Title IIIE		MA2016N03	61,073	--
Aging Title IIIE		MA2016N03	<u>68,990</u>	--
Total National Family Caregiver Support, Title III, Part E	93.052		<u>130,063</u>	--
Pass-through State - Substance Abuse and Mental Health Services Projects of Regional and National Significance: Strategic Prevention Framework		2016D-PFSHTH	107,663	--
Substance Abuse Prevention		2016D-PFSHTH	<u>20,724</u>	--
Total Special Programs for the Aging Title III, Part B, Grants for Supportive Services Senior Centers	93.243		<u>128,387</u>	<u>104,568</u>
TOTAL DEPARTMENT OF HEALTH AND HUMAN SERVICES PROGRAMS			<u>\$ 703,027</u>	<u>\$ 104,568</u>

The accompanying notes are an integral part of this schedule.

**County of Maui, State of Hawai'i**  
**SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS (Continued)**  
**Fiscal Year Ended June 30, 2019**

Federal Grantor/Pass-Through Grantor/Program or Cluster Title	Federal CFDA Number	Pass-Through Entity Identifying Number	Total Federal Expenditures	Provided Through to Subrecipients
<b>EXECUTIVE OFFICE OF THE PRESIDENT PROGRAMS</b>				
High Intensity Drug Trafficking Areas Program:				
High Intensity Drug Trafficking Areas	95.001		\$ 209,889	\$ --
<b>TOTAL EXECUTIVE OFFICE OF THE PRESIDENT PROGRAMS</b>			<u>209,889</u>	<u>--</u>
<b>DEPARTMENT OF JUSTICE PROGRAMS</b>				
Drug Enforcement Administration (DEA):				
Federal Justice Police Forfeitures			55,801	--
Total Drug Enforcement Administration	16.U01		<u>55,801</u>	<u>--</u>
Pass-through State - Crime Victim Assistance:				
Special Needs Advocacy Program		15-VA-01	(20)	--
Special Needs Advocacy Program Supplemental		16-VA-01	482,613	54,424
Total Crime Victim Assistance	16.575		<u>482,593</u>	<u>54,424</u>
Pass-through State - Violence Against Women Formula Grants:				
Domestic Violence Strangulation		13-WF-06	991	--
Domestic Violence Stalking/Homicide		15-WF-06	31,767	--
Violence Against Women Grant		16-WF-06	44,679	--
Domestic Violence Investigation		15-WF-02	55,179	--
Total Violence Against Women Formula Grants	16.588		<u>132,616</u>	<u>--</u>
Edward Byrne Memorial Justice Assistance Grant Program:	16.738		<u>63,128</u>	<u>--</u>
Pass-through State - Equitable Sharing Program				
Asset Forfeitures Program	16.922	HI005013A	26,552	--
<b>TOTAL DEPARTMENT OF JUSTICE PROGRAMS</b>			<u>760,690</u>	<u>54,424</u>
<b>ENVIRONMENTAL PROTECTION AGENCY PROGRAMS</b>				
Pass-through State - Capitalization Grants for Clean Water State Revolving Funds:				
Lahaina WWRF Modi STG 1A		CS15000118CBS-1144	4,618,269	--
Lahaina WWRF Modi STAGE 1A	66.458	CS15000118CBS-1144	4,799,731	--
Total Capitalization Grants for Clean Water State Revolving Funds			<u>9,418,000</u>	<u>--</u>
<b>TOTAL ENVIRONMENTAL PROTECTION AGENCY PROGRAMS</b>			<u>9,418,000</u>	<u>--</u>
<b>DEPARTMENT OF TRANSPORTATION PROGRAMS</b>				
Pass-through State - Highway Planning and Construction				
FHWA Projects State Reviews		FHWA CENG	42,041	--
FHWA Various Projects County		FHWA CENG	29,440	--
FHWA Maui Metro Planning Org		PL-0053(017)	146,247	--
FHWA Maui MPO FY18 UPWP		PL-0053(018)	165,869	--
FHWA Maui MPO FY19 UPWP		PL-0053(019)	126,425	--
Kamehameha Ave Pavement Rehab		STP-0900(079)	427,625	--
Wakea Ave/Wells ST Pavement RE		STP-0900(082)	484,698	--
Baldwin Avenue Resurfacing		STP-0390(001)	19,349	--
SO Maui Traffic Master Plan		SPR-0010(036)	211,580	--
Kuikahi DR Pavement Rehab		STP-3210(001)-24	(6,400)	--
Baldwin Avenue Pavement Rehabilitation PH2		STP-0390(002)24	300,319	--
Kokomo RD/Mak Ave Pavement PH2		STP-900(086)	2,927,276	--
Kaupakalua RD Pavement Recons		STP-0365(010)	84,151	--
N Shore Greenway Phase 4		STP-0900(089)	479,557	--
Pavement Rehab Maui Roads		STP-0900(090)	2,862,943	--
Paia School Safe Routes to SCH		SRS-0900(091)	926,581	--
Total Highway Planning and Construction	20.205		<u>\$ 9,227,701</u>	<u>\$ --</u>

The accompanying notes are an integral part of this schedule.

**County of Maui, State of Hawai'i**  
**SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS (Continued)**  
**Fiscal Year Ended June 30, 2019**

Federal Grantor/Pass-Through Grantor/Program or Cluster Title	Federal CFDA Number	Pass-Through Entity Identifying Number	Total Federal Expenditures	Provided Through to Subrecipients
<b>DEPARTMENT OF TRANSPORTATION PROGRAMS (Continued)</b>				
Pass-through UMTA Technical Studies: - Metropolitan Transportation Planning and State and Non-Metropolitan Planning and Research				
FTA SEC 5305 Metropolitan Transit		49 USC SEC5305(D)	\$ (46,301)	\$ --
FTA Maui MPO FY18 UPWP		FAIN 1623-2017-2	(3,650)	--
FTA Maui MPO FY19 UPWP		FTA-5303	<u>14,660</u>	<u>--</u>
Total Metropolitan Transportation Planning and State and Non-Metropolitan Planning and Research	20.505		<u>(35,291)</u>	<u>--</u>
Pass-through State - Formula Grants for Rural Areas				
FTA SEC 5311 Non-Urbanized		HI-18-X032	2,541	--
FTA SEC 5311 Non-Urbanized	20.509	HI-2016-004-00	<u>315,481</u>	<u>--</u>
Total Formula Grants for Rural Areas			<u>318,022</u>	<u>--</u>
Federal Transit Cluster				
Pass-through State - Federal Transit Formula Grants				
SEC 5307 Urbanized Area Formula	20.507	1623-2017-5	<u>1,040,365</u>	<u>--</u>
Total Federal Transit Formula Grants			<u>1,040,365</u>	<u>--</u>
Pass-through State - Bus and Bus Facilities Formula Program				
FTA SEC5339 Bus/Bus FAC Form	20.526	HI-34-0001HI-2016-002-00	<u>111,455</u>	<u>--</u>
Total Bus and Bus Facilities Formula Program			<u>111,455</u>	<u>--</u>
Total Federal Transit Cluster			<u>1,151,820</u>	<u>--</u>
Highway Safety Cluster				
Pass-through State - State and Community Highway Safety:				
MPD Traffic Services		PT17-01(03-M-01)	(556)	--
MPD Traffic Data Records		TR17-03(05-M-01)	(21,799)	--
MFD Extrication Tools		EM18-04(03-M-01)	17,344	--
MPD Traffic Services		PT18-01(03-M-01)	17,351	--
MPD Speed Enforcement		SC18-06(01-M-03)	79,038	--
Distracted Driving Denforcement		DD18-10(03-M-01)	8,640	--
MPD Seat Belt Program		OP18-05(01-M-03)	17,135	--
MPD Child Restraint Program		OP18-05(02-M-01)	8,548	--
MPD Traffic Services		PT19-01(03-M-01)	37,064	--
MPD Speed Enforcement		SC19-06(01-M-03)	71,252	--
Distracted Driving Enforcement		DD19-09(03-M-01)	<u>38,466</u>	<u>--</u>
Total State and Community Highway Safety	20.600		<u>272,483</u>	<u>--</u>
Pass-through State - National Priority Safety Programs:				
MPD Child Restraint PRG		OP17-05(03-M-01)	125	--
MPD Traffic Data Records		TR18-03(04-M-01)	48,913	--
MPD Roadblock Program		AL18-02(01-M-03)	117,886	--
DPA 2018 Traffic Records		TR18-03(10-M-01)	5,168	--
MPD Traffic Data Records		TR19-03(04-M-01)	130,529	--
MPD Roadblock Program		AL19-02(01-M-03)	276,122	--
MPD Seatbelt Enforcement		OP19-05(01-M-03)	35,097	--
MAUI Child Restraint PRG		OP19-05(02-M-01)	<u>15,147</u>	<u>--</u>
Total National Priority Safety Programs	20.616		<u>628,987</u>	<u>--</u>
Total Highway Safety Cluster			<u>901,470</u>	<u>--</u>
<b>TOTAL DEPARTMENT OF TRANSPORTATION PROGRAMS</b>			<u>\$ 11,563,722</u>	<u>\$ --</u>

The accompanying notes are an integral part of this schedule.

**County of Maui, State of Hawai'i**  
**SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS (Continued)**  
**Fiscal Year Ended June 30, 2019**

Federal Grantor/Pass-Through Grantor/Program or Cluster Title	Federal CFDA Number	Pass-Through Entity Identifying Number	Total Federal Expenditures	Provided Through to Subrecipients
<b>DEPARTMENT OF HOMELAND SECURITY PROGRAMS</b>				
Pass-through State - Emergency Management Institute Training Assistance:				
FEMA Fire Training Funds	97.026	11-106-036	\$ (1,477)	\$ --
Disaster Grants - Public Assistance (Presidentially Declared Disasters):				
Kiholo Bay Earthquake		FEMA-1664-DR-HI10/15/06	1,015	--
Hurricane Lane Cleanup			198,645	--
Hurricane Lane Cleanup			554,560	--
Total Public Assistance (Presidentially Declared Disasters)	97.036		754,220	--
Emergency Management Performance Grants				
Emergency Management Performance Grant	97.042		35,693	--
Homeland Security Grant Program:				
State Homeland Security	97.067		366,695	--
<b>TOTAL DEPARTMENT OF HOMELAND SECURITY PROGRAMS</b>			<b>1,155,131</b>	<b>--</b>
<b>DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT PROGRAMS</b>				
Community Development Block Grants / Small Cities Program:				
Khako Renewal Project PH-II	14.U01		20,497	20,497
Community Development Block Grants / State's Program and Non-Entitlement Grants in Hawaii:	14.228		1,790,553	1,423,843
Pass-through State - Home Investment Partnerships Program:				
Home FFY14 Administration		M-2014-MAUI ADMIN	3,909	--
Home FFY17 Administration		M17-SG150100	35,187	--
Home FFY17 Kaiwahine Village		M17-SG150100	2,137,115	--
Home FFY17 Kahoma Residential		M17-SG150100	377,318	--
Total Home Investment Partnership Program	14.239		2,553,529	--
Pass-through NATL HTF - Housing Trust Fund				
NATL HTF Kaiwahine Phase II		F17-SG150100	1,226,121	--
NATL HTF Administration		F17-SG150100	196	--
Total Housing Trust Fund	14.275		1,226,317	--
Section 8 Housing Choice Vouchers:	14.871		21,989,064	--
Family Self-Sufficiency Program:	14.896		23,843	--
<b>TOTAL DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT PROGRAMS</b>			<b>27,603,803</b>	<b>1,444,340</b>
<b>DEPARTMENT OF LABOR PROGRAMS</b>				
Pass-through State - Workforce Investment Act:				
WIOA Admin PY2017		WIOA-17-LAC-M6/30/2019	27,489	--
WIOA Admin PY2018		WIOA-18-LAC-M6/30/2020	10,172	--
Total Workforce Investment Act	17.U01		37,661	--
WIOA Cluster				
Pass-through State - WIA/WIOA Adult Program:				
WIOA Adult Program		WIOA-16-AP-M6/30/2019	101,463	--
WIOA Adult Program		WIOA-18-A&DWP-M6/30/2020	17,000	--
Total WIOA Adult Program	17.258		118,463	--
Pass-through State - WIA/WIOA Youth Activities:				
WIA Youth Activities		WIOA-16-YPM	(3,004)	--
WIA Youth Activities		WIOA-17-YPM6/30/2019	135,809	--
Total WIOA Youth Activities	17.259		\$ 132,805	\$ --

The accompanying notes are an integral part of this schedule.



**County of Maui, State of Hawai'i**  
**SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS (Continued)**  
**Fiscal Year Ended June 30, 2019**

Federal Grantor/Pass-Through Grantor/Program or Cluster Title	Federal CFDA Number	Pass-Through Entity Identifying Number	Total Federal Expenditures	Provided Through to Subrecipients
Pass-through State - WIA/WIOA Dislocated Worker Formula Grants				
WIOA Dislocated Worker		WIOA-17-DWP-M6/30/2019	\$ 93,470	\$ --
WIOA Dislocated Worker	17.278	WIOA-18-DWP-M6/30/2020	<u>29,000</u>	<u>--</u>
Total WIA/WIOA Dislocated Worker Formula Grants			<u>122,470</u>	<u>--</u>
Total WIOA Cluster			<u>373,738</u>	<u>--</u>
<b>TOTAL DEPARTMENT OF LABOR PROGRAMS</b>			<u>411,399</u>	<u>--</u>
<b>TOTAL EXPENDITURES OF FEDERAL AWARDS</b>			<u>\$ 52,277,461</u>	<u>\$ 1,603,332</u>

The accompanying notes are an integral part of this schedule.

**County of Maui, State of Hawai'i**  
**NOTES TO SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS**  
**Fiscal Year Ended June 30, 2019**

**NOTE 1 - BASIS OF PRESENTATION**

The accompanying schedule of expenditures of federal awards (the "Schedule") includes the federal award activities of the County under programs of the federal government for the fiscal year ended June 30, 2019. The information in this 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). 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 financial position, or cash flows of the County.

**NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

Expenditures reported on the Schedule are reported on the modified accrual basis of accounting. Such expenditures are recognized following the cost principles contained in the Uniform Guidance, wherein certain types of expenditures are not allowable or are limited as to reimbursement. Negative amounts shown on the Schedule represent adjustments or credits made in the normal course of business to amounts reported as expenditures in prior years.

**NOTE 3 - INDIRECT COST RATE**

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

**PART III**

**SCHEDULE OF FINDINGS AND QUESTIONED COSTS**

**County of Maui, State of Hawai'i**  
**SCHEDULE OF FINDINGS AND QUESTIONED COSTS**  
**Fiscal Year Ended June 30, 2019**

**SECTION I - SUMMARY OF AUDITOR'S RESULTS**

**Financial Statements**

Type of report the auditor issued on whether the financial statements audited were prepared in accordance with GAAP:

Unmodified

Internal control over financial reporting:

Material weakness(es) identified?

yes       no

Significant deficiency(ies) identified?

yes       none reported

Noncompliance material to financial statements noted?

yes       no

**Federal Awards**

Internal control over major federal programs:

Material weakness(es) identified?

yes       no

Significant deficiency(ies) identified?

yes       none reported

Type of auditor's report issued on compliance for major federal programs:

Unmodified

Any audit findings disclosed that are required to be reported in accordance with 2 CFR 200.516(a)?

yes       no

Identification of major federal programs:

CFDA Number

Name of Federal Program

14.871

Section 8 Housing Choice Vouchers

16.575

Crime Victim Assistance

Dollar threshold used to distinguish between Type A and Type B programs:

\$1,568,324

Auditee qualified as a low-risk auditee?

yes       no

**County of Maui, State of Hawai'i**  
**SCHEDULE OF FINDINGS AND QUESTIONED COSTS (Continued)**  
**Fiscal Year Ended June 30, 2019**

**SECTION II - FINANCIAL STATEMENT FINDINGS**

**Ref.**  
**No.**            **Internal Control Findings**

**2019-001 Reconcile Accounts and Post-Closing Adjustments - Material Weakness**

**Criteria:** Internal controls safeguard assets, check the accuracy and reliability of its accounting data, promote operational efficiency and encourage adherence to prescribed managerial policies. Internal controls are the policies and procedures put in place to assist in achieving an organization's objectives. Management is responsible for establishing and maintaining the control environment.

Effective internal controls prevent or detect and correct misstatements on a timely basis. Preventive controls are designed to discourage errors or irregularities from occurring. These controls would include segregation of duties, approval, authorizations and verifications and security of assets. Detective controls are designed to find errors or irregularities after they have occurred. These controls would include reviews and reconciliations, physical inventories and audits.

**Condition:** During the audit, we noted that a transfer between the General Fund and the Fiduciary Fund was improperly recorded.

**Cause:** The review process over the journal entry recording the transfer did not detect the error.

**Effect:** An adjustment of \$8.1 million was needed to correct the transfer.

**Identification as a Repeat Finding, if applicable:** See finding 2018-004 included in the Summary Schedule of Prior Audit Findings.

**Recommendation:** We recommend that County personnel exercise greater care in reviewing journal entries.

**Views of Responsible Officials and Planned Corrective Action:** The County agrees with the finding and the recommendation. See Part IV Corrective Action Plan.

**County of Maui, State of Hawai'i**  
**SCHEDULE OF FINDINGS AND QUESTIONED COSTS (Continued)**  
**Fiscal Year Ended June 30, 2019**

**SECTION II - FINANCIAL STATEMENT FINDINGS (Continued)**

**Ref.**

**No.**      **Internal Control Findings**

**2019-002 Improve Controls over the Preparation of the Schedule of Expenditures of Federal Awards (SEFA) - Significant Deficiency**

**Criteria:** 2 CFR 200.302(b)(1) states that a nonfederal entity must identify in its accounts all federal awards received and expended, as well as the federal programs under which they were received. Federal program and award identification must include, as applicable, the Catalog of Federal Domestic Assistance (CFDA) title and number, the federal award identification number and year, the name of the federal agency, and the name of the pass-through entity, if any.

**Condition:** During the audit, it was discovered that certain federal expenditures were improperly reported under an incorrect CFDA number. Expenditures were subsequently corrected and reported under the proper CFDA numbers as of June 30, 2019.

**Cause:** The Department that received federal assistance for this program was unaware that the grant monies awarded by the Federal Agency consisted of multiple CFDA numbers. This led the Department to report to the Department of Finance, expenditures under the improper CFDA number.

**Effect:** The lack of sufficient internal controls over the preparation of the SEFA could result in the inaccurate reporting of the County's expenditures as presented on the SEFA. Inaccurate reporting of the County's expenditures could result in improper identification of major programs to be audited.

**Identification as a Repeat Finding, if applicable:** Not applicable.

**Recommendation:** Properly designed internal controls over financial reporting allow the County to initiate, authorize, record, process, and report financial data reliably in accordance with the requirements of the Uniform Guidance and governmental accounting standards. We recommend that the County management develop procedures to insure that all information coming from other Departments included in the SEFA is correctly reported.

**Views of Responsible Officials and Planned Corrective Action:** The County agrees with the finding and the recommendation. See Part IV Corrective Action Plan.

**County of Maui, State of Hawai'i**  
**SCHEDULE OF FINDINGS AND QUESTIONED COSTS (Continued)**  
**Fiscal Year Ended June 30, 2019**

**SECTION III - FEDERAL AWARD FINDINGS AND QUESTIONED COSTS**

**Ref. No.**            **Compliance and Internal Control over Compliance Findings**

**2019-003    Subrecipient Monitoring -Significant Deficiency**

**Federal agency:    Department of Justice**  
**Pass-Through Entity: State of Hawaii Department of the Attorney General**  
**Program:    CFDA No. 16.575 -Crime Victim Assistance Program**

**Questioned  
Cost**

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**Criteria:**    Subrecipient monitoring and management requirements for pass-through entities at 2 CFR §200.331 – *Requirements for pass-through entities* requires that the County:

- Verify that every subrecipient is audited as required by the Uniform Guidance when it is expected that the subrecipient's Federal awards expended during the respective fiscal year equaled or exceeded \$750,000; and
- Ensures that the applicant has provided its unique entity identifier (DUNS) number as part of its subaward application or prior to the award. Entities that have obtained a DUNS number must be registered with the System for Award Management (SAM) to be eligible to receive Federal financial assistance.

**Condition:** During our testing of the subrecipient monitoring compliance requirement, we noted one of the County's subrecipients:

- Had an audit completed and the County did not have a system in place to track and monitor its subrecipients to ensure that audits were completed and submitted in accordance with the Uniform Guidance as required; and
- Did not provide a Data Universal Number System (DUNS) number at the time of their subaward application or prior to the award.

**Cause:**        The County currently has no procedures or policies in place to ensure that subrecipients that are expected to expend \$750,000 or more in Federal awards are audited as required by the Uniform Guidance, or to determine whether or not the subrecipient has a valid DUNS number prior to issuance of the subaward.

**Effect:**        The County cannot ensure that its subrecipients are having the necessary audits completed as required under the Uniform Guidance or that its subrecipients are eligible to receive Federal financial assistance.

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**County of Maui, State of Hawai'i**  
**SCHEDULE OF FINDINGS AND QUESTIONED COSTS (Continued)**  
**Fiscal Year Ended June 30, 2019**

**SECTION III - FEDERAL AWARD FINDINGS AND QUESTIONED COSTS**

**Ref.**  
**No.**            **Compliance and Internal Control over Compliance Findings**

**2019-003    Subrecipient Monitoring -Significant Deficiency (Continued)**

**Identification as a Repeat Finding, if applicable:**

Not applicable.

**Recommendation**

We recommend the County create formal, written policies and procedures over subrecipient monitoring. This may help to ensure all pass-through entity requirements as outlined in 2 CFR §200.331 are satisfied.

**Views of Responsible Officials and Planned Corrective Action**

The County agrees with the finding and the recommendation. See Part IV Corrective Action Plan.



**County of Maui, State of Hawai'i**  
**SCHEDULE OF FINDINGS AND QUESTIONED COSTS (Continued)**  
**Fiscal Year Ended June 30, 2019**

**SECTION III - FEDERAL AWARD FINDINGS AND QUESTIONED COSTS**

**Ref. No.**            **Compliance and Internal Control over Compliance Findings**

**2019-004**    **Allowable Costs - Significant Deficiency**

**Federal agency:**    **Department of Justice**  
**Pass-Through Entity:** **State of Hawaii Department of the Attorney General**

**Program:**    **CFDA No. 16.575 -Crime Victim Assistance Program**

**Questioned  
Cost**

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**Criteria:**    Allowable costs are those costs consistent with the principles set forth in the Uniform Guidance 2 CFR §200 Subpart E – Cost Principles, and found in the laws, regulations, and the provisions of contracts or grant agreements pertaining to the Program. 2 CFR §200.430 – *Compensation for personal services* states that charges made to Federal awards for salaries, wages, and fringe benefits must be reasonable and based on records that conform with the established policies and practices of the County.

**Condition:** During our testing of allowable costs related to salaries, wages and related fringe benefits charged to the Crime Victim Assistance Program (Program) during fiscal year 2019, we discovered the following:

For two out of 16 pay periods tested, we noted that an employee’s timesheet did not agree to the hours worked per the payroll register. Upon further investigation, County personnel determined that an employee received an overpayment for salaries and wages totaling \$4,105 as a result of being paid while on leave without pay. These costs were erroneously charged to the Program and the County received reimbursement of such costs.

For five out of ten monthly fringe benefit expenditures tested, we noted that the fringe benefits charged to the Program were improperly calculated. Upon further investigation, County personnel determined that this resulted in \$9,889 fringe benefit expenditures that could have been charged to the Program.

**Cause:**        Program personnel should carefully review the County’s Payroll Policies and Procedures Manual to ensure internal controls are in place and operating effectively to properly detect and correct errors related to salaries, wages, and fringe benefits on a timely basis.

**Effect:**        Without an effective internal control system to detect and correct errors relating to salaries, wages, and fringe benefits, unallowable costs may result and could result in additional oversight by the pass-through entity or Federal agency, or affect future funding.

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**County of Maui, State of Hawai'i**  
**SCHEDULE OF FINDINGS AND QUESTIONED COSTS (Continued)**  
**Fiscal Year Ended June 30, 2019**

**SECTION III - FEDERAL AWARD FINDINGS AND QUESTIONED COSTS**

**Ref.**  
**No.**            **Compliance and Internal Control over Compliance Findings**

**2019-004    Allowable Costs - Significant Deficiency (Continued)**

**Identification as a Repeat Finding, if applicable:**

Not applicable.

**Recommendation**

We recommend Program personnel to revisit the County's Payroll Policies and Procedures Manual to establish an effective internal control system to help minimize errors over salaries, wages, and fringe benefit calculations to ensure that amounts expended are allowable.

**Views of Responsible Officials and Planned Corrective Action**

The County agrees with the finding and the recommendation. See Part IV Corrective Action Plan.



**PART IV**  
**CORRECTIVE ACTION PLAN**

**MICHAEL P. VICTORINO**  
Mayor

**SCOTT K. TERUYA**  
Director

**MAY-ANNE A. ALIBIN**  
Deputy Director



**DEPARTMENT OF FINANCE**  
COUNTY OF MAUI  
200 S. HIGH STREET  
WAILUKU, MAUI, HAWAII 96793  
[www.maui-county.gov](http://www.maui-county.gov)

March 13, 2020

Mr. Dwayne S. Takeno  
N&K CPAs Inc.  
1001 Bishop Street, Suite 1700  
Honolulu, Hawai'i 96813

**SUBJECT: SINGLE AUDIT FINDINGS - CORRECTIVE ACTION PLAN FOR  
THE FISCAL YEAR ENDED JUNE 30, 2019**

Dear Mr. Takeno:

The County of Maui appreciates that the Comprehensive Annual Financial Report audits often identify opportunities for improving operations and governance. Attached is our Corrective Action Plan in response to the Single Audit Findings for the fiscal year ended June 30, 2019. It is our goal that every audit have a positive result and that our response to findings and recommendations allow us to take positive action and to improve our operations.

Thank you for the opportunity to respond to your recommendations toward improving operations and governance.

Sincerely,

A handwritten signature in blue ink, appearing to read "Scott Teruya".

Scott K. Teruya  
Director of Finance

**County of Maui, Hawaii, State of Hawaii  
Corrective Action Plan  
Fiscal Year Ended June 30, 2019**

**Ref.**

**No.**        **Internal Control Findings**

**2019-001 Reconcile Accounts and Post-Closing Adjustments - Material Weakness**

**Recommendation**

We recommend that County personnel exercise greater care in reviewing journal entries.

***View of Responsible Officials and Planned Corrective Action***

To the extent possible, journal entry preparation will be automated to mitigate incorrect postings. The Department of Finance will also ensure that journal entries are reviewed and approved by a higher level of authority and will also implement a threshold of \$1 million in which all journal entries equal to or exceeding that amount must be reviewed by the Accounting System Administrator or the Accounting System Assistant Administrator. In addition, account reconciliations must be completed, reviewed and approved in a timely basis.

The account reconciliation process will be reviewed to ensure that accounts in the general ledger are consistent, accurate and complete.

***End Date:***                      Ongoing

***Responding Person(s):*** Marci Sato, Accounting System Administrator  
Department of Finance  
Phone No. (808) 270-7503

Steve Tesoro, Internal Control Officer  
Department of Finance  
Phone No. (808) 270-8245

**County of Maui, State of Hawaii  
Corrective Action Plan  
Fiscal Year Ended June 30, 2019**

**Ref.**

**No.**            **Internal Control Findings**

**2019-002 Improve Controls over the Preparation of the Schedule of Expenditures of Federal Awards - Significant Deficiency**

**Recommendation**

A properly designed internal control system over financial reporting allows the County to initiate, authorize, record, process, and report financial data reliably in accordance with the requirements of the Uniform Guidance and governmental accounting standards. As part of an effective system, we recommend that the County management develop procedures to insure that all information coming from other Departments included in the SEFA is correctly reported.

***View of Responsible Officials and Planned Corrective Action***

The Department of Finance relies on the County's departments to provide accurate and reliable information to be reported. However, the Department of Finance should verify information that is essential to critical reporting function such as the CFDA number upon the creation of the grant index code. A periodic review of all existing CFDA numbers for current Federal awards will be conducted. In addition, for any new Federal awards, the grant agreement will be referenced to ensure that the proper CFDA number is being used.

***End Date:***                      Ongoing

***Responding Person(s):*** Marci Sato, Accounting System Administrator  
Department of Finance  
Phone No. (808) 270-7503

**County of Maui, State of Hawaii  
Corrective Action Plan  
Fiscal Year Ended June 30, 2019**

**Ref.**

**No.**            **Compliance and Internal Control over Compliance Findings**

**2019-003    Subrecipient Monitoring - Significant Deficiency**

**Recommendation**

We recommend the County create formal, written policies and procedures over subrecipient monitoring. This may help to ensure all pass-through entity requirements as outlined in 2 CFR §200.331 are satisfied.

***View of Responsible Officials and Planned Corrective Action***

The Department of Finance and Budget Office will work in conjunction with all County departments which receive Federal awards to develop written policies and procedures and ensure that the County is in compliance with subrecipient monitoring as outlined in 2 CFR §200.331.

***End Date:***                            Ongoing

***Responding Person(s):*** Marci M. Sato  
Accounting System Administrator  
Department of Finance  
Phone No. (808) 270-7503

Michele Yoshimura  
Budget Director  
Office of the Mayor  
Phone No. (808) 270-7212



**County of Maui, State of Hawaii  
Corrective Action Plan  
Fiscal Year Ended June 30, 2019**

**Ref.**

**No.            Compliance and Internal Control over Compliance Findings**

**2019-004 Allowable Costs - Significant Deficiency**

**Recommendation**

We recommend Program personnel to revisit the County's Payroll Policies and Procedures Manual to establish an effective internal control system to help minimize errors over salaries, wages, and fringe benefit calculations to ensure that amounts expended are allowable.

***View of Responsible Officials and Planned Corrective Action***

The Department of Finance will update the County's Payroll Policies and Procedures and ensure that the County is in compliance with Compensation for personal services as outlined in 2 CFR §200.430.

***End Date:***                      Ongoing

***Responding Person(s):*** Marci M. Sato  
Accounting System Administrator  
Department of Finance  
Phone No. (808) 270-7503

**County of Maui, State of Hawaii  
Corrective Action Plan  
Fiscal Year Ended June 30, 2019**

**Ref.**

**No.**            **Compliance and Internal Control over Compliance Findings**

**2019-005 Reporting - Significant Deficiency**

**Recommendation**

We recommend the County develop and procedures over the preparation and documentation of key line items of the Financial Data Schedule as required by HUD. This will help to ensure that the contents of the Financial Data Schedule are accurate, and properly supported.

***View of Responsible Officials and Planned Corrective Action***

The County of Maui Housing Choice Voucher (Section 8) Program has hired a program accountant as of 09 March 2020. The individual will receive training from Nan McKay on accounting and financial reporting. Special focus will include prior period adjustments, the components of the audited submission and unaudited submission, and the submission of supporting financial documentation.

Furthermore, policies and procedures are being developed to address the preparation and documentation of key line items of the Financial Data Schedule. Such policies and procedures will ensure the contents of the Financial Data Schedule are accurate and properly supported. The new program accountant will be trained on such policies and procedures to ensure compliance.

***End Date:***                      Ongoing

***Responding Person(s):*** Gail Rumbaoa  
Housing Choice Voucher Program Manager  
Department of Housing and Human Concerns  
Phone No. (808) 270-7354

**PART V**  
**SUMMARY SCHEDULE OF PRIOR AUDIT FINDINGS**

**County of Maui, State of Hawaii  
STATUS REPORT  
Fiscal Year Ended June 30, 2019**

This section contains the current status of our prior audit recommendations. The recommendations are referenced to the pages of the previous audit report for the fiscal year ended June 30, 2018, dated January 25, 2019.

**SECTION II - FINANCIAL STATEMENT FINDINGS**

<u>Recommendations</u>	<u>Status</u>
<p><b>2018-001 Internal Controls Over Automated Payroll Processing System - Significant Deficiency (Page 21)</b></p> <p>The Department of Finance should continue to implement and monitor the payroll process to ensure that accurate employee compensation expenditures are recorded in the County's general ledger. Monitoring activities include requiring explicit documentation evidencing supervisory reviews of time records prior to processing and periodic reviews of employee and departmental time sheets at the department level.</p>	<p>Accomplished.</p>
<p><b>2018-002 Internal Controls Over Miscellaneous Cash Receipts - Significant Deficiency (Page 23)</b></p> <p>Adequate internal controls should be maintained to ensure that adequate segregation of duties exist and that miscellaneous cash receipts are accurately collected, deposited and recorded in the County's general ledger. Evidence of the performance and review of the various employees should be documented on daily cash summary reports in the form of sign offs by personnel involved.</p>	<p>Accomplished.</p>
<p><b>2018-003 CC&amp;B Logical Access &amp; Access Security - Significant Deficiency (Page 25)</b></p> <p>DWS should formally document and approve an information security policy to establish control processes over access to CC&amp;B.</p>	<p>Accomplished.</p>
<p><b>2018-004 Reconcile Accounts and Post-Closing Adjustments - Material Weakness (Page 26)</b></p> <p>Management should develop a formalized year-end closing process including individuals and their responsibilities as well as a timeline for completion of the audit. This may help ensure that the audits are completed in a timelier manner.</p>	<p>Partially accomplished. Refer to finding 2019-001.</p>