

CLAY COUNTY, MISSOURI

SINGLE AUDIT REPORT

FOR THE YEAR ENDED DECEMBER 31, 2021

Clay County, Missouri
Single Audit Report
For the Year Ended December 31, 2021

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**Independent Auditor's Report on Schedule of
Expenditures of Federal Awards Required by the Uniform Guidance**

To the Honorable County Commissioners
Clay County, Missouri

We have audited the financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of Clay County, Missouri (the County) as of and for the year ended December 31, 2021, and the related notes to the financial statements, which collectively comprise the County's basic financial statements. We issued our report thereon dated September 19, 2022, 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 financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the schedule of expenditures of federal awards is fairly stated in all material respects in relation to the basic financial statements as a whole.

Hood and Associates CPAs PC

Kansas County, Missouri
September 19, 2022

ADDITIONAL INFORMATION

Clay County, Missouri
Schedule of Expenditures of Federal Awards
Year Ended December 31, 2021

Federal Grantor/ Pass-Through Grantor/Program Title	Assistance Listing Number	Pass-Through Entity Identifying Number	Federal Expenditures	Sub-recipient Expenditures
U.S. Department of Health and Human Services:				
Passed through Missouri Department of Social Services:				
Child Support Enforcement - Title IV-D Reimbursement	93.563	2101MOCSES	\$ 109,605	\$ -
Child Support Enforcement - Title IV-D Reimbursement	93.563	2201MOCSES	21,443	-
Total U.S. Department of Health and Human Services			<u>131,048</u>	<u>-</u>
U.S. Department of Homeland Security:				
Passed through Missouri Department of Public Safety:				
Emergency Management Performance Grant	97.042	EMK-2021-EP-00006-031	57,230	-
Total U.S. Department of Homeland Security			<u>57,230</u>	<u>-</u>
U.S. Department of Justice:				
Equitable Sharing Agreement	16.922	MO0240000	24,080	-
Title II Formula Grant Program- Juvenile Detention Alternatives Initiative (JDAI)	16.540	2019-Title II-006	27,677	-
Total U.S. Department of Justice			<u>51,757</u>	<u>-</u>
U.S. Department of Transportation:				
Passed through Missouri Department of Transportation:				
Highway Planning and Construction Cluster:				
Highway Planning and Construction Grant (Bridge No. 0620008)	20.205	BRO-BO24(26)	687,837	-
Highway Planning and Construction Grant (Bridge No. 1070009)	20.205	BRO-BO24(27)	356,247	-
Highway Planning and Construction Grant (Bridge No. 2060010)	20.205	BRO-BO24(28)	402,077	-
Work Zone Enforcement Program	20.205	21-CWZE-K-002	1,468	-
Highway Planning and Construction Cluster Total			<u>1,447,629</u>	<u>-</u>
Highway Safety Cluster:				
Hazardous Moving Violation Enforcement Grant	20.600	21-PT-02-012	11,421	-
Hazardous Moving Violation Enforcement Grant	20.600	22-PT-02-078	1,028	-
Occupant Protection Enforcement	20.616	22-M2HVE-05-011	844	-
Highway Safety Cluster Total			<u>13,293</u>	<u>-</u>
DWI Enforcement Grant	20.607	21-154-AL-009	5,110	-
DWI Enforcement Grant	20.607	22-154-AL-071	381	-
Impaired Driving Enforcement	20.607	22-154-AL-069	95,160	-
Youth Alcohol Enforcement	20.607	21-154-AL-008	2,223	-
Subtotal			<u>102,874</u>	<u>-</u>
Airport Improvement Cluster:				
Airport Improvement Grant	20.106	17-107B-1	14,756	-
Airport Improvement Grant	20.106	19-107B-1	89,458	-
Airport Improvement Grant	20.106	21-107B-1	167,910	-
CARES Act Airport Improvement Program	20.106	20-107B-1	69,000	-
CARES Act Airport Improvement Program	20.106	21-107B-1	23,000	-
Airport Improvement Cluster Total			<u>364,124</u>	<u>-</u>
Total U.S. Department of Transportation			<u>1,927,920</u>	<u>-</u>
U.S. Department of the Treasury:				
Equitable Sharing Agreement	21.016	MO0240000	92,613	-
Emergency Rental Assistance Program	21.023		3,642,675	3,392,338
Emergency Rental Assistance Program 2.0	21.023		991,499	979,372
American Rescue Plan Act	21.027		2,306,156	11,000
Passed through Missouri State Treasurer's Office:				
Coronavirus Relief Fund	21.019	253	856,260	106,260
Total U.S. Department of the Treasury			<u>7,889,203</u>	<u>4,488,970</u>
Total Expenditures of Federal Awards			<u>\$ 10,057,158</u>	<u>\$ 4,488,970</u>

See notes to schedule of expenditures of federal awards.

Clay County, Missouri
Notes to the Schedule of Expenditures of Federal Awards
For the Year Ended December 31, 2021

Note 1. Basis of Presentation

The accompanying schedule of expenditures of federal awards (the Schedule) includes the federal grant activity of Clay County, Missouri (County) for the year ended December 31, 2021. All federal awards received directly from federal agencies as well as those awards that are passed through other governmental agencies and expended during the year are included on the schedule of expenditures of federal awards. The information in this schedule is presented in accordance with the requirements of the OMB Compliance Supplement and the Uniform Guidance. Therefore, some amounts presented in this schedule may differ from amounts presented in or used in the preparation of the financial statements.

Note 2. Significant Accounting Policies

Expenditures on the Schedule are reported on the accrual basis of accounting. Such expenditures are recognized following the cost principals contained in Title 2 U.S. Code of Federal Regulations Part 200, Uniform Administrative Requirements, Cost Principles and Audit Requirements for Federal Awards, wherein certain types of expenditures are not allowed or are limited as to reimbursement. Pass-through entity identifying numbers are presented where available.

Note 3. Local Government Contributions

Local cost sharing, as defined by Title 2 U.S. Code of Federal Regulations Part 200, is required by certain federal grants. The amount of cost sharing varies with each program. Only the federal share of expenditures is presented in the Schedule of Expenditures of Federal Awards.

Note 4. Additional Audits

Grantor agencies reserve the right to conduct additional audits of the County's grant programs for economy and efficiency and program results which may result in disallowed costs to the County. However, management does not believe such audits would result in any disallowed costs that would be material to the County's financial position at December 31, 2021.

Note 5. Indirect Cost Rate

The County elected not to use the 10 percent de minimis indirect cost rate allowed under the Uniform Guidance, with the exception of those grants awarded through the Department of Health and Human Services.

Note 6. Subrecipients

During the year ended December 31, 2021, \$4,488,970 of federal awards were passed through to subrecipients.

Clay County, Missouri
Schedule of Findings and Questioned Costs
For the Year Ended December 31, 2021

Section 1 - Summary of Auditor's Results

Financial Statements:

Type Audit Report Issued on Financial Statements of Auditee
Unmodified

Internal Control Over Financial Reporting

No material weaknesses identified. No significant deficiencies reported.

General Compliance

The audit did not disclose any instances of noncompliance which would be material to the financial statements which would be required to be reported in accordance with *Government Auditing Standards*.

Federal Awards:

Internal Control Over Major Programs

No material weaknesses identified. No significant deficiencies reported..

Type Audit Report Issued on Compliance for Major Programs

Unmodified

Audit Findings

The audit disclosed no audit findings that are required to be reported with the Uniform Guidance.

Major Program

<u>CFDA Number</u>	<u>Name of Federal Program</u>
20.205	Highway Planning and Construction
21.023	Emergency Rental Assistance Program
21.027	America Rescue Plan Act

Dollar Threshold Used to Distinguish Between Type A and Type B Program

\$750,000

Auditee Qualified as a Low-risk Auditee

No

Clay County, Missouri
Schedule of Findings and Questioned Costs
For the Year Ended December 31, 2021

Section 2 – Financial Statement Findings

Financial Statement Findings Required to be Reported in Accordance with Generally Accepted Government Auditing Standards

None

Summary Schedule of Prior Audit Findings

None

Section 3 – Federal Award Findings and Questioned Costs

Federal Award Findings Required to be Reported in Accordance with Uniform Guidance

None

Summary Schedule of Prior Audit Findings

None

COMPLIANCE REPORTS



**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 Honorable County Commissioners
Clay County, Missouri

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of Clay County, Missouri (the County) as of and for the year ended December 31, 2021 and the related notes to the financial statements, which collectively comprise the County's basic financial statements and have issued our report thereon dated September 19, 2022.

Report on 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) as a basis for designing audit procedures that are appropriate in the circumstances for the purpose of expressing our opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the County's internal control. Accordingly, we do not express an opinion on the effectiveness of the County's internal control.

A *deficiency in internal control* exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, misstatements on a timely basis. A *material weakness* is a deficiency, or a combination of deficiencies, in internal control, such that there is a reasonable possibility that a material misstatement of the entity's financial statements will not be prevented or detected and corrected on a timely basis. A *significant deficiency* is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

Our consideration of internal control over financial reporting was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

Report on Compliance and Other Matters

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

Purpose of this Report

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the County's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the County's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

Hood and Associates CPAs, PC

Kansas County, Missouri
September 19, 2022



**Independent Auditor's Report on Compliance for Each Major
Program and on Internal Control over Compliance
Required by the Uniform Guidance**

To the Honorable County Commissioners
Clay County, Missouri

Report on Compliance for Each Major Federal Program

Opinion on Each Major Federal Program

We have audited Clay County, Missouri'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 the County's major federal programs for the year ended December 31, 2021. 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.

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 its major federal programs for the year ended December 31, 2021.

Basis for Opinion on Each Major Federal Program

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). Our responsibilities under those standards and the Uniform Guidance are further described in the Auditor's Responsibilities for the Audit of Compliance section of our report.

We are required to be independent of the County and to meet our other ethical responsibilities, in accordance with relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion on compliance for each major federal program. Our audit does not provide a legal determination of County's compliance with the compliance requirements referred to above.

Responsibilities of Management for Compliance

Management is responsible for compliance with the requirements referred to above and for the design, implementation, and maintenance of effective internal control over compliance with the requirements of laws, statutes, regulations, rules, and provisions of contracts or grant agreements applicable to the County's federal programs.

Auditor's Responsibilities for the Audit of Compliance

Our objectives are to obtain reasonable assurance about whether material noncompliance with the compliance requirements referred to above occurred, whether due to fraud or error, and express an opinion on the County's compliance based on our audit. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with generally accepted auditing standards, *Government Auditing Standards*, and the Uniform Guidance will always detect material noncompliance when it exists. The risk of not detecting material noncompliance resulting from fraud is higher than for that resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Noncompliance with the compliance requirements referred to above is considered material if there is a substantial likelihood that, individually or in the aggregate, it would influence the judgment made by a reasonable user of the report on compliance about the County's compliance with the requirements of each major federal program as a whole.

In performing an audit in accordance with generally accepted auditing standards, *Government Auditing Standards*, and the Uniform Guidance, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material noncompliance, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the County's compliance with the compliance requirements referred to above and performing such other procedures as we considered necessary in the circumstances.
- Obtain an understanding of the County's internal control over compliance relevant to the audit in order to design audit procedures that are appropriate in the circumstances 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 the County's internal control over compliance. Accordingly, no such opinion is expressed.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and any significant deficiencies and material weaknesses in internal control over compliance that we identified during the audit.

Report on 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 a 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 Auditor's Responsibilities for the Audit of Compliance section above and was not designed to identify all deficiencies in internal control over compliance that might be material weaknesses or significant deficiencies in internal control over compliance. Given these limitations, during our audit we did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses, as defined above. However, material weaknesses or significant deficiencies in internal control over compliance may exist that were not identified.

Our audit was not designed for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, no such opinion is expressed.

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.

Hood and Associates CPAs, PC

Kansas City, Missouri
September 19, 2022