

**Macomb County, Michigan**  
**Schedule of Expenditures of Federal Award**  
**Programs in Accordance with OMB Circular A-133**  
**December 31, 2006**

**Macomb County, Michigan**  
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**December 31, 2006**

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**Report of Independent Auditors 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 Board of Commissioners  
Macomb County, Michigan

We have audited the financial statements of governmental activities, the business-type activities, the aggregate discretely presented component units, each major fund, and the aggregate remaining fund information of Macomb County, Michigan (the "County") as of and for the year ended December 31, 2006, which collectively comprise the County's basic financial statements and have issued our report thereon dated June 29, 2007. 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 Macomb County Road Commission, as described in the County's financial statements. This report does not include the results of other auditors' testing of internal control over financial reporting or compliance and other matters that are reported on separately by those auditors.

**Internal Control over Financial Reporting**

In planning and performing our audit, we considered the County's internal control over financial reporting as a basis for designing our auditing procedures for the purpose of expressing our opinion on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the County's internal control over financial reporting. Accordingly, we do not express an opinion on the effectiveness of the County's internal control over financial reporting.

A control deficiency 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 misstatements on a timely basis. A significant deficiency is a control deficiency, or combination of control deficiencies, that adversely affects the entity's ability to initiate, authorize, record, process, or report financial data reliably in accordance with generally accepted accounting principles such that there is more than a remote likelihood that a misstatement of the entity's financial statements that is more than inconsequential will not be prevented or detected by the entity's internal control.

A material weakness is a significant deficiency, or combination of significant deficiencies, that results in more than a remote likelihood that a material misstatement of the financial statements will not be prevented or detected by the entity's internal control.

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 that might be 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'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 and the report of other auditors disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

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

June 29, 2007

**Report of Independent Auditors on Compliance with  
Requirements Applicable to Each Major Program and on Internal  
Control over Compliance in Accordance with OMB Circular A-133**

To the Board of Commissioners  
Macomb County, Michigan

**Compliance**

We have audited the compliance of Macomb County, Michigan (the "County") with the types of compliance requirements described in the U.S. Office of Management and Budget (OMB) *Circular A-133 Compliance Supplement* that are applicable to each of its major federal programs for the year ended December 31, 2006. 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. Compliance with the requirements of laws, regulations, contracts and grants applicable to each of its major federal programs is the responsibility of the County's management. Our responsibility is to express an opinion on the County's compliance based on our audit.

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

In our opinion, the County complied, in all material respects, with the requirements referred to above that are applicable to each of its major federal programs for the year ended December 31, 2006.

### **Internal Control over Compliance**

The management of the County 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'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, 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 control deficiency in an entity's internal control over compliance 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 noncompliance with a type of compliance requirements of a federal program on a timely basis. A significant deficiency is a control deficiency, or combination of control deficiencies, that adversely affects the entity's ability to administer a federal program such that there is more than a remote likelihood that noncompliance with a type of compliance requirement of a federal program that is more than inconsequential will not be prevented or detected by the entity's internal control.

A material weakness is a significant deficiency, or combination of significant deficiencies, that results in more than a remote likelihood that material noncompliance with a type of compliance requirement of a federal program will not be prevented or detected by the entity's internal control.

Our consideration of the internal control over compliance was for the limited purpose described in the first paragraph of this section and would not necessarily identify all deficiencies in internal control that might be 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 as of and for the year ended December 31, 2006, and have issued our report thereon dated June 29, 2007. Our report was modified to include a reference to other auditors. Our audit was performed for the purpose of forming opinions on the financial statements that collectively comprise the County's basic financial statements. The accompanying schedule of expenditures of federal awards is presented for purposes of additional analysis as required by OMB Circular A-133 and is not a required part of the basic financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and, in our opinion, is fairly stated, in all material respects, in relation to the basic financial statements taken as a whole.

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

September 14, 2007

**Macomb County, Michigan**  
**Schedule of Expenditures of Federal Awards**  
**Year Ended December 31, 2006**

Federal Grantor/ Pass-through Grantor/ Program Title	Federal CFDA Number	Program or Award Amount	Program Period		Receipts or Revenue Recognized	Federal Expenditures Current Year
			From	To		
<b>U.S. Department of Agriculture</b>						
Passed through State Department of Community Health						
WIC - Special Supplemental Nutrition for Women, Infants and Children	10.557	\$ 1,085,502	10/01/05	09/30/06	\$ 1,085,502	\$ 1,085,502
Passed through Area Agency on Aging 1-B						
Home Delivered Meals - USDA	10.558	235,014	10/01/05	09/30/06	235,014	235,014
Congregate Nutrition Program	10.558	86,266	10/01/05	09/30/06	86,266	86,266
Passed through State Department of Education						
USDA Commodities - Food Donations	10.550	20,767	10/01/05	09/30/06	20,767	20,767
National School Breakfast	10.553	39,795	10/01/05	09/30/06	39,795	39,795
National School Lunch	10.555	61,753	10/01/05	09/30/06	61,753	61,753
Head Start-Children Meals Program	10.558	311,931	09/01/05	08/31/06	311,931	311,931
TEFAP Surplus Food Distribution Emergency Food Assistance - Admin	10.568	50,706	10/01/05	09/30/06	50,706	50,706
TEFAP Emergency Food Assistance - Commodities	10.569	114,523	10/01/05	09/30/06	114,523	114,523
Passed through Michigan Department of Agriculture						
Gypsy Moth	10.664	6,838	10/01/05	09/30/06	6,838	6,838
Passed through State Department of Labor and Economic Growth						
Food Assistance & Employment Training - Oper	10.561	49,426	10/01/05	09/30/06	-	-
Food Assistance & Employment Training - Support Serv	10.561	255	10/01/05	09/30/06	-	-
Passed through Kansas State University						
Operation Military Kids	10.500	18,198	10/01/05	09/30/06	18,198	18,198
Total U.S. Department of Agriculture		<u>2,080,974</u>			<u>2,031,293</u>	<u>2,031,293</u>

\* Denotes a major program.

(1) Denotes a cluster of a major program.

The accompanying notes are an integral part of the schedule of expenditures of federal awards.



**Macomb County, Michigan**  
**Schedule of Expenditures of Federal Awards**  
**Year Ended December 31, 2006**

Federal Grantor/ Pass-through Grantor/ Program Title	Federal CFDA Number	Program or Award Amount	Program Period		Receipts or Revenue Recognized	Federal Expenditures Current Year
			From	To		
<b>U.S. Department of Housing and Urban Development</b>						
Direct Programs						
Community Development Block Grant (B-04-UC-26-0005)	14.218	* (1) 1,984,000	01/01/06	12/31/06	1,736,052	1,736,052
Community Development Block Grant (B-05-UC-26-0005)	14.218	* (1) 1,893,902	01/01/06	12/31/06	-	-
Community Development Block Grant (B-06-UC-26-0005)	14.218	* (1) 1,710,959	01/01/06	12/31/06	-	-
HUD Homeless	14.235	26,512	10/01/05	09/30/06	19,983	19,983
Home Investment Partnership # M-03-UC-26-0209	14.239	753,679	01/01/06	12/31/06	384,985	384,985
Home Investment Partnership # M-04-UC-26-0209	14.239	856,991	01/01/06	12/31/06	664,823	664,823
Home Investment Partnership # M-05-UC-26-0209	14.239	756,683	01/01/06	12/31/06	82,751	82,751
Home Investment Partnership # M-06-UC-26-0209	14.239	1,441,616	01/01/06	12/31/06	-	-
Passed through other than State of Michigan						
CSA Chore Services - Cities	14.219	* (1) <u>97,935</u>	10/01/05	09/30/06	<u>97,935</u>	<u>97,935</u>
Total U.S. Department of Housing and Urban Development		<u>9,522,277</u>			<u>2,986,529</u>	<u>2,986,529</u>

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**Macomb County, Michigan**  
**Schedule of Expenditures of Federal Awards**  
**Year Ended December 31, 2006**

Federal Grantor/ Pass-through Grantor/ Program Title	Federal CFDA Number	Program or Award Amount	Program Period		Receipts or Revenue Recognized	Federal Expenditures Current Year
			From	To		
<b>U.S. Department of Justice</b>						
Passed through State Family Independence Agency Juvenile Accountability Incentive Block Grant	16.523	180,754	04/01/05	03/31/06	179,256	179,256
Passed through State Department of Community Health						
Domestic Violence Victim Advocate	16.575	148,540	10/01/05	09/30/06	135,932	135,932
Anti-Drug Abuse	16.738	113,452	10/01/05	09/30/06	113,452	113,452
Street Level Enforcement Team	16.738	198,548	10/01/05	09/30/06	198,548	198,548
Child Advocacy Center/Care House (Byrne Grant)	16.738	100,000	10/01/05	09/30/06	100,000	100,000
Juvenile Drug Court - Byrne Formula Grant	16.738	40,000	10/01/05	09/30/06	39,555	39,555
Passed through Michigan State Court Administrative Office						
Passed through Michigan State Court Administrative Office						
Adult Drug Court - Byrne Formula Grant	16.738	<u>175,000</u>	10/01/05	09/30/06	<u>135,400</u>	<u>135,400</u>
Total U.S. Department of Justice		<u>956,294</u>			<u>902,143</u>	<u>902,143</u>

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**Macomb County, Michigan**  
**Schedule of Expenditures of Federal Awards**  
**Year Ended December 31, 2006**

Federal Grantor/ Pass-through Grantor/ Program Title	Federal CFDA Number	Program or Award Amount	Program Period		Receipts or Revenue Recognized	Federal Expenditures Current Year
			From	To		
<b>U.S. Department of Labor</b>						
Passed through State Dept Labor and Economic Growth						
Wagner - Peyser - ES-7A	17.207	1,838,581	07/01/05	06/30/06	1,547,301	1,547,301
Reemployment - Service Initiative	17.207	139,504	01/01/06	12/31/06	63,951	63,951
Workfirst - Reed	17.225	255,204	10/01/05	09/30/06	132,295	132,295
Trade Adjustment Assistance (TAA)/ NAFTA	17.245	1,051,185	10/01/05	09/30/06	1,051,185	1,051,185
Workforce Investment Act - Adult	17.258 * (1)	3,607,443	01/01/06	12/31/06	3,661,108	3,661,108
One Stop Operation	17.258 * (1)	429,046	07/01/06	06/30/07	429,046	429,046
Incumbent Worker - Carry In	17.258 * (1)	39,618	07/01/05	06/30/06	39,618	39,618
Workforce Investment Act - Incumbent Worker	17.258 * (1)	311,146	07/01/05	06/30/06	287,802	287,802
Workforce Investment Act - Incentive	17.258 * (1)	76,867	07/01/05	06/30/06	76,867	76,867
Workforce Investment Act - Capacity Building	17.258 * (1)	72,000	07/01/06	06/30/07	72,000	72,000
Workforce Investment Act - Local Admin	17.258 * (1)	1,131,067	07/01/05	06/30/06	690,033	690,033
Workforce Investment Act - Youth Activities	17.259 * (1)	2,423,680	01/01/06	12/31/06	2,100,339	2,100,339
Workforce Investment Act - Dislocated Workers	17.260 * (1)	4,380,706	01/01/06	12/31/06	5,397,590	5,397,590
Workforce Investment Act - National Reserve	17.260 * (1)	4,074	01/01/06	12/31/06	4,074	4,074
Workforce Investment Act - Disability Navigator	17.266	60,000	07/01/06	06/30/07	3,236	3,236
Passed through State Office of Services to the Aging						
Senior Comm Service Employment Program	17.235	84,903	07/01/05	06/30/06	829	829
Total U.S. Department of Labor		<u>15,905,024</u>			<u>15,557,274</u>	<u>15,557,274</u>
<b>U.S. Department of Transportation</b>						
Passed through Department of State Police						
Drive Michigan Safety Task Force	20.600	260,000	10/01/05	09/30/06	238,532	238,532
Hazardous Materials Emergency Preparedness Grant	20.703	3,895	10/01/05	09/30/06	12,839	12,839
Total U.S. Department of Transportation		<u>263,895</u>			<u>251,371</u>	<u>251,371</u>

\* Denotes a major program.

(1) Denotes a cluster of a major program.

The accompanying notes are an integral part of the schedule of expenditures of federal awards.

**Macomb County, Michigan**  
**Schedule of Expenditures of Federal Awards**  
**Year Ended December 31, 2006**

Federal Grantor/ Pass-through Grantor/ Program Title	Federal CFDA Number	Program or Award Amount	Program Period		Receipts or Revenue Recognized	Federal Expenditures Current Year
			From	To		
<b>U.S. Office of Small Business Administration</b>						
Direct Program						
Small Business Technology & Development Center	59.037	<u>164,000</u>	01/01/06	12/31/06	<u>164,000</u>	<u>164,000</u>
<b>U.S. Environmental Protection Agency</b>						
Direct Program						
LSC Management Plan Implementation	66.469	20,000	10/01/05	09/30/06	20,000	20,000
Drinking Water Protection	66.469	962,200	10/01/05	09/30/06	343,854	343,854
Passed through Michigan Department of Environmental Quality						
State Revolving Fund Issue 5186-05	66.458	975,000	10/01/05	09/30/06	-	-
Clinton River Geomorphology	66.460	125,000	12/07/03	03/31/06	5,215	5,215
Noncommunity Water - Arsenic Rule Implementation	66.468	3,188	10/01/05	09/30/06	2,138	2,138
Noncommunity (Type II) Water - Capacity Develop	66.468	1,050	10/01/05	09/30/06	-	-
Noncommunity Water -Operator Certification	66.471	10,500	10/01/05	09/30/06	6,975	6,975
Beach Monitoring and Notification	66.472	5,760	10/01/05	09/30/06	5,760	5,760
Passed through Michigan Department of Agriculture						
Clean Sweep Pesticide Collection Program	66.801	<u>18,000</u>	10/01/05	09/30/06	<u>10,831</u>	<u>10,831</u>
Total U.S. Environmental Protection Agency		<u>2,120,698</u>			<u>394,773</u>	<u>394,773</u>
<b>U.S. Department of Energy</b>						
Passed through Michigan Family Independence Agency						
Weatherization	81.042	<u>656,809</u>	04/01/05	03/31/06	<u>656,809</u>	<u>656,809</u>

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The accompanying notes are an integral part of the schedule of expenditures of federal awards.

**Macomb County, Michigan**  
**Schedule of Expenditures of Federal Awards**  
**Year Ended December 31, 2006**

Federal Grantor/ Pass-through Grantor/ Program Title	Federal CFDA Number	Program or Award Amount	Program Period		Receipts or Revenue Recognized	Federal Expenditures Current Year
			From	To		
<b>U.S. Department of Health &amp; Human Services</b>						
Direct Program						
Head Start	93.600 *	5,366,112	09/01/05	08/31/06	5,366,112	5,366,112
Passed through Area Agency on Aging 1-B						
Senior Citizen Chore Services	93.044	79,463	10/01/05	09/30/06	79,463	79,463
Title III Counseling	93.044	27,040	10/01/05	09/30/06	17,840	17,840
Title III Outreach/ Resource Advocacy	93.044	69,438	10/01/05	09/30/06	63,638	63,638
Legal Assistance	93.044	35,954	10/01/05	09/30/06	29,054	29,054
Home Injury Control	93.044	23,577	10/01/05	09/30/06	23,577	23,577
Congregate Nutrition Programs	93.045	532,725	10/01/05	09/30/06	433,889	433,889
Home Delivered Meals	93.045	1,372,759	10/01/05	09/30/06	685,165	685,165
Passed through State Department of Community Health						
TB Control, Directly Observed Therapy	93.116	24,967	10/01/05	09/30/06	24,967	24,967
Utopia Homeless Project	93.150	116,275	10/01/05	09/30/06	88,000	88,000
Macomb Homeless Project - (Path)	93.150	34,500	10/01/05	09/30/06	34,500	34,500
Family Planning - General Services	93.217	140,741	10/01/05	09/30/06	140,741	140,741
VFC - Provider Site Visits	93.268 *	8,800	10/01/05	09/30/06	8,800	8,800
Immunization - Nurse Training	93.268 *	4,200	10/01/05	09/30/06	4,200	4,200
Immunizations - IAP	93.268 *	334,700	10/01/05	09/30/06	334,700	334,700
Immunizations - AFIX	93.268 *	1,250	10/01/05	09/30/06	1,250	1,250
Immunization Grants	93.268 *	2,188,707	10/01/05	09/30/06	2,188,707	2,188,707
Bioterrorism - Focus A	93.283	401,008	10/01/05	09/30/06	345,993	345,993
Cities Readiness Initiative	93.283	345,057	10/01/05	09/30/06	330,367	330,367
Bioterrorism - EWIDS	93.283	5,000	10/01/05	09/30/06	-	-
Bioterrorism - Pandemic Flu Supplemental	93.283	105,693	10/01/05	09/30/06	105,595	105,595
Child Care Consultation Grant	93.575	75,000	10/01/05	09/30/06	71,970	71,970

\* Denotes a major program.

(1) Denotes a cluster of a major program.

The accompanying notes are an integral part of the schedule of expenditures of federal awards.

**Macomb County, Michigan**  
**Schedule of Expenditures of Federal Awards**  
**Year Ended December 31, 2006**

Federal Grantor/ Pass-through Grantor/ Program Title	Federal CFDA Number	Program or Award Amount	Program Period		Receipts or Revenue Recognized	Federal Expenditures Current Year
			From	To		
<b>U.S. Department of Health &amp; Human Services, Continued</b>						
Passed through State Department of Community Health, Continued						
MI Child	93.767	85,973	10/01/05	09/30/06	85,973	85,973
MI Child - Substance Abuse	93.767	8,401	10/01/05	09/30/06	8,401	8,401
Adult Benefits Waiver	93.767	103,675	10/01/05	09/30/06	103,675	103,675
CSHCS Care Coordination - Level II	93.778	1,680	10/01/05	09/30/06	1,680	1,680
Infant Mortality Coalition Support	93.778	44,851	10/01/05	09/30/06	44,851	44,851
Medicaid Outreach Activities Reimbursement	93.778	42,239	10/01/05	09/30/06	42,239	42,239
Cost Based Reimbursement (Title XIX Medicaid)- Family Planning	93.778	162,433	10/01/05	09/30/06	162,433	162,433
Cost Based Reimbursement (Title XIX Medicaid)- Other	93.778	118,223	10/01/05	09/30/06	118,223	118,223
OBRA Assessment	93.778	367,036	10/01/05	09/30/06	367,036	367,036
CSHCS Outreach Advocacy	93.778	72,166	10/01/05	09/30/06	69,664	69,664
AIDS / HIV Prevention	93.940	163,578	10/01/05	09/30/06	163,578	163,578
Juvenile Justice Diversion	93.958	50,000	10/01/05	09/30/06	50,000	50,000
Hispanic Outreach Program	93.958	75,000	10/01/05	09/30/06	3,664	3,664
Integrated Dual Disorders Treatment	93.958	70,000	10/01/05	09/30/06	1,235	1,235
Children's Respite	93.958	16,160	10/01/05	09/30/06	16,160	16,160
Alcohol/ Drug Abuse Mental Health Block Grant	93.959 *	3,036,278	10/01/05	09/30/06	3,036,278	3,036,278
Sexually Transmitted Disease - Std Control	93.991	44,186	10/01/05	09/30/06	16,066	16,066
CSHCS Outreach & Advocacy Reg Alloc.	93.994	62,385	10/01/05	09/30/06	60,222	60,222
Maternal & Child Health Services Block Grant	93.994	28,335	10/01/05	09/30/06	28,335	28,335
SIDS Counseling	93.994	850	10/01/05	09/30/06	850	850
Local MCH Program - Child Health	93.994	183,262	10/01/05	09/30/06	183,262	183,262
Local MCH Program - Family Planning	93.994	13,009	10/01/05	09/30/06	13,009	13,009
SIDS Autopsies	93.994	800	10/01/05	09/30/06	800	800

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The accompanying notes are an integral part of the schedule of expenditures of federal awards.

**Macomb County, Michigan**  
**Schedule of Expenditures of Federal Awards**  
**Year Ended December 31, 2006**

Federal Grantor/ Pass-through Grantor/ Program Title	Federal CFDA Number	Program or Award Amount	Program Period		Receipts or Revenue Recognized	Federal Expenditures Current Year	
			From	To			
<b>U.S. Department of Health &amp; Human Services, Continued</b>							
Passed through State Family Independence Agency							
Temporary Assistance for Needy Families (TANF)-E-05-50017	93.558	*	26,000	01/01/06	06/30/06	26,000	26,000
Temporary Assistance for Needy Families (TANF)	93.558	*	104,280	10/01/05	09/30/06	104,280	104,280
Cooperative Reimbursement Program-Incentive	93.563	*	1,068,714	10/01/05	09/30/06	1,068,714	1,068,714
Prosecuting Attorney-Child Support Enforcement	93.563	*	802,642	10/01/05	09/30/06	735,107	735,107
Friend of the Court - IV D Program	93.563	*	6,243,666	10/01/05	09/30/06	5,989,862	5,989,862
LIHEAP	93.568		255,520	04/01/05	03/31/06	255,520	255,520
CAA Administration	93.569		127,509	10/01/05	09/30/06	127,509	127,509
General Community Programming	93.569		677,094	10/01/05	09/30/06	677,094	677,094
CSBG-H 05 - 50001	93.569		40,000	10/01/05	09/30/06	40,000	40,000
Low Income Home Energy Assistance Program- Crisis Assistance	93.569		18,863	10/01/05	09/30/06	17,768	17,768
CSBG - Discretionary EITC	93.569		15,000	01/01/06	06/30/06	15,000	15,000
Community Coordinated Child Care	93.575		375,744	10/01/05	09/30/06	366,692	366,692
Child Care Development Block Grant	93.575		87,800	10/01/05	09/30/06	78,343	78,343
Youth Mentor Can	93.667		41,250	10/01/05	09/30/06	14,491	14,491
Passed through State Department of Labor and Economic Growth							
Workfirst TANF	93.558	*	3,979,643	10/01/05	09/30/06	3,979,643	3,979,643
Workfirst TANF "C" Supportive Services	93.558	*	<u>25,000</u>	10/01/05	08/31/06	<u>25,000</u>	<u>25,000</u>
Total U.S. Department of Health and Human Services			<u>29,932,211</u>			<u>28,477,185</u>	<u>28,477,185</u>

\* Denotes a major program.

(1) Denotes a cluster of a major program.

The accompanying notes are an integral part of the schedule of expenditures of federal awards.

**Macomb County, Michigan**  
**Schedule of Expenditures of Federal Awards**  
**Year Ended December 31, 2006**

Federal Grantor/ Pass-through Grantor/ Program Title	Federal CFDA Number	Program or Award Amount	Program Period		Receipts or Revenue Recognized	Federal Expenditures Current Year
			From	To		
<b>U.S. Department of Homeland Security</b>						
Direct Programs						
Emergency Food and Shelter Program	97.024	198,102	12/01/05	11/30/06	196,927	196,927
Passed through State Department of State Police						
2004 Homeland Security Interoperability Grant	97.004	* (1) 22,000	01/01/06	12/31/06	22,000	22,000
2004 State Homeland Security	97.004	* (1) 1,534,638	08/01/04	04/30/06	652,764	652,764
2004 LETPP	97.004	* (1) 467,795	08/01/04	04/30/06	103,527	103,527
Emergency Management Performance Grant						
State Homeland Security 05/07	97.042	41,872	10/01/05	09/30/06	27,849	27,849
LETTP 05/07	97.067	* (1) 2,240,145	01/01/06	12/31/06	993,440	993,440
LETTP 05/07	97.067	* (1) 832,085	01/01/06	12/31/06	441,514	441,514
Passed through Michigan State Police						
Hazard Mitigation - Patrick Drive	97.039	737,600	01/01/06	12/31/06	39,615	39,615
Total U.S. Department of Homeland Security		6,074,237			2,477,636	2,477,636
Total federal financial assistance		\$ 67,676,419			\$ 53,899,013	\$ 53,899,013

\* Denotes a major program.

(1) Denotes a cluster of a major program.

The accompanying notes are an integral part of the schedule of expenditures of federal awards.



**Macomb County, Michigan**  
**Notes to Schedule of Expenditures of Federal Awards**  
**December 31, 2006**

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**1. Financial Reporting Entity**

The accompanying Schedule of Expenditures of Federal Awards presents the activity of all federal financial assistance programs of Macomb County. The Macomb County reporting entity is defined in Note 1 to the County's basic financial statements. All federal financial assistance received directly from federal agencies as well as federal financial assistance passed through other government agencies are included on the schedule.

**2. Basis of Accounting**

The accompanying Schedule of Expenditures of Federal Awards includes the federal grant activity of Macomb County and is presented on the modified accrual basis of accounting, which is described in Note 1 of the County's basic financial statements. The information in this schedule is presented in conformity with the requirements of the U.S. Office of Management and Budget Circular A-133, Audits of States, Local Governments, and Non-Profit Organizations.

**3. Program Periods**

The accompanying Schedule of Expenditures of Federal Awards presents all programs with grant periods ending in 2006. Program periods have been shown, and not for the period covered by Macomb County's basic financial statements. Disclosure in this manner is in accordance with the U.S. Office of Management and Budget Circular A-133, Audits of States, Local Governments, and Non-Profit Organizations.

**Macomb County, Michigan**  
**Schedule of Findings and Questioned Costs**  
**Year Ended December 31, 2006**

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**Section I – Summary of Auditor’s Results**

***Financial Statements***

Type of auditor’s report issued:

Unqualified

Internal control over financial reporting:

Material weakness(es) identified?

\_\_\_\_\_ Yes   X   No

Significant deficiency(ies) identified that are not considered to be material weaknesses?

\_\_\_\_\_ Yes   X   None reported

Non-compliance material to financial statements noted?

\_\_\_\_\_ Yes   X   No

***Federal Awards***

Internal control over major programs:

Material weakness(es) identified?

\_\_\_\_\_ Yes   X   No

Significant deficiency(ies) identified that are not considered to be material weaknesses?

\_\_\_\_\_ Yes   X   None reported

Type of auditor’s report issued on compliance for Major programs:

Unqualified

Any audit findings disclosed that are required to be reported in accordance with Section 510(a) of OMB Circular A-133?

\_\_\_\_\_ Yes   X   No

**Macomb County, Michigan**  
**Schedule of Findings and Questioned Costs**  
**Year Ended December 31, 2006**

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Federal Grantor/Pass-Through Grantor/Program Title/Cluster	Federal CFDA Number
<b>Identification of Major Programs</b>	
<b>U.S. Department of Housing and Urban Development</b>	
CDBG-Entitlement and (HUD-Administered) Small Cities Cluster	
Community Development Block Grants	14.218
CSA Chore Services-Cities	14.219
<b>U.S. Department of Labor</b>	
WIA Cluster	
Workforce Investment Act - Adult	17.258
One Stop Operation	17.258
Incumbent Worker - Carry In	17.258
Workforce Investment Act - Incumbent Worker	17.258
Workforce Investment Act - Incentive	17.258
Workforce Investment Act - Capacity Building	17.258
Workforce Investment Act - Local Admin	17.258
Workforce Investment Act - Youth Activities	17.259
Workforce Investment Act - Dislocated Workers	17.260
Workforce Investment Act - National Reserve	17.260
<b>U.S. Department of Health and Human Services</b>	
VFC - Provider Site Visits	93.268
Immunizations - Nurse Training	93.268
Immunizations - IAP	93.268
Immunizations - AFIX	93.268
Immunization Grants	93.268
Temporary Assistance for Needy Families (TANF)-E-05-50017	93.558
Temporary Assistance for Needy Families (TANF)	93.558
Workfirst TANF	93.558
Workfirst TANF "C" Supportive Services	93.558
Prosecuting Attorney-Child Support Enforcement	93.563
Friend of the Court - IV D Program	93.563
Head Start	93.600
Alcohol/Drug Abuse Mental Health Block Grant	93.959
<b>U.S. Department of Homeland Security</b>	
Homeland Security Cluster	
2004 Homeland Security Interoperability Grant	97.004
2004 State Homeland Security	97.004
2004 LETPP	97.004
State Homeland Security 05/07	97.067
LETPP 05/07	97.067

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

\$1,616,970

Auditee qualified as low-risk auditee?

  X   Yes        No

**Macomb County, Michigan**  
**Schedule of Findings and Questioned Costs**  
**Year Ended December 31, 2006**

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**Section II – Financial Statement Findings**

**Current-Year Findings**

None.

**Section III – Federal Award Findings and Questioned Costs**

**Current-Year Finding**

None.

**Macomb County, Michigan**  
**Schedule of Status of Prior-Year Findings and Questioned Costs**  
**Year Ended December 31, 2006**

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**Section II – Financial Statement Findings**

None.

**Section III – Federal Award Findings and Questioned Costs**

None.