

Macomb County,
Michigan



Mark A. Hackel
County Executive

Year Ended
December 31,
2011

Single Audit Act
Compliance

MACOMB COUNTY, MICHIGAN

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INDEPENDENT AUDITORS' REPORT ON THE
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS

September 28, 2012

To the Board of Commissioners
of Macomb County
Mt. Clemens, Michigan

We have audited the financial statements of the governmental activities, the business-type activities, the aggregate discretely presented component units, each major fund, and the aggregate remaining fund information of *Macomb County, Michigan*, as of and for the year ended December 31, 2011, which collectively comprise the basic financial statements, and have issued our report thereon dated June 29, 2012. Our report includes a reference to other auditors. Our audit was conducted 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 U.S. Office of Management and Budget Circular A-133 Audits of States, Local Governments, and Nonprofit Organizations, and is not a required part of the basic financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the financial statements. The information has been subjected to the auditing procedures applied in the audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the information is fairly stated in all material respects in relation to the financial statements as a whole.

The Substance Abuse Disorder Services Schedules are presented for purposes of additional analysis and are not a required part of the basic financial statements. These schedules are the responsibility of management and were derived from and relate directly to the underlying accounting and other records used to prepare the financial statements. The information has been subjected to the auditing procedures applied in the audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the information is fairly stated in all material respects in relation to the financial statements as a whole.

A handwritten signature in black ink that reads "Rehmann Robson".

MACOMB COUNTY, MICHIGAN

Schedule of Expenditures of Federal Awards For the Year Ended December 31, 2011

Federal Agency / Cluster / Program Title	CFDA Number	Passed Through	Program Period From	To	Federal Expenditures
U.S. Department of Agriculture					
Child Nutrition Cluster:					
National School Breakfast	10.553	MDE	10/01/10	09/30/11	\$ 56,882
National School Lunch	10.555	MDE	10/01/10	09/30/11	88,844
National School Lunch - After School Snack	10.555	MDE	10/01/10	09/30/11	16,584
USDA Commodities - Food Donations	10.555	MDE	10/01/10	09/30/11	30,023
					<u>192,333</u>
Nutrition Program for Women, Infant and Children:					
WIC - Special Supplemental Nutrition For Infants and Children	10.557	MDCH	10/01/10	09/30/11	1,396,010
WIC - Breastfeeding Peer Counselor	10.557	MDCH	10/01/10	09/30/11	39,000
					<u>1,435,010</u>
Child and Adult Care Food Program:					
Head Start-Children Meals Program	10.558	MDE	10/01/10	09/30/11	368,112
Home Delivered Meals - USDA	10.558	AAA	10/01/10	09/30/11	294,313
Congregate Nutrition Program - NSIP	10.558	AAA	10/01/10	09/30/11	71,720
					<u>734,145</u>
Supplemental Nutrition Assistance Program:					
Food Assistance & Employment Training - Operating	10.561	MDELEG	10/01/10	09/30/11	105,387
Food Assistance & Employment Training - Support	10.561	MDELEG	10/01/10	09/30/11	6
					<u>105,393</u>
Emergency Food Assistance Cluster:					
TEFAP Surplus Food Distribution Emergency Food Assist. - Admin	10.568	MDE	10/01/10	09/30/11	177,943
TEFAP - Commodities	10.569	MDE	10/01/10	09/30/11	603,425
					<u>781,368</u>
Total U.S. Department of Agriculture					<u><u>3,248,249</u></u>
U.S. Department of Housing and Urban Development					
Community Development Block Grant/Entitlement Grant:					
Neighborhood Stabilization Program-1 (B-08-UN-26-0003)	14.218	Direct	01/01/11	12/31/11	3,293,948
Community Development Block Grant (B-09-UC-26-0005)	14.218	Direct	01/01/11	12/31/11	1,457,584
Community Development Block Grant (B-10-UC-26-0005)	14.218	Direct	01/01/11	12/31/11	51,195
CSA Chore Services - Cities	14.218	OTS	10/01/10	09/30/11	129,160

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MACOMB COUNTY, MICHIGAN

Schedule of Expenditures of Federal Awards

For the Year Ended December 31, 2011

Federal Agency / Cluster / Program Title	CFDA Number	Passed Through	Program Period From	To	Federal Expenditures
U.S. Department of Housing and Urban Development (continued)					
Community Development Block Grant/Entitlement Grant (continued):					
Continuum Care	14.218	OTS	07/01/10	06/30/11	\$ 35,350
Housing Inspections	14.218	OTS	10/01/10	09/30/11	128,604
					<u>5,095,841</u>
HUD Homeless	14.235	Direct	01/01/11	12/31/11	<u>25,208</u>
Home Investment Partnership Program:					
Home Investment Partnership #M-06-DC-26-0209	14.239	Direct	01/01/11	12/31/11	4,334
Home Investment Partnership #M-07-Dc-26-0209	14.239	Direct	01/01/11	12/31/11	107,559
Home Investment Partnership #M-08-Dc-26-0209	14.239	Direct	01/01/11	12/31/11	314,622
Home Investment Partnership #M-09-DC-26-0209	14.239	Direct	01/01/11	12/31/11	5,719
					<u>432,234</u>
Homeless Prevention & Rapid Re-Housing S-09-UY-26-005	14.257	Direct	01/01/11	12/31/11	<u>275,852</u>
Total U.S. Department of Housing and Urban Development					<u>5,829,135</u>
U.S. Department of Justice					
Juvenile Accountability Incentive Block Grant	16.523	SFIA	04/01/10	03/31/11	41,386
Disproportionate Minority Contact	16.540	MDHS	10/01/10	09/30/11	125,000
Domestic Violence Victim Advocate	16.575	MDCH	10/01/10	09/30/11	149,537
JAG Program Cluster:					
JAG #2009-DJ-BX-0167	16.738	Direct	10/01/08	09/30/12	26,641
JAG #2010-DJ-BX-1104	16.738	Direct	10/01/09	09/30/13	29,973
Anti- Drug Abuse	16.738	MDCH	10/01/10	09/30/11	59,635
Street Level Enforcement Team	16.738	MDCH	10/01/10	09/30/11	89,436
ARRA - JAG #2009-SB-B9-0563	16.804	Direct	03/01/09	02/28/13	32,688
					<u>238,373</u>
Total U.S. Department of Justice					<u>554,296</u>
Office of National Drug Control Policy					
High Intensity Drug Trafficking Area Program (HIDTA)	07.000	MSP	01/01/11	12/31/11	<u>104,232</u>

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MACOMB COUNTY, MICHIGAN

Schedule of Expenditures of Federal Awards For the Year Ended December 31, 2011

Federal Agency / Cluster / Program Title	CFDA Number	Passed Through	Program Period From	Program Period To	Federal Expenditures
U.S. Department of Labor					
Employment Services:					
ARRA - Reemployment Services	17.207	MDELEG	01/01/11	12/31/11	\$ 51,905
Wagner - Peyser - 7A - Employment Services	17.207	MDELEG	01/01/11	12/31/11	1,719,367
ARRA - Employment Services DPN	17.207	MDELEG	01/01/11	12/31/11	41,763
					<u>1,813,035</u>
Senior Community Service Employment Program:					
Senior Comm. Service Employment Program	17.235	SOSA	01/01/11	12/31/11	804,392
Sr Comm Service Employ Program - Additional Title V	17.235	SOSA	01/01/11	12/31/11	334,099
					<u>1,138,491</u>
Trade Adjustment Assistance Program:					
Trade Adjustment Assistance	17.245	MDELEG	10/01/10	09/30/11	10,772,341
TGAAA Case Management Services	17.245	MDELEG	01/01/11	12/31/11	61,115
					<u>10,833,456</u>
WIA Cluster:					
Workforce Investment Act - Adult	17.258	MDELEG	01/01/11	12/31/11	3,721,775
Workforce Investment Act - Dislocated Workers	17.278	MDELEG	01/01/11	12/31/11	4,885,510
Workforce Investment Act - Youth	17.259	MDELEG	01/01/11	12/31/11	3,961,503
ARRA - Adult / Dislocated Worker	17.258	MDELEG	01/01/11	12/31/11	110,169
ARRA - Adult / Dislocated Worker	17.259	MDELEG	01/01/11	12/31/11	263,975
ARRA - Adult / Dislocated Worker	17.260	MDELEG	01/01/11	12/31/11	280,068
ARRA - Adult	17.258	MDELEG	01/01/11	12/31/11	123,445
ARRA - Local Admin	17.258	MDELEG	01/01/11	12/31/11	23,707
ARRA - Local Admin	17.259	MDELEG	01/01/11	12/31/11	56,803
ARRA - Local Admin	17.260	MDELEG	01/01/11	12/31/11	60,266
WIA - Incumbent Worker	17.278	MDELEG	01/01/11	12/31/11	208,417
WIA Performance Incentive	17.258	MDELEG	01/01/11	12/31/11	11,247
WIA Performance Incentive	17.259	MDELEG	01/01/11	12/31/11	12,122
WIA Performance Incentive	17.278	MDELEG	01/01/11	12/31/11	14,931
WIA Statewide - Capacity Building	17.258	MDELEG	01/01/11	12/31/11	4,604
WIA Statewide - Capacity Building	17.259	MDELEG	01/01/11	12/31/11	4,963
WIA Statewide - Capacity Building	17.278	MDELEG	01/01/11	12/31/11	6,113
WIA - Local Admin	17.258	MDELEG	01/01/11	12/31/11	352,495
WIA - Local Admin	17.259	MDELEG	01/01/11	12/31/11	212,084
WIA - Local Admin	17.260	MDELEG	01/01/11	12/31/11	243,414
WIA - Local Admin	17.278	MDELEG	01/01/11	12/31/11	39,313
WIA Statewide - JET	17.258	MDELEG	01/01/11	12/31/11	73,036

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Schedule of Expenditures of Federal Awards For the Year Ended December 31, 2011

Federal Agency / Cluster / Program Title	CFDA Number	Passed Through	Program Period From	Program Period To	Federal Expenditures
U.S. Department of Labor (continued)					
WIA Cluster (continued):					
WIA Statewide - JET	17.259	MDELEG	01/01/11	12/31/11	\$ 78,719
WIA Statewide - JET	17.278	MDELEG	01/01/11	12/31/11	96,963
ARRA - Dislocated Worker	17.260	MDELEG	01/01/11	12/31/11	536,400
ARRA - WIA - Youth	17.259	MDELEG	01/01/11	12/31/11	5,134
ARRA - WIA DW NEG - SE MI	17.260	MDELEG	01/01/11	12/31/11	798,863
ARRA - Michigan Registered Apprenticeship Pilot	17.258	MDELEG	01/01/11	12/31/11	2,882
ARRA - Michigan Registered Apprenticeship Pilot	17.259	MDELEG	01/01/11	12/31/11	6,906
ARRA - Michigan Registered Apprenticeship Pilot	17.260	MDELEG	01/01/11	12/31/11	7,327
WIA - DW - NEG - OJT	17.260	MDELEG	01/01/11	12/31/11	498,506
WIA Statewide Activities - MI - NCRC	17.258	MDELEG	01/01/11	12/31/11	2,465
WIA Statewide Activities - MI - NCRC	17.259	MDELEG	01/01/11	12/31/11	2,632
WIA Statewide Activities - MI - NCRC	17.260	MDELEG	01/01/11	12/31/11	5,943
ARRA - WIA Statewide Activities - Efficiency	17.258	MDELEG	01/01/11	12/31/11	24,646
ARRA - WIA Statewide Activities - Efficiency	17.259	MDELEG	01/01/11	12/31/11	59,055
ARRA - WIA Statewide Activities - Efficiency	17.260	MDELEG	01/01/11	12/31/11	62,655
					<u>16,859,056</u>
Aging Worker Initiative	17.268	Direct	01/01/11	12/31/11	<u>390,121</u>
Competitive Grants for Worker Training Grants:					
ARRA - SESP - Macomb Solar	17.275	MDELEG	01/01/11	12/31/11	156,595
ARRA - WIA - SESP - Macomb Advanced Energy Storage	17.275	MDELEG	01/01/11	12/31/11	655,775
ARRA - Health Care Sector Defense Grant	17.275	MCC	01/01/11	12/31/11	249,616
					<u>1,061,986</u>
Total U.S. Department of Labor					<u>32,096,145</u>
U.S. Department of Transportation					
Highway Planning and Construction:					
Road Construction Apprenticeship Readiness	20.205	MDELEG	12/15/09	05/31/11	45,973
Road Construction Apprenticeship Readiness (MSC11-RCAR4)	20.205	MDELEG	04/19/11	10/30/12	87,820
Macomb Orchard Trail Phase II & III	20.205	MDOT	01/01/11	12/31/11	90,044
					<u>223,837</u>
Highway Safety Cluster:					
Drive Michigan Safety Task Force	20.600	MSP	10/01/10	09/30/11	231,470
Youth Alcohol Enforcement	20.601	MSP	10/01/10	09/30/11	20,862
					<u>252,332</u>

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MACOMB COUNTY, MICHIGAN

Schedule of Expenditures of Federal Awards For the Year Ended December 31, 2011

Federal Agency / Cluster / Program Title	CFDA Number	Passed Through	Program Period From	Program Period To	Federal Expenditures
U.S. Department of Transportation (continued)					
Hazardous Materials Emerg Preparedness	20.703	MSP	10/01/10	09/30/11	\$ 21,588
Total U.S. Department of Transportation					<u>497,757</u>
U.S. Department of Treasury					
Foreclosure Mitigation	21.021	MDELEG	01/01/11	12/31/11	<u>43,159</u>
U.S. Small Business Center					
SBA Incubator II	59.000	Direct	09/30/09	09/29/12	93,480
SBA Incubator III	59.000	Direct	09/30/10	09/29/11	81,561
Small Business Tech & Develop Center	59.037	Direct	01/01/11	12/31/11	<u>142,500</u>
Total U.S. Small Business Center					<u>317,541</u>
U.S. Environmental Protection Agency					
State Clean Water and/or Drinking Water Revolving Fund Loan #5460-01	66.458	MDEQ	10/01/10	09/30/11	<u>430,761</u>
Nonpoint Source Implementation Grants	66.460	MDEQ	10/01/10	09/30/11	<u>18,469</u>
Great Lakes Program:					
Clean Sweep Pesticide Collection Program	66.469	MDOA	10/01/10	09/30/11	28,206
Great Lakes Restoration Initiative - Rapid Water Testing	66.469	MDOA	10/01/10	09/30/11	53,680
Lake St. Clair Coastal Marshland Restoration	66.469	Direct	09/15/10	08/15/13	127,553
Great Lakes Restoration Initiative - Household Hazardous Waste	66.469	Direct	01/01/11	12/31/11	108,318
Great Lakes Restoration Initiative - Illicit Discharge Elimination	66.469	Direct	01/01/11	12/31/11	<u>81,203</u>
					<u>398,960</u>
Noncommunity Water - Operator Certification	66.471	MDEQ	10/01/10	09/30/11	<u>1,313</u>
Beach Monitoring And Notification	66.472	MDEQ	10/01/10	09/30/11	<u>5,763</u>
Brownfield Assessment and Cleanup Cooperative Agreement:					
EPA Assess Brownfield - Petroleum - BF00E82401-0	66.818	Direct	02/01/09	01/31/12	73,311
EPA Assess Brownfield - Hazardous - BF0082501-0	66.818	Direct	02/01/09	01/31/12	<u>26,533</u>
					<u>99,844</u>
Total U.S. Environmental Protection Agency					<u>955,110</u>

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MACOMB COUNTY, MICHIGAN

Schedule of Expenditures of Federal Awards For the Year Ended December 31, 2011

Federal Agency / Cluster / Program Title	CFDA Number	Passed Through	Program Period From	Program Period To	Federal Expenditures
U.S. Department of Energy					
Weatherization Assistance for Low-Income Persons:					
Weatherization	81.042	SFIA	04/01/10	03/31/11	\$ 548,192
ARRA - Weatherization	81.042	SFIA	04/01/10	03/31/11	2,500,861
					<u>3,049,053</u>
ARRA - Energy Efficiency & Conservation Block Grant	81.128	Direct	09/08/09	09/07/12	<u>646,929</u>
Total U.S. Department of Energy					<u>3,695,982</u>
U.S. Department of Health and Human Services					
Aging Cluster:					
Senior Citizen Chore Services	93.044	AAA	10/01/10	09/30/11	83,963
Title III Outreach/Resource Advocacy	93.044	AAA	10/01/10	09/30/11	85,399
Legal Assistance	93.044	AAA	10/01/10	09/30/11	51,912
Home Injury Control	93.044	AAA	10/01/10	09/30/11	24,081
Congregate Nutrition Programs	93.045	AAA	10/01/10	09/30/11	415,400
Home Delivered Meals	93.045	AAA	10/01/10	09/30/11	1,347,406
					<u>2,008,161</u>
Public Health Emergency Preparedness					
Bioterrorism - Focus A Program #1590	93.069	MDCH	10/01/10	09/30/11	313,525
Bioterrorism - Pandemic Flu Planning - H1N1	93.069	MDCH	10/01/10	09/30/11	107,183
Bioterrorism - EWIDS	93.069	MDCH	10/01/10	07/31/10	1,469
Cities Readiness Initiative	93.069	MDCH	10/01/10	09/30/11	172,179
					<u>594,356</u>
Tb Control, Directly Observed Therapy	93.116	MDCH	10/01/10	09/30/11	<u>25,941</u>
Miturn Homeless Project	93.150	MDCH	10/01/10	09/30/11	65,200
Macomb Homeless Project - (PATH)	93.150	MDCH	10/01/10	09/30/11	31,709
					<u>96,909</u>
Family Planning - General Services	93.217	MDCH	10/01/10	09/30/11	<u>175,108</u>
Holding on to Life	93.243	MDCH	10/01/10	09/30/11	<u>39,955</u>
Immunization Cluster:					
Immunizations - IAP	93.268	MDCH	10/01/10	09/30/11	319,277
Immunizations - AFIX	93.268	MDCH	10/01/10	09/30/11	300

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MACOMB COUNTY, MICHIGAN

Schedule of Expenditures of Federal Awards For the Year Ended December 31, 2011

Federal Agency / Cluster / Program Title	CFDA Number	Passed Through	Program Period From	Program Period To	Federal Expenditures
U.S. Department of Health and Human Services (continued)					
Immunization Cluster (continued):					
VFC/AFIX - Provider Site Visits	93.268	MDCH	10/01/10	09/30/11	\$ 19,800
Immunization - Nurse Training	93.268	MDCH	10/01/10	09/30/11	4,250
Immunization Grants - VFC/317	93.268	MDCH	10/01/10	09/30/11	2,421,022
VFC - Provider Site Visits	93.268	MDCH	10/01/10	09/30/11	2,850
ARRA - Immunization Grants	93.712	MDCH	10/01/10	09/30/11	8,270
ARRA - Immunizations Grants VFC/317 (Reaching Children & Adults ARRA)	93.712	MDCH	10/01/10	09/30/11	83,784
					<u>2,859,553</u>
TANF:					
Workfirst TANF - Jobs Education and Training	93.558	MDELEG	10/01/10	09/30/11	3,704,006
Workfirst TANF - JET - Supportive Services	93.558	MDELEG	10/01/10	09/30/11	105,000
					<u>3,809,006</u>
Child Support Enforcement Program:					
Cooperative Reimbursement Program-Incentive	93.563	SFIA	10/01/10	09/30/11	990,240
Prosecuting Atty-Child Support Enforcement	93.563	SFIA	10/01/10	09/30/11	665,997
Friend Of The Court - IV D Program	93.563	SFIA	10/01/10	09/30/11	4,645,309
					<u>6,301,546</u>
LIHEAP-LCA Deliverable Fuels	93.568	SFIA	09/01/10	08/31/11	44,100
LIHEAP	93.568	SFIA	09/01/10	08/31/11	615,000
					<u>659,100</u>
Community Services Block Grants:					
CAA Administration	93.569	SFIA	10/01/10	09/30/11	85,207
General Community Programming	93.569	SFIA	10/01/10	09/30/11	815,095
CSBG - Discretionary EITC	93.569	SFIA	12/01/10	06/30/11	20,000
CSBG - Discretionary	93.569	SFIA	10/01/10	09/30/11	18,335
					<u>938,637</u>
Access And Visitation Grant	93.597	SCAO	10/01/10	09/30/11	<u>25,115</u>
Head Start Cluster:					
Head Start	93.600	Direct	09/01/10	08/31/11	5,870,499
ARRA - Early Head Start - 2009 Expansion	93.709	Direct	09/30/10	09/29/11	1,196,370
					<u>7,066,869</u>
Caregiver's Choice	93.616	NMP	10/01/10	09/30/11	<u>200</u>

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MACOMB COUNTY, MICHIGAN

Schedule of Expenditures of Federal Awards For the Year Ended December 31, 2011

Federal Agency / Cluster / Program Title	CFDA Number	Passed Through	Program Period From	To	Federal Expenditures
U.S. Department of Health and Human Services (continued)					
DHS Chafee Funding Foster Care Summer	93.674	MDELEG	10/01/10	09/30/11	\$ 72,000
Children's Health Insurance Program:					
MI Child	93.767	MDCH	10/01/10	09/30/11	321,714
MI Child - Substance Abuse	93.767	MDCH	10/01/10	09/30/11	16,834
					<u>338,548</u>
Medicaid:					
CSHCS Care Coordination - Medicaid	93.778	MDCH	10/01/10	09/30/11	3,225
Medicaid Outreach Activities Reimbursement	93.778	MDCH	10/01/10	09/30/11	61,505
OBRA Assessment	93.778	MDCH	10/01/10	09/30/11	365,169
Adult Benefits Waiver - Medicaid	93.778	MDCH	10/01/10	09/30/11	427,726
CSHCS Outreach Advocacy	93.778	MDCH	10/01/10	09/30/11	69,460
					<u>927,085</u>
AIDS / HIV Prevention	93.940	MDCH	10/01/10	09/30/11	<u>163,578</u>
Community Mental Health Services Grants:					
Improving Practices Leadership Program	93.958	MDCH	10/01/10	09/30/11	11,973
PSS Activities in Early Engagement and Health Promotion	93.958	MDCH	10/01/10	09/30/11	32,062
					<u>44,035</u>
Alcohol/Drug Abuse Mental Health Block Grant	93.959	MDCH	10/01/10	09/30/11	<u>2,966,562</u>
Maternal and Child Health Services Grants:					
CSHCS Maternal & Child Health Services Block Grant	93.994	MDCH	10/01/10	09/30/11	62,482
CSHCS Maternal Child - Title V	93.994	MDCH	10/01/10	09/30/11	6,957
Local Mch Program - Family Planning	93.994	MDCH	10/01/10	09/30/11	189,488
Fetal Infant Mortality Review	93.994	MDCH	10/01/10	09/30/11	4,050
					<u>262,977</u>
Total U.S Department of Health and Human Services					<u>29,375,241</u>
U.S. Department of Homeland Security					
Emergency Food & Shelter	97.024	UW	01/01/11	12/31/11	<u>195,272</u>
Emergency Management Performance Grant	97.042	MSP	10/01/10	09/30/11	<u>26,166</u>

continued...

MACOMB COUNTY, MICHIGAN

Schedule of Expenditures of Federal Awards For the Year Ended December 31, 2011

Federal Agency / Cluster / Program Title	CFDA Number	Passed Through	Program Period From	Program Period To	Federal Expenditures
U.S. Department of Homeland Security (continued)					
Homeland Security:					
2008 Citizen Corps. Program	97.067	MSP	10/01/10	03/31/11	\$ 7,645
2009 Citizen Corps. Program	97.067	MSP	08/01/09	04/30/12	6,906
2009 Homeland Security Grant - UASI	97.067	MSP	08/01/09	04/30/12	75,831
2009 Homeland Security Grant - SHSP	97.067	MSP	08/01/09	04/30/12	76,549
2007 Homeland Security Grant - HSGP	97.067	MSP	07/01/07	05/31/11	19,505
2007 Homeland Security Grant - LETPP	97.067	MSP	07/01/07	05/31/11	85,698
2007 Homeland Security Grant - UASI	97.067	MSP	07/01/07	05/31/11	71,828
2010 Citizen Corps. Program	97.067	MSP	08/01/10	04/30/13	1,600
2008 Homeland Security Grant - SHSP	97.067	MSP	09/01/08	04/30/12	32,705
2008 Homeland Security Grant - UASI	97.067	MSP	09/01/08	04/30/12	324,747
					<u>703,014</u>
Total U.S. Department of Homeland Security					<u>924,452</u>
Total Expenditures of Federal Awards					<u><u>\$77,641,299</u></u>

See notes to schedule of expenditures of federal awards

MACOMB COUNTY, MICHIGAN

Notes to Schedule of Expenditures of Federal Awards

1. BASIS OF PRESENTATION

The accompanying schedule of expenditures of federal awards (the "Schedule") includes the federal grant activity of Macomb County, Michigan (the "County") under programs of the federal government for the year ended December 31, 2011. The information in this schedule is presented in accordance with the requirements of the Office of Management and Budget (OMB) Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations*. 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 net assets or cash flows of the County.

The County's reporting entity is defined in Note 1 of the County's Comprehensive Annual Financial Report. The County's financial statements include the operations of the Macomb County Department of Roads, a major fund of the County, which received federal awards that are not included in the Schedule for the year ended December 31, 2011, as this entity was separately audited.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Expenditures reported on the Schedule are reported on the modified accrual basis of accounting, which is described in Note 1 to the County's financial statements. Such expenditures are recognized following the cost principles contained in OMB Circular A-87, *Cost Principles for State, Local, and Indian Tribal Governments*, 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. Pass-through entity identifying numbers are presented where available.

3. FISCAL REPORTING

Certain departments report on a different fiscal year than the County. Grants accounted for and reported on year-ends other than December 31, 2011 are noted as such in the Schedule in the Program Period column.

4. PASS-THROUGH AGENCIES

The County receives certain federal grant as subawards from non-federal entities. Pass-through entities, where applicable, have been identified in the Schedule with an abbreviation, defined as follows:

Pass-through Agency Abbreviation	Pass-through Agency Name
AAA	Area Agency on Aging 1-B
MCC	Macomb Community College
MDCH	Michigan Department of Community Health
MDE	Michigan Department of Education
MDELEG	Michigan Department of Energy, Labor and Economic Growth
MDEQ	Michigan Department of Environmental Quality
MDHS	Michigan Department of Human Services
MDOA	Michigan Department of Agriculture

MACOMB COUNTY, MICHIGAN

Notes to Schedule of Expenditures of Federal Awards

4. PASS-THROUGH AGENCIES

Pass-through Agency Abbreviation	Pass-through Agency Name
MDOT	Michigan Department of Transportation
MSP	Michigan State Police
NMP	National Mentoring Program
OTS	Other than State agencies
SCAO	Michigan State Court Administrative Office
SFIA	Michigan State Family Independence Agency
SOSA	Michigan State Offices of Services to the Aging
UW	United Way

5. SUBRECIPIENTS

The County administers certain federal awards programs through subrecipients. Those subrecipients are not considered part of the County's reporting entity. Of the federal expenditures presented in the Schedule, the County provided federal awards to subrecipients as follows:

Program Title	CFDA Number	Amount Provided to Subrecipients
Food Assistance & Employment Training	10.561	\$ 100,681
Community Development Block Grant	14.218	1,308,349
Wagner Peyser 7(a) Employment Services	17.207	1,067,588
Trade Adjustment Assistance	17.245	250,215
Workforce Investment Act (WIA) Cluster	17.258/17.259/ 17.260/17.278	3,972,101
Program of Competitive Grants for Worker	17.275	812,834
Road Construction Apprenticeship Readiness	20.205	33,034
Highway Safety Cluster	20.600/20.601	182,890
SBA Incubator II & III	59.000	137,791
TANF Cluster	93.558	452,319
DHS Chafee Funding - Foster Care Summer	93.674	27,311
MIChild	93.767	16,834
Medicaid Cluster	93.778	631,449
Substance Abuse Block Grant	93.959	3,550,852
Homeland Security Cluster	97.067	439,502
		<u>\$ 12,983,750</u>



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INDEPENDENT AUDITORS' REPORT ON INTERNAL CONTROL OVER
FINANCIAL REPORTING AND ON COMPLIANCE AND OTHER MATTERS
BASED ON AN AUDIT OF FINANCIAL STATEMENTS PERFORMED IN
ACCORDANCE WITH *GOVERNMENT AUDITING STANDARDS*

June 29, 2012

To the Board of Commissioners
of Macomb County
Mt. Clemens, Michigan

We have audited the financial statements of the governmental activities, the business-type activities, the aggregate discretely presented component units, each major fund, and the aggregate remaining fund information of *Macomb County, Michigan* (the "County"), as of and for the year ended December 31, 2011, which collectively comprise the basic financial statements of the County, and have issued our report thereon dated June 29, 2012. Our report includes 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 Macomb County Department of Roads, as described in our report on Macomb County, Michigan's financial statements. This report does include the results of the other auditors testing of internal control over financial reporting or compliance and other matters that are reported separately by those auditors.

Internal Control Over Financial Reporting

Management of Macomb County, Michigan is responsible for establishing and maintaining effective 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 opinions 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.

Our consideration of internal control over financial reporting was for the limited purpose described in the preceding paragraph and was not designed to identify all deficiencies in internal control over financial reporting that might be significant deficiencies or material weaknesses and therefore, there can be no assurance that all deficiencies, significant deficiencies, or material weaknesses have been identified. However, as described in the accompanying schedule of findings and questioned costs, we identified a certain deficiency in internal control over financial reporting that we consider to be a material weakness and another deficiency that we consider to be a significant deficiency.

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 2011-FS-1 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 2011-FS-2 to be a significant deficiency.

Compliance and Other Matters

As part of obtaining reasonable assurance about whether Macomb County, Michigan'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*.

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

This report is intended solely for the information and use of management, the audit committee, the Board of Commissioners, others within the organization, and federal awarding agencies and pass-through entities and is not intended to be and should not be used by anyone other than these specified parties.

A handwritten signature in black ink that reads "Lehmann Johnson". The signature is written in a cursive, flowing style.

INDEPENDENT AUDITORS' REPORT ON COMPLIANCE WITH
REQUIREMENTS THAT COULD HAVE A DIRECT AND MATERIAL EFFECT
ON EACH MAJOR PROGRAM AND ON INTERNAL CONTROL OVER
COMPLIANCE IN ACCORDANCE WITH OMB CIRCULAR A-133

September 28, 2012

To the Board of Commissioners
of Macomb County
Mt. Clemens, Michigan

Compliance

We have audited Macomb County, Michigan's, (the "County") compliance with the types of compliance requirements described in the OMB Circular A-133 Compliance Supplement that could have a direct and material effect on each of the County's major federal programs for the year ended December 31, 2011. The County's major federal programs are identified in the summary of auditors' results section of the accompanying schedule of findings and questioned costs. Compliance with the requirements of laws, regulations, contracts, and grants applicable to each of its major federal programs is the responsibility of the County's management. Our responsibility is to express an opinion on the County's compliance based on our audit. The County's basic financial statements include the operations of the Macomb County Department of Roads, which expended \$1,852,143 in federal awards, which is not included in the schedule of expenditures of federal awards for the year ended December 31, 2011. Our audit, described below, did not include the operations of the Macomb County Department of Roads because an audit in accordance with OMB Circular A-133 for those activities was performed by other auditors and a separate report was issued.

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 provide 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 could have a direct and material effect on each of its major federal programs for the year ended December 31, 2011. However, the results of our auditing procedures disclosed instances of noncompliance with those requirements, which are required to be reported in accordance with OMB Circular A-133 and which is described in the accompanying schedule of findings and questioned costs as items 2011-SA-1 and 2011-SA-2.

Internal Control Over Compliance

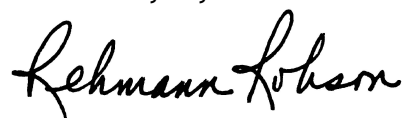
Management of the County is responsible for establishing and maintaining effective internal control over compliance with the requirements of laws, regulations, contracts, and grants applicable to federal programs. In planning and performing our audit, we considered the County's internal control over compliance with the requirements that could have a direct and material effect on a major federal program to determine the auditing procedures for the purpose of expressing our opinion on compliance and to test and report on internal control over compliance in accordance with OMB Circular A-133, but not for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, we do not express an opinion on the effectiveness of the County's internal control over compliance.

A deficiency in internal control over compliance exists when the design or operation of a control over compliance does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, noncompliance with a type of compliance requirement of a federal program on a timely basis. *A material weakness in internal control over compliance* is a deficiency, or combination of deficiencies, in internal control over compliance, such that there is a reasonable possibility that material noncompliance with a type of compliance requirement of a federal program will not be prevented, or detected and corrected, on a timely basis.

Our consideration of internal control over compliance was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control over compliance that might be deficiencies, significant deficiencies or material weaknesses. We did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses, as defined above. However, we identified certain deficiencies in internal control over compliance that we consider to be significant deficiencies as described in the accompanying schedule of findings and questioned costs as items 2011-SA-1 and 2011-SA-2. *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.

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

This report is intended solely for the information and use of management, the audit committee, the Board of Commissioners, others within the organization, and federal awarding agencies and pass-through entities and is not intended to be and should not be used by anyone other than these specified parties.



MACOMB COUNTY, MICHIGAN

Schedule of Findings and Questioned Costs For the Year Ended December 31, 2011

SECTION I - SUMMARY OF AUDITORS' RESULTS

Financial Statements

Type of auditors' report issued: Unqualified

Internal control over financial reporting:

Material weakness(es) identified? X yes no

Significant deficiency(ies) identified? X yes none reported

Noncompliance 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? X yes none reported

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

Any audit findings disclosed that are required to be reported in accordance with Circular A-133, Section 510(a)? X yes no

Identification of major programs:

CFDA Number

Name of Federal Program or Cluster

17.245	Trade Adjustment Assistance
17.258/17.259/17.260/17.278	Workforce Investment Act Cluster
17.275	Program of Competitive Grants for Worker Training
81.042	Weatherization Assistance for Low-Income Persons
93.268/93.712	Immunizations Cluster
93.558	Temporary Assistance for Needy Families
93.563	Child Support Enforcement

Dollar threshold used to distinguish between Type A and Type B programs: \$ 2,329,239

Auditee qualified as low-risk auditee? yes X no

MACOMB COUNTY, MICHIGAN

Schedule of Findings and Questioned Costs

For the Year Ended December 31, 2011

SECTION II - FINANCIAL STATEMENT FINDINGS

2011-FS-1 - Lack of Internal Controls over Financial Reporting

Finding Type. Material Weakness in Internal Control over Financial Reporting.

Criteria. A strong system of internal controls and management review mandates that general ledger account balances are properly reconciled to a subsidiary ledger or other adequate supportive documentation on a periodic basis. Management is responsible for maintaining its accounting records in accordance with generally accepted accounting principles (GAAP).

Condition. During our audit, we identified and proposed adjustments (which were approved and posted by management) that were material, either individually or in the aggregate, to the County's financial statements.

Cause. A breakdown in communication between departments resulted in certain transactions being accounted for incorrectly in prior years.

Effect. As a result of this condition, the following areas were initially misstated: 1) Beginning fund balance of the general fund, net assets of the governmental activities and other assets were all overstated by approximately \$4,728,000, 2) Beginning fund balance was overstated and deposits payable was understated in the drainage district component unit by approximately \$2,820,000.

Recommendation. We recommend that the County take steps to ensure that all year-end adjustments are identified and posted for financial reporting purposes and are accounted for in the proper period.

View of Responsible Officials. The adjustments outlined above involved relatively unique types of transactions. Staff in all departments involved in these transactions have been made fully aware of the proper accounting treatment.

MACOMB COUNTY, MICHIGAN

Schedule of Findings and Questioned Costs For the Year Ended December 31, 2011

SECTION II - FINANCIAL STATEMENT FINDINGS

2011-FS-2 - Preparation of the Schedule of Expenditures of Federal Awards

Finding Type. Significant Deficiency in Internal Control over Financial Reporting.

Criteria. OMB Circular A-133, §__.300, requires that the County “identify, in its accounts, all Federal awards received and expended and the Federal programs under which they were received. Federal program and award identification shall include, as applicable, the CFDA title and number, award number and year, name of the Federal agency, and name of the pass-through entity.” In addition, the County is required to “prepare appropriate financial statements, including the schedule of expenditures of Federal awards in accordance with §__.310.”

Condition. The amounts reported for one federal grant on the initial Schedule of Expenditures of Federal Awards were for a different period of time than the amounts reported on the financial statements. An adjustment was needed to ensure that expenditures reported on the initial Schedule of Expenditures of Federal Awards were for the same period of time as were reported in the financial statements.

Cause. A breakdown in communication between departments resulted in activity of a certain federal grant being shown on the Schedule of Expenditures of Federal Awards for an incorrect time period.

Effect. Activity shown for one of the federal grants included on the Schedule of Expenditures of Federal Awards was for the incorrect period. An adjustment was needed to adjust the activity for this grant so that the proper months of activity were reflected on the Schedule of Expenditures of Federal Awards.

Recommendation. We recommend that the County take steps to ensure that the proper months of activity are reflected on the Schedule of Expenditures of Federal Awards.

View of Responsible Officials. Staff responsible for preparing the Schedule of Expenditures of Federal Awards have been made aware of the proper reporting period for this program.

MACOMB COUNTY, MICHIGAN

Schedule of Findings and Questioned Costs

For the Year Ended December 31, 2011

SECTION III - FEDERAL AWARD FINDINGS AND QUESTIONED COSTS

2011-SA-1 - Suspended and Debarred Parties

Finding Type. Immaterial Noncompliance/Significant Deficiency in Internal Control over Compliance (Procurement, Suspension and Debarment).

Program. Immunization Cluster; U.S. Department of Health and Human Services; Passed through the Michigan Department of Community Mental Health; CFDA Numbers 93.268 & 93.712.

Criteria. The OMB Circular A-133 Compliance Supplement provides that “Non-federal entities are prohibited from contracting with or making subawards under covered transactions to parties that are suspended or debarred or whose principals are suspended or debarred...the non-federal entity must verify that the entity is not suspended or debarred or otherwise excluded.”

Condition. During our testing of this compliance requirement we found six instances where the County had not verified suspension or debarment.

Cause. Those responsible for administering the Immunization program were not aware of this requirement.

Effect: This condition increases the risk that the County could conduct business with a suspended or debarred party in violation of OMB Circular A-133.

Questioned Costs: No costs have been questioned as a result of this finding inasmuch as no disallowed costs were identified.

Recommendation. We recommend that the County implement procedures necessary to identify all covered transactions that take place and ensure that the parties are not suspended or debarred.

View of Responsible Officials. Program staff are now aware of this requirement and have begun verifying suspension and debarment on all new awards.

MACOMB COUNTY, MICHIGAN

Schedule of Findings and Questioned Costs

For the Year Ended December 31, 2011

SECTION III - FEDERAL AWARD FINDINGS AND QUESTIONED COSTS

2011-SA-2 - Monthly Expenditure Reports (repeat finding)

Finding Type. Immaterial Noncompliance/Significant Deficiency in Internal Control over Compliance (Reporting).

Program. Workforce Investment Act (WIA) Cluster; Passed through the Michigan Department of Energy, Labor and Economic Growth from the U.S. Department of Labor; CFDA Numbers 17,258, 17,259, 17,260, 17,278.

Criteria. The U.S. Department of Labor requires that monthly reports summarizing expenditures be filed each month.

Condition. Monthly expenditure reports did not agree to the total amount of expenditures as reported on the Schedule of Expenditures of Federal Awards or to the amounts recorded in the general ledger. No costs were questioned as a result of this, since the County is reimbursed based on amounts reported on its cash requests, not on the monthly expenditure reports. The cash requests did reconcile to both the Schedule of Federal Awards and the amounts in the general ledger.

Cause. This condition appears to be the result of a lack of controls over this reporting requirement.

Effect: This condition increases the risk that the monthly expenditure reports submitted do not reflect the correct amount of expenditures for the period.

Questioned Costs: No costs have been questioned as a result of this finding inasmuch as no disallowed costs were identified.

Recommendation. We recommend that the County implement procedures necessary to ensure that actual expenditures are being reported on these monthly expenditure reports and agree to, or can be reconciled to the general ledger.

View of Responsible Officials. The Finance Department will work closely with the department responsible for filing the monthly reports for this program to ensure that the amounts reported on the expenditure reports reconcile with the amounts recorded in the general ledger.

MACOMB COUNTY, MICHIGAN

Summary Schedule of Prior Audit Findings For the Year Ended December 31, 2011

Finding 2010-1 - Internal Controls over Material Audit Adjustments

During our audit, we identified and proposed adjustments (which were approved and posted by management) that were material, either individually or in the aggregate, to the County's financial statements. In the current year, there were material adjustments that were made to the year-end balances. Refer to finding 2011-FS-1.

Finding 2010-2 - Separate Trust Fund - Cash Management - CFDA # 16.804 - Edward Byrne Memorial Justice Assistance Grant Program

The County did not establish a trust fund account to deposit Recovery Act - JAG funds prior to expending them as required in accordance with the grant agreement. Management of the Finance Department interprets the spirit of the requirement to be that the accounting for the revenues and expenditures of this grant not be comingled in the general ledger with those of other grant programs. The activities for this program are accounted for separately and in a distinct cost center in the general ledger. Therefore, management of the Finance Department believes that the spirit of the requirement has been met. The process of which management is tracking the grant funds appear to be appropriate and no further follow up was necessary for the current year. This finding has been satisfied and no longer is reported as a significant deficiency.

Finding 2010-3 - Monthly Reporting -Reporting - CFDA # 17.258, 17.259, 17.260 - Workforce Investment Act (WIA) Cluster

Monthly expenditure reports did not agree to the total amount of expenditures as reported on the Schedule of Expenditures of Federal Awards or to the amounts recorded in the general ledger. No costs were questioned as a result of this, since the County is reimbursed based on amounts reported on its cash requests, not on the monthly expenditure reports. The cash requests did reconcile to both the Schedule of Federal Awards and the amounts in the general ledger. This finding has not been corrected from the current year. Refer to finding 2011-SA-2.

Finding 2010-4 - Subrecipient Monitoring- CFDA # 16.804 - Edward Byrne Memorial Justice Assistance Grant Program

The County did not obtain the most recent single audit report for three subrecipients. No costs were questioned as a result of this, since it was determined that the County was performing some monitoring over these subrecipients, but failed to obtain the required reports. The County ensured that all subrecipient audit reports are being obtained as required as part of the County's subrecipient monitoring procedures. This finding has been corrected.



SUPPLEMENTARY INFORMATION

MACOMB COUNTY COMMUNITY MENTAL HEALTH SERVICES - OFFICE OF SUBSTANCE ABUSE
SUBSTANCE USE DISORDER SERVICES
Schedule of Budgeted, Reported, and Audited Amounts
For the Year Ended September 30, 2011

SCHEDULE A

<u>Fund Source</u>	<u>Budgeted (FINAL)</u>	<u>Reported Expenditures (FINAL RER)</u>	<u>Audited Expenditures</u>	<u>Variance (Audited- Reported)</u>	<u>Local Match Funds</u>
A State Agreement					
1 Community Grant	\$ 2,709,697	\$ 2,609,603	\$ 2,609,603	-	
2 Prevention	779,320	876,740	876,740	-	
3 SDA	31,326	31,326	31,326	-	
4 Other - Communicable Disease	30,579	30,579	30,579	-	
A Subtotal State Agreement	<u>3,550,922</u>	<u>3,548,248</u>	<u>3,548,248</u>	<u>-</u>	
B Medicaid					
1 Current Year PEPM (Federal & State)	3,983,184	2,200,670	2,200,670	-	
2 Federal share only for Women's Specialty	-	45,872	45,872	-	
3 State share only for Women's Specialty	-	23,853	23,853	-	
4 Reinvestment Savings	-	-	-	-	
B Subtotal Medicaid	<u>3,983,184</u>	<u>2,270,395</u>	<u>2,270,395</u>	<u>-</u>	
C Adult Benefit Waiver (ABW)					
1 Current Year PEPM (Federal & State)	637,476	427,726	427,726	-	
2 Federal share only for Women's Specialty	-	-	-	-	
3 State share only for Women's Specialty	-	-	-	-	
C Subtotal ABW	<u>637,476</u>	<u>427,726</u>	<u>427,726</u>	<u>-</u>	
D MI CHILD					
1 Current Year PEPM (federal share only)	14,115	8,570	8,570	-	
D Subtotal MICHild	<u>14,115</u>	<u>8,570</u>	<u>8,570</u>	<u>-</u>	
E Local					
1 Current Year PA2	-	-	-	-	\$ -
2 PA2 Fund Balance	986,834	557,683	557,683	-	557,683
3 Other Local (R325.4152 excluding subsection (1)(b))	384,347	348,137	348,137	-	348,137
E Subtotal Local	<u>1,371,181</u>	<u>905,820</u>	<u>905,820</u>	<u>-</u>	
F Fees & Collections- Subtotal (R325.4151 (1)(d))	<u>70,715</u>	<u>193,665</u>	<u>193,665</u>	<u>-</u>	193,665
G Other Contracts & Sources (Subtotal)	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	
Grand Total of Subtotals A-G	<u><u>\$ 9,627,593</u></u>	<u><u>\$ 7,354,424</u></u>	<u><u>\$ 7,354,424</u></u>	<u><u>\$ -</u></u>	<u><u>\$ 1,099,485</u></u>

Amount Billable to MDCH (Section A audited subtotal)	\$ 3,548,248
Total MDCH Payments	<u>3,550,922</u>
(Overpayment)/Underpayment	<u><u>\$ (2,674)</u></u>

Local Match Funds Total	\$ 1,099,485
Local Match Requirement [(Grand Total of Audited Exp. minus subtotal B, C, D & G) * 10%]	<u>464,773</u>
Local Match (Shortfall)/Excess	<u><u>\$ 634,712</u></u>

**MACOMB COUNTY COMMUNITY MENTAL HEALTH SERVICES - OFFICE OF SUBSTANCE ABUSE
SUBSTANCE USE DISORDER SERVICES
Schedule of Expenditures and Funding Sources by Program
Year Ended September 30, 2011**

Program	Audited Expenditures						Audited Funding Sources							Variance (Audited-Reported)	Variance (Expenditures - Funding)	
	Budgeted (FINAL)	Reported Expenditures (FINAL RER)	Gross Amount	Less Medicaid	Less Fees	Net Amount	State Agreement	SDA	PA2	Other Local	Other Sources	ABW (Gross) from PIHPs	MIChild (federal)			Total Funding
General Administration	\$ 1,005,966	\$ 818,881	\$ 818,881	\$ 269,313	\$ -	\$ 549,568	\$ 425,652	\$ -	\$ -	\$ 123,916	\$ -	\$ -	\$ -	\$ 549,568	\$ -	\$ -
Access Management System (AMS)	297,247	308,423	308,423	116,176	-	192,247	192,247	-	-	-	-	-	-	192,247	-	-
Prevention	924,643	1,013,000	1,013,000	-	68,347	944,653	876,740	-	51,024	16,889	-	-	-	944,653	-	-
Treatment	5,916,622	3,886,301	3,886,301	1,815,181	114,736	1,956,384	1,211,823	31,326	505,903	207,332	-	-	-	1,956,384	-	-
Women's Specialty	112,000	181,725	181,725	69,725	-	112,000	112,000	-	-	-	-	-	-	112,000	-	-
Communicable Disease	30,579	31,335	31,335	-	-	31,335	30,579	-	756	-	-	-	-	31,335	-	-
ABW (State and Federal Funds)	637,476	427,726	427,726	-	-	427,726	-	-	-	-	-	427,726	-	427,726	-	-
MIChild (State and Federal Funds)	37,878	11,269	11,269	-	-	11,269	2,699	-	-	-	-	-	8,570	11,269	-	-
Other - Sacred Heart Statewide	665,182	675,764	675,764	-	10,582	665,182	665,182	-	-	-	-	-	-	665,182	-	-
Totals	\$ 9,627,593	\$ 7,354,424	\$ 7,354,424	\$ 2,270,395	\$ 193,665	\$ 4,890,364	\$ 3,516,922	\$ 31,326	\$ 557,683	\$ 348,137	\$ -	\$ 427,726	\$ 8,570	\$ 4,890,364	\$ -	\$ -
							\$ 3,548,248									

Reconciliation of PA2 Funds:

Beginning Balance	\$ 997,133
Current Year PA2 *	1,132,850
Expenditures	(557,683)
Ending balance	\$ 1,572,300

Reconciliation of Medicaid Managed Care (PEPM) Funds:

PEPM Payments Received	\$ 3,653,629
Medicaid Savings Carried Ove	-
Expenditures	(2,270,395)
Returned to PIHP	\$ 1,383,234

Reconciliation of ABW Funds:

Beginning Balance	\$ 152,129
Current Year ABW	631,449
Expenditures	(427,726)
Ending Balance	\$ 355,852

Reconciliation of MIChild Funds:

Beginning Balance	\$ 71,114
Current Year MIChild	16,834
Expenditures	(8,570)
Mi child State Share	2,603
Ending Balance	\$ 81,981

Summary of Fund Balance

Ending Balance PA2	\$ 1,572,300
Ending Balance ABW	355,852
Ending Balance MIChild	81,981
Fund Balance as of 9/30/11	\$ 2,010,133