

County of Jackson,
Michigan



Year Ended
December 31, 2022

Single Audit Act
Compliance

Rehmann

COUNTY OF JACKSON, MICHIGAN

Table of Contents

	<u>Page</u>
Independent Auditors' Report on the Schedule of Expenditures of Federal Awards Required by the Uniform Guidance	1
Schedule of Expenditures of Federal Awards	2
Notes to Schedule of Expenditures of Federal Awards	6
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 <i>Government Auditing Standards</i>	8
Independent Auditors' Report on Compliance for the Major Federal Program and Internal Control over Compliance Required by the Uniform Guidance	10
Schedule of Findings and Questioned Costs	14
Summary Schedule of Prior Audit Findings	17



INDEPENDENT AUDITORS' REPORT ON THE SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS REQUIRED BY THE UNIFORM GUIDANCE

June 28, 2023

Board of Commissioners
County of Jackson, Michigan
Jackson, Michigan

We have audited the financial statements of the governmental activities, the business-type activities, the aggregate discretely presented component units, each major fund, and the aggregate remaining fund information of the **County of Jackson, Michigan** (the "County"), as of and for the year ended December 31, 2022, and the related notes to the financial statements, which collectively comprise the County's basic financial statements. We issued our report thereon dated June 28, 2023, which contained unmodified opinions on those financial statements. 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 basic financial statements. The accompanying schedule of expenditures of federal awards is presented for purposes of additional analysis as required by Title 2 U.S. Code of Federal Regulations Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (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.

Rehmann Lobson LLC



COUNTY OF JACKSON, MICHIGAN

Schedule of Expenditures of Federal Awards

For the Year Ended December 31, 2022

Federal Agency / Cluster / Program Title	Assistance Listing Number	Passed Through	Pass-through / Grantor Number	Federal Expenditures
U.S. Department of Agriculture				
SNAP-Ed subgrantee of Henry Ford Health	10.533	Direct	n/a	\$ 10,428
Child Nutrition Cluster:				
Breakfast Program	10.553	MDE	n/a	9,082
Lunch Program	10.555	MDE	n/a	30,027
Total Child Nutrition Cluster				39,109
* Supplemental Nutrition Program for Women, Infants, and Children (WIC)	10.557	MDHHS	222MI003W1003	889,593
* Breastfeeding Peer Counseling	10.557	MDHHS	222MI013W5003	19,346
* Breastfeeding Peer Counseling Admin	10.557	MDHHS	222MI003W1003	19,347
* Breastfeeding Peer Counseling	10.557	MDHHS	212MI013W5003	25,795
				954,081
Total U.S. Department of Agriculture				1,003,618
U.S. Department of Justice				
COVID-19 - Coronavirus Emergency Supplemental Funding Program	16.034	MSP	n/a	64,609
Project Safe Neighborhoods	16.609	Direct	n/a	2,050
Edward Byrne Memorial Competitive Grant Program	16.751	Direct	n/a	77,517
Total U.S. Department of Justice				144,176
U.S. Department of Transportation				
COVID-19 - Airport Improvement Program	20.106	MDT	n/a	57,162
U.S. Department of Treasury				
COVID-19 - Coronavirus State and Local Fiscal Recovery Funds	21.027	Direct	n/a	9,433,787
U.S. Environmental Protection Agency				
Brownfield Assessment and Cleanup	66.818	Direct	00E01517	69,860
U.S. Department of Education				
* Special Education- Grants for Infants and Families Early on Michigar	84.181A	JCISD	H181A160012	152,291

continued...

COUNTY OF JACKSON, MICHIGAN

Schedule of Expenditures of Federal Awards

For the Year Ended December 31, 2022

Federal Agency / Cluster / Program Title	Assistance Listing Number	Passed Through	Pass-through / Grantor Number	Federal Expenditures
U.S. Department of Health and Human Services				
Part D - Disease Prevention and Health				
Promotion Services -				
Disease Prevention	93.043	R2AAA	n/a	\$ 5,308
Aging Cluster:				
Part B Grants for Supportive Services and Senior Centers:				
Chore	93.044	R2AAA	n/a	7,739
Senior Center Operations	93.044	R2AAA	n/a	15,902
Counseling	93.044	R2AAA	n/a	8,624
Case Coordination	93.044	R2AAA	n/a	44,010
				<u>76,275</u>
Part C - Nutrition:				
Congregate Site Meals	93.045	R2AAA	n/a	155,233
Home Delivered Meals	93.045	R2AAA	n/a	232,308
				<u>387,541</u>
Title III Elderly Feeding Program -				
Nutrition Incentives Program	93.053	R2AAA	n/a	196,539
Total Aging Cluster				
				<u>660,355</u>
Part E - National Family Caregiver Support:				
Respite	93.052	R2AAA	n/a	21,082
Caregiver Information and Assistance	93.052	R2AAA	n/a	13,056
Families First	93.052	R2AAA	n/a	70,551
Caregiver Supplemental Services	93.052	R2AAA	n/a	8,700
				<u>113,389</u>
* Affordable Care Act Personal Responsibility Education -				
Taking Pride in Prevention	93.092	MDHHS	2001MIPREP	100,000
* Tuberculosis Control Program:				
Tuberculosis (TB) Control	93.116	MDHHS	NU52PS910173	4,264
* Affordable Care Act Abstinence Education Program	93.235	MDHHS	2102MISRAE	148,660
* Adult Drug Treatment Court:				
2021/2022	93.243	MSSAC	6H79TI080152-03M003	102,355
2021/2022	93.243	MSSAC	n/a	110,979
				<u>213,334</u>
* Immunization Cooperative Agreements:				
Immunization Vaccines for Children	93.268	MDHHS	NH23IP922635	241,823
COVID-19 Influenza Vaccination Supplemental	93.268	MDHHS	NH23IP922635	14,006
Immunization Action Plan (IAP)	93.268	MDHHS	NH23IP922635	71,431
Vaccines (non-cash assistance)	93.268	MDHHS	n/a	148,740
				<u>476,000</u>

continued...

COUNTY OF JACKSON, MICHIGAN

Schedule of Expenditures of Federal Awards

For the Year Ended December 31, 2022

Federal Agency / Cluster / Program Title	Assistance Listing Number	Passed Through	Pass-through / Grantor Number	Federal Expenditures
U.S. Department of Health and Human Services (continued)				
* COVID-19 - Epidemiology and Lab Capacity for Infectious Diseases -				
COVID-19 Contact Tracing and Testing Coordination	93.323	MDHHS	NU50CK000510	\$ 408,263
Reopening Schools HRA	93.323	MDHHS	NU50CK000510	459,156
COVID-19 Infection Prevention	93.323	MDHHS	NU50CK000510	75,506
				<u>942,925</u>
* State Health Insurance Assistance Program - Medicare Medicaid Assistance Program	93.324	R2AAA	n/a	<u>11,243</u>
* COVID-19 - Public Health Emergency Response: Cooperative Grant for COVID-19 Emergency Response: Public Health Crisis Response -				
Public Health Crisis Response - Coronavirus	93.354	MDHHS	NU90TP922186	<u>22,331</u>
Child Support Enforcement:				
Child Support Incentive	93.563	MDHHS	CS/FOC-17-38001	157,389
Medicaid Incentive 2021/2022	93.563	MDHHS	n/a	50,255
* Friend of the Court:				
Federal Performance Incentive - 2021/2022	93.563	MDHHS	CS/FOC-17-38001	238,464
Federal Share - 2021/2022	93.563	MDHHS	CS/FOC-17-38001	2,688,832
Prosecuting Attorney 2022	93.563	MDHHS	CSPA-17-38002	157,925
				<u>3,292,865</u>
Medicaid Cluster -				
* Medical Assistance Program:				
Medicaid Administration	93.778	MDHHS	2105M15ADM	58,364
Medicaid Elevated Blood Lead Case Mgmt	93.778	MDHHS	2205MI5MAP	1,452
CSHCS Medicaid Outreach	93.778	MDHHS	2205M15ADM	36,234
Medicaid Outreach	93.778	MDHHS	2205M15ADM	36,395
				<u>132,445</u>
Public Health Emergency Preparedness/Response (d)				
Public Health Emergency Preparedness	93.889	MDHHS	U3REP190584	<u>133,120</u>
HIV Prevention Project -				
* HIV Prevention Activities	93.940	MDHHS	NU62PS924530	<u>11,090</u>
Preventive Health Services				
EEE Virus Surveillance Project	93.991	MDHHS	NB01OT009428	<u>4,771</u>
* Maternal and Child Health Service Block Grants to the State - Local MCH:				
Enabling Services Women - MCH	93.994	MDHHS	B0445223	85,258
Fetal Infant Mortality Review Case Abstraction	93.994	MDHHS	B0445223	2,430
Sudden Unexplained Infant Death	93.994	MDHHS	B0445223	500
Care Coordination - Title V	93.994	MDHHS	B0445223	32,202
Childhood Lead Poisoning Prevention	93.994	MDHHS	B0445223	40,000
				<u>160,390</u>
Total U.S. Department of Health and Human Services				<u>6,432,490</u>

continued...

COUNTY OF JACKSON, MICHIGAN

Schedule of Expenditures of Federal Awards

For the Year Ended December 31, 2022

Federal Agency / Cluster / Program Title	Assistance Listing Number	Passed Through	Pass-through / Grantor Number	Federal Expenditures
U.S. Department of Homeland Security				
HSGP - State Homeland Security Program	97.005	IC	n/a	<u>\$ 70,820</u>
COVID 19 National Disaster Relief:				
COVID-19 - Immunization	97.036	Direct	4494DRMIP00000001	126,909
COVID-19 - County Jails COVID - 19 Testing	97.036	MDHHS	n/a	<u>234,821</u>
				<u>361,730</u>
Hazard Mitigation Grant Program	97.039	MSP	n/a	<u>8,162</u>
2022 Emergency Management Performance Grant	97.042	MSP	EMC-2021-EP-00003	<u>42,057</u>
Total U.S. Department of Homeland Security				<u>482,769</u>
Total Expenditures of Federal Awards				<u><u>\$ 17,776,153</u></u>
				concluded.

See notes to schedule of expenditures of federal awards

COUNTY OF JACKSON, MICHIGAN

Notes to Schedule of Expenditures of Federal Awards

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The accompanying schedule of expenditures of federal awards (the "Schedule") includes the federal grant activity of the County of Jackson, Michigan (the "County") under programs of the federal government for the year ended December 31, 2022, except as discussed below in Note 3. The information in this Schedule is presented in accordance with the requirements of Title 2 U.S. Code of Federal Regulations Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance). Because the Schedule presents only a selected portion of the operations of the County, it is not intended to and does not present the financial position, changes in net position or cash flows of the County.

Expenditures reported on the Schedule are reported on the 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 the Uniform Guidance or other applicable guidance, wherein certain types of expenditures are not allowable or are limited as to reimbursement. Negative amounts shown on the Schedule, if any, 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.

2. 10% DE MINIMIS COST RATE

For purposes of charging indirect costs to federal awards, the County has elected not to use the 10 percent de minimis cost rate as permitted by §200.414 of the Uniform Guidance.

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, 2022 are denoted as such in the Schedule with an asterisk (*) for September 30 year ends.

COUNTY OF JACKSON, MICHIGAN

Notes to Schedule of Expenditures of Federal Awards

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
IC	Ingham County
JCISD	Jackson County Intermediate School District
MDE	Michigan Department of Education
MDHHS	Michigan Department of Health and Human Services
MDT	Michigan Department of Treasury
MSP	Michigan State Police
MSSAC	Mid-South Substance Abuse Commission
R2AAA	Region 2 Area Agency on Aging



**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 28, 2023

Board of Commissioners
County of Jackson, Michigan
Jackson, Michigan

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, the business-type activities, the aggregate discretely presented component units, each major fund, and the aggregate remaining fund information of the **County of Jackson, Michigan** (the "County"), as of and for the year ended December 31, 2022, and the related notes to the financial statements, which collectively comprise the County's basic financial statements, and have issued our report thereon dated June 28, 2023. Our report includes a reference to other auditors who audited the financial statements of the Jackson County Economic Development Corporation and the Jackson County Medical Care Facility as described in our report on the County's financial statements. This report does not include the results of the other auditors' testing of internal control over financial reporting or compliance and other matters that are reported on separately by those auditors.

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 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 or significant deficiencies 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 from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the financial statements. 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 entity's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

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

INDEPENDENT AUDITORS' REPORT ON COMPLIANCE FOR THE MAJOR FEDERAL PROGRAM AND INTERNAL CONTROL OVER COMPLIANCE REQUIRED BY THE UNIFORM GUIDANCE

June 28, 2023

Board of Commissioners
County of Jackson, Michigan
Jackson, Michigan

Report on Compliance for the Major Federal Program

Opinion on the Major Federal Program

We have audited the compliance of the **County of Jackson, Michigan** (the "County") with the types of compliance requirements identified as subject to audit in the OMB *Compliance Supplement* that could have a direct and material effect on the County's major federal program for the year ended December 31, 2022. The County's major federal program is identified in the summary of auditors' results section of the accompanying schedule of findings and questioned costs.

The County's basic financial statements include the operations of the Jackson County Economic Development Corporation and the Jackson County Medical Care Facility. Our audit, described below, does not include the operations of the Jackson County Economic Development Corporation or the Jackson County Medical Care Facility because they arranged for a separate audits and did not meet the threshold for a single audit in accordance with the Uniform Guidance.

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 its major federal program for the year ended December 31, 2022.

Basis for Opinion on the Major Federal Program

We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America (GAAS); 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 Independent Auditors' 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 the major federal program. Our audit does not provide a legal determination of the 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.

Independent Auditors' 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 GAAS, *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 the major federal program as a whole.

In performing an audit in accordance with GAAS, *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.

Other Matter

The results of our auditing procedures disclosed an instance of noncompliance, which is required to be reported in accordance with the Uniform Guidance and which is described in the accompanying schedule of findings and questioned costs as item 2022-001. Our opinion on each major federal program is not modified with respect to this matter.

Government Auditing Standards requires the auditor to perform limited procedures on the County's response to the noncompliance findings identified in our compliance audit described in the accompanying schedule of findings and questioned costs. The County's response was not subjected to the other auditing procedures applied in the audit of compliance and, accordingly, we express no opinion on it.

Report on Internal Control Over Compliance

Our consideration of internal control over compliance was for the limited purpose described in the Independent Auditors' 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 and therefore, material weaknesses or significant deficiencies may exist that were not identified. We did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses. However, as discussed below, we did identify a certain deficiency in internal control over compliance that we consider to be a significant deficiency.

A deficiency in internal control over compliance exists when the design or operation of a control over compliance does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, noncompliance with a type of compliance requirement of a federal program on a timely basis. *A material weakness in internal control over compliance* is a deficiency, or combination of deficiencies, in internal control over compliance, such that there is a reasonable possibility that material noncompliance with a type of compliance requirement of a federal program will not be prevented, or detected and corrected, on a timely basis. *A significant deficiency in internal control over compliance* is a deficiency, or a combination of deficiencies, in internal control over compliance with a type of compliance requirement of a federal program that is less severe than a material weakness in internal control over compliance, yet important enough to merit attention by those charged with governance. We consider the deficiency in internal control over compliance described in the accompanying schedule of findings and questioned costs as item 2022-001 to be a significant deficiency.

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.

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

Purpose of this Report

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.

Rehmann Johnson LLC

COUNTY OF JACKSON, MICHIGAN

Schedule of Findings and Questioned Costs

For the Year Ended December 31, 2022

SECTION I - SUMMARY OF AUDITORS' RESULTS

Financial Statements

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

Unmodified

Internal control over financial reporting:

Material weakness(es) identified? yes X no

Significant deficiency(ies) identified? yes X 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

Any audit findings disclosed that are required to be reported in accordance with 2 CFR 200.516(a)? yes X no

Identification of major programs and type of auditors' report issued on compliance for each major program:

Assistance

<u>Listing Number</u>	<u>Name of Federal Program or Cluster</u>	<u>Type of Report</u>
21.027	Coronavirus State and Local Fiscal Recovery Funds	Unmodified

Dollar threshold used to distinguish between Type A and Type B programs: \$ 750,000

Auditee qualified as low-risk auditee? X yes no

COUNTY OF JACKSON, MICHIGAN

Schedule of Findings and Questioned Costs

For the Year Ended December 31, 2022

SECTION II – FINANCIAL STATEMENT FINDINGS

None reported.

COUNTY OF JACKSON, MICHIGAN

Schedule of Findings and Questioned Costs

For the Year Ended December 31, 2022

SECTION III – FEDERAL AWARD FINDINGS AND QUESTIONED COSTS

2022-001 – Procurement, Suspension and Debarment

Finding Type. Immaterial Noncompliance; Significant Deficiency in Internal Controls over Compliance.

Federal program(s)

U.S. Department of Treasury

- Coronavirus State and Local Fiscal Recovery Funds (CFDA# 21.027)

Criteria. A recipient of federal awards is required to determine that vendors being paid with federal funds are not suspended or debarred from doing business with the government. Such procedures are required whenever the amount disbursed to a single vendor in a given fiscal year is expected to be at least \$25,000. Also, recipients of federal awards are required to ensure that federal procurement standards are followed for any purchases over the federal micropurchase threshold. 2 CFR 200.320 requires that these purchases must adhere to one of the allowable procurement methods (sealed bids, competitive proposals, noncompetitive procurement) and maintain documentation of this procurement decision.

Condition. The County charged costs for multiple vendors to federal grants that they determined fell under noncompetitive procurement in accordance with 2 CFR 200.320. However, documentation was not obtained to support such determinations.

Cause. This condition is a result of the County not properly documenting procurement methodology.

Effect. As a result of this condition, several vendors paid with federal funding appeared to be procured in a manner not in accordance with federal regulations.

Questioned Costs. No costs were questioned as a result of this finding.

Recommendation. We recommend that the County implement a policy to address noncompetitive procurement circumstances.

View of Responsible Officials. The County agrees that a policy needs to be implemented to address noncompetitive procurement circumstances.

Responsible Officials. Finance Director

Estimated Completion Date. December 31, 2023



COUNTY OF JACKSON, MICHIGAN

Summary Schedule of Prior Audit Findings

For the Year Ended December 31, 2022

None reported.

