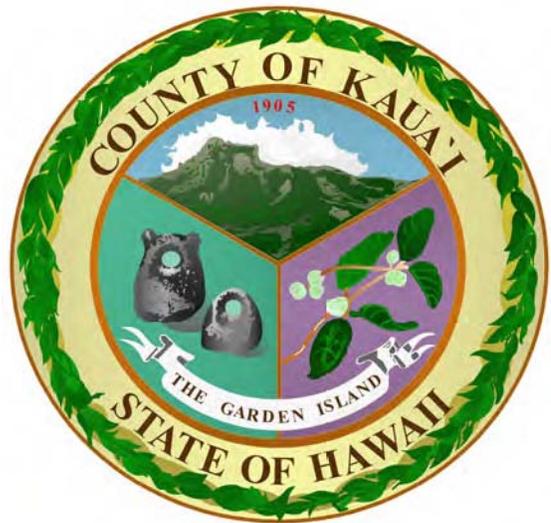


SINGLE AUDIT REPORTS
County of Kaua'i, Hawai'i



**For the Fiscal Year Ended
June 30, 2015**

December 22, 2015

To the Chair and Members of
the County Council of Kaua'i, Hawai'i
Lihue, Kaua'i, Hawai'i

We have completed our financial audit of the basic financial statements and other supplementary information of the County of Kaua'i (the County), as of and for the fiscal year ended June 30, 2015. Our report containing our opinion on those basic financial statements is included in the County's *Comprehensive Annual Financial Report*. We submit herein our reports on the County's internal control over financial reporting and compliance, the County's compliance with requirements that could have a direct and material effect on each of its major federal programs, and our report on the schedule of expenditures of federal awards.

OBJECTIVES OF THE AUDIT

The primary purpose of our audit was to form an opinion on the fairness of the presentation of the County's basic financial statements as of and for the fiscal year ended June 30, 2015, and to comply with the requirements of the Office of Management and Budget (OMB) Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations*, which establishes audit requirements for state and local governments that receive federal financial assistance. More specifically, the objectives of the audit were as follows:

1. To provide a basis for an opinion on the fairness of the presentation of the County's financial statements.
2. To determine whether expenditures and other disbursements have been made and all revenues and other receipts to which the County is entitled have been collected and accounted for in accordance with the laws, rules and regulations, and policies and procedures of the County, the State of Hawai'i and the federal government (where applicable).
3. To determine whether the County has established sufficient internal controls to properly manage federal financial assistance programs and to comply with the applicable laws and regulations.
4. To determine whether the County has complied with the laws and regulations that may have a material effect on the financial statements and on its major federal financial assistance programs.

SCOPE OF THE AUDIT

Our audit was performed in accordance with auditing standards generally accepted in the United States of America as prescribed by the American Institute of Certified Public Accountants; *Government Auditing Standards*, issued by the Comptroller General of the United States; and the provisions of OMB Circular A-133. The scope of our audit included an examination of the transactions and accounting records of the County for the fiscal year ended June 30, 2015.

ORGANIZATION OF THE REPORT

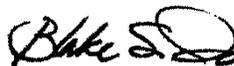
This report is presented in five parts as follows:

- Part I - Our report on internal control over financial reporting and on compliance and other matters.
- Part II - Our report on compliance with requirements that could have a direct and material effect on each major federal program and on internal control over compliance; and report on the schedule of expenditures of federal awards required by OMB Circular A-133.
- Part III - The schedule of findings and questioned costs.
- Part IV - The summary schedule of prior audit findings.
- Part V - The corrective action plan.

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

Sincerely,

N&K CPAs, INC.



Blake S. Isobe
Principal

COUNTY OF KAUA'I, HAWAI'I

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PART I

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

**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**

INDEPENDENT AUDITOR'S REPORT

To the Chair and Members of
the County Council of Kaua'i, Hawai'i
Lihue, Kaua'i, Hawai'i

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, each major fund, and the aggregate remaining fund information of the County of Kaua'i, Hawai'i (the County) as of and for the fiscal year ended June 30, 2015, and the related notes to the financial statements, which collectively comprise the County's basic financial statements, and have issued our report thereon dated December 22, 2015. Our report includes a reference to other auditors who audited the financial statements of the Department of Water, which is the County's discretely presented component unit, as described in our report on the County's financial statements. This report does not include the results of the other auditor's 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 of the financial statements, we considered the County's internal control over financial reporting (internal control) to determine the audit procedures that are appropriate in the circumstances for the purpose of expressing our opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the County's internal control. Accordingly, we do not express an opinion on the effectiveness of the County's internal control.

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 may exist that have not been identified. We did identify a deficiency in internal control, described in the accompanying schedule of findings and questioned costs as item 2015-001 that we consider to be a significant deficiency.

Compliance and Other Matters

As part of obtaining reasonable assurance about whether the County's financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

In addition, we noted other matters involving internal controls and its operation that we have reported to management of the County, in a separate letter dated December 22, 2015.

County's Response to Findings

The County's response to the findings identified in our audit is described in Part V, Corrective Action Plan of this report. The County's response was not subjected to the auditing procedures applied in the audit of the financial statements and, accordingly, we express no opinion on it.

Purpose of this Report

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

N&K CPAs, Inc.

Honolulu, Hawai'i
December 22, 2015

PART II

**REPORT ON COMPLIANCE FOR EACH MAJOR FEDERAL
PROGRAM AND ON INTERNAL CONTROL OVER COMPLIANCE;
AND REPORT ON THE SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
REQUIRED BY OMB CIRCULAR A-133**

**REPORT ON COMPLIANCE FOR EACH MAJOR FEDERAL PROGRAM AND ON
INTERNAL CONTROL OVER COMPLIANCE;
AND REPORT ON THE SCHEDULE OF EXPENDITURES OF
FEDERAL AWARDS REQUIRED BY OMB CIRCULAR A-133**

INDEPENDENT AUDITOR'S REPORT

To the Chair and Members of
the County and Council of Kaua'i, Hawai'i
Lihue, Kaua'i, Hawai'i

Report on Compliance for Each Major Federal Program

We have audited the County's compliance with the types of compliance requirements described in the *OMB Compliance Supplement* that could have a direct and material effect on each of the County's major federal programs for the year ended June 30, 2015. The County's major federal programs are identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs.

Management's Responsibility

The County's management is responsible for compliance with the requirements of laws, regulations, contracts, and grants applicable to its federal programs.

Auditor's Responsibility

Our responsibility is to express an opinion on compliance for each of the County's major federal programs based on our audit of the types of compliance requirements referred to above. We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; and 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 on compliance for each major federal program. However, our audit does not provide a legal determination of the County's compliance.

Opinion on Each Major Federal Program

In our opinion, the County, complied, in all material respects, with the types of compliance requirements referred to above that could have a direct and material effect on each of its major federal programs for the year ended June 30, 2015.

Report on Internal Control over Compliance

Management of the County is responsible for establishing and maintaining effective internal control over compliance with the types of compliance requirements referred to above. In planning and performing our audit of compliance, we considered the County's internal control over compliance with the types of requirements that could have a direct and material effect on each major federal program to determine the auditing procedures that are appropriate in the circumstances for the purpose of expressing an opinion on compliance for each major federal program and to test and report on internal control over compliance in accordance with 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. A significant deficiency in internal control over compliance is a deficiency, or a combination of deficiencies, in internal control over compliance with a type of compliance requirement of a federal program that is less severe than a material weakness in internal control over compliance, yet important enough to merit attention by those charged with governance.

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

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 OMB Circular A-133. Accordingly, this report is not suitable for any other purpose.

Report on Schedule of Expenditures of Federal Awards Required by OMB Circular A-133

We have audited the financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the County, as of and for the fiscal year ended June 30, 2015, and the related notes to the financial statements, which collectively comprise the County's basic financial statements. We issued our report thereon dated December 22, 2015, which contained unmodified opinions on those financial statements. We did not audit the financial statements of the Department of Water, which is the County's discretely presented component unit. 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 OMB Circular A-133 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.

N&K CPAs, Inc.

Honolulu, Hawai'i
December 22, 2015

County of Kaua'i, Hawai'i
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
Fiscal Year Ended June 30, 2015

Federal Grantor/Pass-through Grantor/Program Title	Federal CFDA Number	Grant Project Number	Program or Award Amount	Current Year Expenditure Amount	Total Cumulative Expenditures	Grant Balance
EXECUTIVE OFFICE OF THE PRESIDENT						
Office of National Drug Control Policy						
High Intensity Drug Trafficking Areas Program:						
DCE/SP Program Fiscal Year 2006		DCES06	\$ 187,922	\$ 3,776	\$ 187,922	\$ --
High Intensity Drug Traffic, Fiscal year 2014		P14003	34,265	5,076	31,465	2,800
High Intensity Drug Traffic, Fiscal year 2013		P14800	--	6,959	--	--
High Intensity Drug Traffic, Fiscal year 2015		P15003	136,653	126,566	126,566	10,087
High Intensity Drug Traffic, Fiscal year 2015		P16003	79,200	5,850	5,850	73,350
Total High Intensity Drug Trafficking Areas Program	95.001		<u>438,040</u>	<u>148,227</u>	<u>351,803</u>	<u>86,237</u>
TOTAL EXECUTIVE OFFICE OF THE PRESIDENT			<u>438,040</u>	<u>148,227</u>	<u>351,803</u>	<u>86,237</u>
U.S. DEPARTMENT OF AGRICULTURE						
Pass-through State of Hawai'i - Hawai'i Child Nutrition Programs -						
Summer Food Service Program for Children:						
Summer Fun Meals FY 2014		R13036	100,703	42,740	98,260	2,443
Total Summer Food Service Program	10.559		<u>100,703</u>	<u>42,740</u>	<u>98,260</u>	<u>2,443</u>
Pass-through Department of Education State of Hawai'i -						
State Administrative Expenses for Child Nutrition:						
Nutrition Child FY 2003 - Summer Meals		NUTRI3	39,857	3,163	39,857	--
Total State Administrative Expenses for Child Nutrition	10.560		<u>39,857</u>	<u>3,163</u>	<u>39,857</u>	<u>--</u>
Pass-through State Department of Land and Natural Resources						
Cooperative Forestry Assistance:						
Volunteer Fire Assistance (FY14005)		13-DG-11052012-102	50,000	36,433	50,000	--
Total Cooperative Forestry Assistance	10.664		<u>50,000</u>	<u>36,433</u>	<u>50,000</u>	<u>--</u>
TOTAL U.S. DEPARTMENT OF AGRICULTURE			<u>\$ 190,560</u>	<u>\$ 82,336</u>	<u>\$ 188,117</u>	<u>\$ 2,443</u>

County of Kaua'i, Hawai'i
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS (Continued)
Fiscal Year Ended June 30, 2015

Federal Grantor/Pass-through Grantor/Program Title	Federal CFDA Number	Grant Project Number	Program or Award Amount	Current Year Expenditure Amount	Total Cumulative Expenditures	Grant Balance
U.S. DEPARTMENT OF COMMERCE						
Pass-through Office of State Planning -						
Coastal Zone Management Administration Awards:						
Coastal Zone Management:						
Fiscal Year 2014		Z14001	\$ 281,822	\$ 115	\$ 281,822	\$ --
Fiscal Year 2015		Z15001	304,682	296,912	296,912	7,770
Total Coastal Zone Management Administration Awards	11.419		<u>586,504</u>	<u>297,027</u>	<u>578,734</u>	<u>7,770</u>
National Oceanic and Atmospheric Administration						
Pass-through National Marine Sanctuary Foundation -						
Marine Sanctuary Program:						
Preserve America Grant		M10007	4,000	257	4,000	--
Total Marine Sanctuary Program	11.429		<u>4,000</u>	<u>257</u>	<u>4,000</u>	<u>--</u>
TOTAL U.S. DEPARTMENT OF COMMERCE			<u>590,504</u>	<u>297,284</u>	<u>582,734</u>	<u>7,770</u>
U.S. DEPARTMENT OF ENERGY						
Pass-through State of Hawai'i Department of Business, Economic Development						
and Tourism - State Energy Program:						
Energy Ext Service 2006		EES006	69,825	535	69,825	--
Energy Ext Service 2010		D10059	72,269	2	72,269	--
Total State Energy Program	81.041		<u>142,094</u>	<u>537</u>	<u>142,094</u>	<u>--</u>
TOTAL U.S. DEPARTMENT OF ENERGY			<u>142,094</u>	<u>537</u>	<u>142,094</u>	<u>--</u>
ENVIRONMENTAL PROTECTION AGENCY						
Direct Award:						
Congressionally Mandated Projects:						
Wailua WWTP Improvements (W12075-410 Fund)		XP-00T11101-0	970,000	86,959	970,000	--
Water Infrastructure Waimea (W13016-410 Fund)		XP-00T99801-0	255,993	79,984	116,463	139,530
Total Congressionally Mandated Projects	66.202		<u>\$ 1,225,993</u>	<u>\$ 166,943</u>	<u>\$ 1,086,463</u>	<u>\$ 139,530</u>

County of Kaua'i, Hawai'i
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS (Continued)
Fiscal Year Ended June 30, 2015

Federal Grantor/Pass-through Grantor/ProgramTitle	Federal CFDA Number	Grant Project Number	Program or Award Amount	Current Year Expenditure Amount	Total Cumulative Expenditures	Grant Balance
ENVIRONMENTAL PROTECTION AGENCY (Continued)						
Pass-through State Department of Health -						
Capitalization Grants for Clean Water State Revolving Funds:						
Ele'ele WWTP - Sewer Revolving Funds		W13015 (410)	\$ 5,000,000	\$ 3,234,434	\$ 3,269,784	\$ 1,730,216
Total ARRA Capitalization Grants for Clean Water RF	66.458		<u>5,000,000</u>	<u>3,234,434</u>	<u>3,269,784</u>	<u>1,730,216</u>
TOTAL ENVIRONMENTAL PROTECTION AGENCY			<u>6,225,993</u>	<u>3,401,377</u>	<u>4,356,247</u>	<u>1,869,746</u>
U.S. DEPARTMENT OF HEALTH AND HUMAN SERVICES						
Pass-through State Executive Office on Aging -						
Special Programs for the Aging - Title III, Part C - Nutrition Services:						
C1 AEA 2012		E12003	29,926	16,319	29,926	--
C1 KEO 2012		E12004	95,000	12,267	95,000	--
C1 AEA 2013		E13003	28,698	21,129	21,129	7,569
C1 KEO 2013		E13004	176,990	47,700	73,430	103,560
C2 KEO 2013		E13005	<u>275,254</u>	<u>74,594</u>	<u>184,059</u>	<u>91,195</u>
Total Special Programs for the Aging - Title III, Part C - Nutrition Services	93.045		<u>605,868</u>	<u>172,009</u>	<u>403,544</u>	<u>202,324</u>
Special Programs for the Aging - Title III, Part B -						
Grants for Supportive Services and Senior Centers:						
AEA AREA 2012		E12001	171,529	6,186	171,529	--
AEA AREA 2013		E13001	362,021	170,357	305,625	56,396
AEA AREA 2013		E13002	110,800	41,800	110,800	--
AEA AREA FY 2014		E14001	94,450	13,997	14,000	80,450
AEA AREA FY 2014		E14002	<u>120,910</u>	<u>24,223</u>	<u>76,564</u>	<u>44,346</u>
Total Special Programs for the Aging - Title III, Part B - Grants for Supportive Services and Senior Centers	93.044		<u>\$ 859,710</u>	<u>\$ 256,563</u>	<u>\$ 678,518</u>	<u>\$ 181,192</u>

County of Kaua'i, Hawai'i
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS (Continued)
Fiscal Year Ended June 30, 2015

<u>Federal Grantor/Pass-through Grantor/Program Title</u>	<u>Federal CFDA Number</u>	<u>Grant Project Number</u>	<u>Program or Award Amount</u>	<u>Current Year Expenditure Amount</u>	<u>Total Cumulative Expenditures</u>	<u>Grant Balance</u>
U.S. DEPARTMENT OF HEALTH AND HUMAN SERVICES (Continued)						
Pass-through State Executive Office on Aging -						
National Family Caregiver Support, Title III, Part E:						
3E 2014 Care Elder		E14007	\$ 52,630	\$ (847)	\$ 40,142	\$ 12,488
3E 2013 Care Elder		E13007	<u>107,940</u>	<u>26,687</u>	<u>80,655</u>	<u>27,285</u>
Total National Family Caregiver Support, Title III, Part E	93.052		<u>160,570</u>	<u>25,840</u>	<u>120,797</u>	<u>39,773</u>
Special Programs for the Aging - Title III, Part D -						
Disease Prevention and Health Promotion Services:						
HP3D 2013 Elderly		E13006	<u>14,410</u>	<u>2,196</u>	<u>9,401</u>	<u>5,009</u>
Total Special Programs for the Aging - Title III, Part D - Disease Prevention and Health Promotion Service	93.043		<u>14,410</u>	<u>2,196</u>	<u>9,401</u>	<u>5,009</u>
Special Programs for the Aging - Title IV and Title II Discretionary Project:						
ARRA-HDPM-ADRC Enhance		E10017	<u>66,902</u>	<u>1,667</u>	<u>66,902</u>	<u>--</u>
Total ARRA-Special Programs for the Aging - Title IV and Title II Discretionary Projects	93.048		<u>66,902</u>	<u>1,667</u>	<u>66,902</u>	<u>--</u>
Pass-through State of Hawai'i Administration on Aging -						
Cooperative Agreements to States/Territories for the						
Coordination and Development of Primary Care Offices:						
FGC Counseling		E07013	9,400	282	9,400	--
FGC Group Train CARE		E07014	10,960	2,284	10,960	--
FGC Supp Group		E07015	9,300	325	9,300	--
FGC Information Serv		E07016	<u>10,050</u>	<u>4,300</u>	<u>10,050</u>	<u>--</u>
Total Coordination and Development of Primary Care:	93.130		<u>39,710</u>	<u>7,191</u>	<u>39,710</u>	<u>--</u>
Pass-through State of Hawai'i - State Planning Council On Developmental Disabilities -						
Developmental Disabilities Basic Support and Advocacy Grants:						
Developmental Disability FY 1992 ASO Log No. 92-660		DDP92	<u>49,903</u>	<u>8,057</u>	<u>49,902</u>	<u>1</u>
Total DDP Basic Supp. & Advocacy:	93.630		<u>\$ 49,903</u>	<u>\$ 8,057</u>	<u>\$ 49,902</u>	<u>\$ 1</u>

County of Kaua'i, Hawai'i
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS (Continued)
Fiscal Year Ended June 30, 2015

Federal Grantor/Pass-through Grantor/Program Title	Federal CFDA Number	Grant Project Number	Program or Award Amount	Current Year Expenditure Amount	Total Cumulative Expenditures	Grant Balance
U.S. DEPARTMENT OF HEALTH AND HUMAN SERVICES (Continued)						
Pass-through State Administration on Aging - Centers for Medicare and Medicaid Services:						
Hospital Discharge FY10-12		E10012	\$ 71,822	\$ (1)	\$ 71,822	\$ --
Total Centers for Medicare and Medicaid Services (CMS)						
Research, Demonstrations and Evaluations	93.779		71,822	(1)	71,822	--
TOTAL U.S. DEPARTMENT OF HEALTH AND HUMAN SERVICES			<u>1,868,895</u>	<u>473,522</u>	<u>1,440,596</u>	<u>428,299</u>
U.S. DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT						
Pass-through State Department of Business, Economic Development and Tourism - Home Investment Partnerships Program:						
Fiscal year 2001		HIPA01	963,000	123,305	963,000	--
Fiscal year 2002		HIPA02	972,400	176,414	972,399	1
Fiscal year 2003		HIPA03	1,547,034	1,934	1,547,033	1
Fiscal year 2004		HIPA04	1,069,380	52,385	1,069,380	--
Fiscal year 2005		HIPA05	1,006,556	278,828	945,666	60,890
Fiscal year 2007		HIPA07	995,755	83,196	609,830	385,925
Fiscal year 2008		H08005	989,345	150,000	877,578	111,767
Fiscal year 2009		H10005	996,792	511,794	642,908	353,884
Fiscal year 2010		H11005	999,574	151,911	962,185	37,389
Fiscal year 2011		H12005	975,364	213,777	667,879	307,485
Fiscal year 2013		H14005	2,850,000	196,447	2,353,569	496,431
HOME - Program Income		HIPAXX	7,425,319	95,684	7,011,022	414,297
Total Home Investment Partnerships Program	14.239		<u>20,790,519</u>	<u>2,035,675</u>	<u>18,622,449</u>	<u>2,168,070</u>
Direct Programs:						
Lower Income Housing Assistance Program - Section 8 Housing Choice Vouchers (252 fund)			6,573,939	6,367,331	6,367,331	206,608
Total Section 8 Housing Choice Vouchers	14.871		<u>\$ 6,573,939</u>	<u>\$ 6,367,331</u>	<u>\$ 6,367,331</u>	<u>\$ 206,608</u>

County of Kaua'i, Hawai'i
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS (Continued)
Fiscal Year Ended June 30, 2015

Federal Grantor/Pass-through Grantor/ProgramTitle	Federal CFDA Number	Grant Project Number	Program or Award Amount	Current Year Expenditure Amount	Total Cumulative Expenditures	Grant Balance
U.S. DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT (Continued)						
Community Development Block Grants						
State's Program and Non-Entitlement Grants in Hawai'i:						
CDBG - Disaster Program Income		CDBGDX	\$ 5,519,954	\$ 739,013	\$ 4,432,975	\$ 1,086,979
Neighborhood Stabilization Grant NSP 1		H09001	3,402,151	(1)	3,402,151	--
Fiscal year 2009		H09004	805,594	36,019	805,594	--
Fiscal year 2010		H10004	880,943	18,377	880,943	--
Fiscal year 2011		H11004	740,145	20,245	698,250	41,895
Fiscal year 2012		H12004	709,480	121,011	657,054	52,426
Fiscal year 2013		H13004	708,555	389,850	569,462	139,093
Fiscal year 2014		H15004	720,550	356,140	356,140	364,410
Program Income - CDBG		CDBGXX	3,054,093	20,604	1,995,347	1,058,746
Program Income - NSP		HNSPXX	<u>2,427,324</u>	<u>28,978</u>	<u>2,154,632</u>	<u>272,692</u>
Total Community Development Block Grants/State's Program and Non-Entitlement Grants in Hawai'i	14.228		<u>18,968,789</u>	<u>1,730,236</u>	<u>15,952,548</u>	<u>3,016,241</u>
TOTAL U.S. DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT			<u>46,333,247</u>	<u>10,133,242</u>	<u>40,942,328</u>	<u>5,390,919</u>
U.S. DEPARTMENT OF INTERIOR						
Direct Award from Department of the Interior						
Fish and Wildlife Service -						
Kilauea Lighthouse Road - Water line (KILA92)		14-16-0001-91647	--	(43,925)	--	--
Total Fish and Wildlife Coordination and Assistance Programs	15.664		--	(43,925)	--	--
TOTAL U.S. DEPARTMENT OF INTERIOR			--	(43,925)	--	--
U.S. DEPARTMENT OF JUSTICE						
Direct Award from Department of Justice:						
Joint Law Enforcement Operations (JLEO)						
DCE/SP FY 2015 #2014-67		P14101	73,000	37,917	73,000	--
OCDETF Overtime and Expense		P15016	<u>75,002</u>	<u>75,002</u>	<u>75,002</u>	--
Total Joint Law Enforcement Operations	16.111		<u>\$ 148,002</u>	<u>\$ 112,919</u>	<u>\$ 148,002</u>	<u>\$ --</u>

County of Kaua'i, Hawai'i
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS (Continued)
Fiscal Year Ended June 30, 2015

<u>Federal Grantor/Pass-through Grantor/ProgramTitle</u>	<u>Federal CFDA Number</u>	<u>Grant Project Number</u>	<u>Program or Award Amount</u>	<u>Current Year Expenditure Amount</u>	<u>Total Cumulative Expenditures</u>	<u>Grant Balance</u>
U.S. DEPARTMENT OF JUSTICE (Continued)						
Gang Resistance Education and Training (G.R.E.A.T.):						
G.R.E.A.T. Grant FY 1999 No. 95699016		GREAT9	\$ 38,683	\$ (10,154)	\$ 38,683	\$ --
G.R.E.A.T. Grant FY 2001		GREAT1	24,158	(1,994)	24,157	1
G.R.E.A.T. Grant FY 2002 No. ATC020099		GREAT2	44,833	(4,072)	44,832	1
G.R.E.A.T. Grant FY 2003 No. 2004-JV-FX-0120		GREAT3	<u>39,124</u>	<u>(2,412)</u>	<u>39,124</u>	<u>--</u>
Total G.R.E.A.T. Grants	16.737		<u>146,798</u>	<u>(18,632)</u>	<u>146,796</u>	<u>2</u>
Pass-through State of Hawai'i Office of Youth Services:						
Title V Delinquency Prevention Program:						
Big Brothers and Sisters Grant - OYS		M07002	175,000	(5,000)	175,000	--
Community Prevention Grant		M13003	<u>108,597</u>	<u>11,516</u>	<u>108,597</u>	<u>--</u>
Total Title V Delinquency Prevention Programs	16.548		<u>283,597</u>	<u>6,516</u>	<u>283,597</u>	<u>--</u>
Pass-through Office of State Attorney General:						
Crime Victim Assistance Grants:						
VOCA FY 2011		A14021	210,392	93,691	197,489	12,903
VOCA FY 2012		A15021	<u>199,504</u>	<u>184,043</u>	<u>184,043</u>	<u>15,461</u>
Total Crime Victim Assistance	16.575		<u>409,896</u>	<u>277,734</u>	<u>381,532</u>	<u>28,364</u>
ARRA-Violence Against Women Formula Grants:						
Stop Violence Against Women - 2010		A13005	47,927	1	47,927	--
Stop Violence Against Women - 2012		A13029	47,903	1	47,903	--
Stop Violence Against Women - 2012		A14005	48,045	47,248	57,290	(9,245)
Stop Violence Against Women - 2013		A15005	47,695	7,639	7,639	40,056
Stop Violence Against Women - 2010		A15029	11,969	11,969	11,969	--
Stop Violence Against Women - 2013		P15024	47,695	2,250	2,250	45,445
SANE Exams and DNA - 10-WF-01		P12024	44,568	20,823	44,568	--
SANE Stand-by Pay		P13023	47,903	22,822	47,172	731
SANE 12-WF-13-2015		P14023	<u>48,045</u>	<u>1,293</u>	<u>1,293</u>	<u>46,752</u>
Total ARRA-Violence Against Women Formula Grants	16.588		<u>\$ 391,750</u>	<u>\$ 114,046</u>	<u>\$ 268,011</u>	<u>\$ 123,739</u>

County of Kaua'i, Hawai'i
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS (Continued)
Fiscal Year Ended June 30, 2015

Federal Grantor/Pass-through Grantor/ProgramTitle	Federal CFDA Number	Grant Project Number	Program or Award Amount	Current Year Expenditure Amount	Total Cumulative Expenditures	Grant Balance
U.S. DEPARTMENT OF JUSTICE (Continued)						
Edward Byrne Memorial Grants - State and Local Law Enforcement:						
JAG Grant Local Solicitation		A12025	\$ 45,443	\$ 17,518	\$ 44,851	\$ 592
Cold Case Prosecution		A12027	102,806	50,542	102,805	1
JAG Local Solicitation		A13025	41,778	12,371	12,371	29,407
JAG FY 2012 Local Solicitation		A13027	41,491	(15,228)	40,765	726
JAG Local Solicitation		A14025	43,381	20,263	20,263	23,118
Cold Case FY 15		A14027	96,500	17,210	17,210	79,290
Non Compliant Offenders		A14029	25,053	80	2,180	22,873
HNTF 10-DJ-05 Grant		P12005	61,772	1,318	61,771	1
Statewide MJ Eradication		P13004	58,662	53,039	53,039	5,623
Hawaii Narcotic Task Force		P13005	21,433	12,924	21,433	--
SME Task Force FY 15		P14004	43,997	2,368	2,368	41,629
JAG Grant Hawaii FY 13		P14005	57,088	16,249	16,249	40,839
State Narcotics Task Force FY 1997 (formally CFDA 16.579)		SNTE97	<u>18,260</u>	<u>(327)</u>	<u>18,260</u>	<u>--</u>
Total Edward Byrne Memorial Justice Assistance Grant Program	16.738		<u>657,664</u>	<u>188,327</u>	<u>413,565</u>	<u>244,099</u>
Direct Grant Award from DOJ - Office of Community Oriented Policing Services:						
Public Safety Partnership and Community Policing Grants						
Community Oriented Policing 2001SHWX0410		COPS02	442,458	35,898	442,457	1
Pass-through Hawaii Community Foundation:						
ARRA-Hawaii Community Foundation - Meth Grant Mayor		M07004	<u>90,000</u>	<u>2,253</u>	<u>89,912</u>	<u>88</u>
Total ARRA-Public Safety Partnership & Comm. Policing	16.710		<u>532,458</u>	<u>38,151</u>	<u>532,369</u>	<u>89</u>
Pass-through State Department of Health - ADAD -						
Enforcing Underage Drinking Laws Program:						
Prohibited Alcohol Sale to Minors FY 13		P12017	<u>29,958</u>	<u>10,410</u>	<u>29,957</u>	<u>1</u>
Total Enforcing Underage Drinking Laws Program	16.727		<u>\$ 29,958</u>	<u>\$ 10,410</u>	<u>\$ 29,957</u>	<u>\$ 1</u>

County of Kaua'i, Hawai'i
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS (Continued)
Fiscal Year Ended June 30, 2015

Federal Grantor/Pass-through Grantor/ProgramTitle	CFDA Number	Grant Project Number	Program or Award Amount	Current Year Expenditure Amount	Total Cumulative Expenditures	Grant Balance
U.S. DEPARTMENT OF JUSTICE (Continued)						
Direct Award - Office of Justice Programs -						
Recovery Act - Edward Byrne Memorial Justice Assistance Grant Program:						
Grants To Units of Local Government		A09011	\$ 177,343	\$ 300	\$ 177,343	\$ --
Total JAG Recovery Act Local Solicitation	16.804		<u>177,343</u>	<u>300</u>	<u>177,343</u>	<u>--</u>
Pass-through State Development of Human Services Office of Youth Services:						
Juvenile Accountability Block Grants (JABG):						
JABG FY 14 Hale Opio Kaua'i Inc. (DHS-13-OYS-123 Supp 1)		A14028	54,703	32,996	50,996	3,707
Total Juvenile Accountability Block Grants	16.523		<u>54,703</u>	<u>32,996</u>	<u>50,996</u>	<u>3,707</u>
TOTAL U.S. DEPARTMENT OF JUSTICE			<u>2,832,169</u>	<u>762,767</u>	<u>2,432,168</u>	<u>400,001</u>
U.S. DEPARTMENT OF LABOR						
Pass-through State Department of Labor and Industrial Relations:						
WIA/WIOA Adult Program:						
Adult Program FY 2007 WIA-06-AP-K		D07050	172,472	3	172,472	--
Adult Program FY 2010 WIA-10-AP-K		D11050	113,419	274	113,419	--
Adult Program FY 2012 WIA-11-AP-K		D12050	105,000	3,494	104,999	1
Adult Program FY 2013 WIA-12-AP-K		D13050	133,227	2,000	133,226	1
Adult Program FY 2014 WIA-13-AP-K		D14050	189,430	133,570	140,962	48,468
Adult Program FY 2015 WIA-14-AP-K		D15050	117,455	66,139	66,139	51,316
Total WIA/WIOA Adult Program	17.258		<u>831,003</u>	<u>205,480</u>	<u>731,217</u>	<u>99,786</u>
Dislocated Workers, FY 2010 - WIA-09-DWP-K		D11051	125,639	274	125,639	--
Dislocated Workers, FY 2012 - WIA-11-DWP-K		D12051	120,909	3,494	120,909	--
Dislocated Workers, FY 2014 - WIA-13-DWP-K		D14051	138,037	102,794	126,142	11,895
Dislocated Workers, FY 2015 - WIA-14-DWP-K		D15051	98,675	60,159	60,159	38,516
Total WIA Dislocated Workers	17.260		<u>\$ 483,260</u>	<u>\$ 166,721</u>	<u>\$ 432,849</u>	<u>\$ 50,411</u>

County of Kaua'i, Hawai'i
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS (Continued)
Fiscal Year Ended June 30, 2015

Federal Grantor/Pass-through Grantor/ProgramTitle	Federal CFDA Number	Grant Project Number	Program or Award Amount	Current Year Expenditure Amount	Total Cumulative Expenditures	Grant Balance
U.S. DEPARTMENT OF LABOR (Continued)						
Pass-through State Department of Labor and Industrial Relations:						
WIA/WIOA Adult Program:						
Youth In/Out PY 2008 WIA-07-YP-K		D08061	\$ 80,868	\$ 78	\$ 76,729	\$ 4,139
Youth PY 2009 WIA-09-YP-K		D10060	84,912	37	84,911	1
Youth PY 10 Out School WIA-10-YP-K		D11060	66,237	157	66,236	1
Youth PY 10 In School WIA-10-YP-K		D11061	60,359	157	60,359	--
Youth PY 11 Out School WIA-11-YP-K		D12060	58,116	3,904	58,115	1
Youth PY 11 In School WIA-11-YP-K		D12061	56,369	3,748	56,369	--
Youth Programs 2014 - WIA-13-YP-K		D14060	66,349	24,469	64,615	1,734
Youth Programs 2014 - WIA-13-YP-K		D14061	64,002	23,681	62,268	1,734
Youth Programs 2015 - WIA-14-YP-K		D15060	54,536	43,094	43,094	11,442
Youth Programs 2015 - WIA-14-YP-K		D15061	54,535	41,470	41,470	13,065
Total WIA/WIOA Youth Activities	17.259		<u>646,283</u>	<u>140,795</u>	<u>614,166</u>	<u>32,117</u>
Administrative, FY 2009 - WIA-08-LAC-K		D10049	30,855	34	30,854	1
Administrative, FY 2010 - WIA-09-LAC-K		D11049	44,321	204	44,321	--
Administrative, FY 2011 - WIA-10-LAC-K		D12049	38,697	22,004	38,696	1
Administrative, FY 2012 - WIA-12-LAC-K		D13049	30,597	12,336	30,597	--
Administrative, FY 2012 - WIA-13-LAC-K		D14049	50,867	29,888	30,459	20,408
Total WIA Administrative	NO CFDA		<u>195,337</u>	<u>64,466</u>	<u>174,927</u>	<u>20,410</u>
Total Workforce Investment Act (WIA)			<u>2,155,883</u>	<u>577,462</u>	<u>1,953,159</u>	<u>202,724</u>
TOTAL U.S. DEPARTMENT OF LABOR			\$ 2,155,883	\$ 577,462	\$ 1,953,159	\$ 202,724

County of Kaua'i, Hawai'i
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS (Continued)
Fiscal Year Ended June 30, 2015

Federal Grantor/Pass-through Grantor/ProgramTitle	Federal CFDA Number	Grant Project Number	Program or Award Amount	Current Year Expenditure Amount	Total Cumulative Expenditures	Grant Balance
U.S. DEPARTMENT OF TRANSPORTATION						
Pass-through State Department of Transportation:						
Federal Transit Administration -						
Formula Grants for Rural Areas, Section 5311:						
FTA Section 5311, FFY 11 - HI-18-X029		T12001	\$ 1,072,028	\$ 115,541	\$ 1,072,028	\$ --
FTA Section 5311, FFY 10 - HI-18-X029		T12002	10,795	2	10,795	--
FTA Section 5311, FFY 12 - HI-18X030		T13002	10,925	10,925	10,925	--
FTA Section 5311, FFY 13 - HI-18X031		T14001	2,000,000	868,517	1,203,318	796,682
Total Formula Grants for Rural Areas	20.509		<u>3,093,748</u>	<u>994,985</u>	<u>2,297,066</u>	<u>796,682</u>
FTA Federal Transit Capital Investment Grants, Section 5309:						
FTA Section 5309, FY 2005 - HI-03-0039		FTA039	1,457,666	1	1,442,225	15,441
FTA Section 5309, FY 2006 - HI-04-0003		T07001	1,485,000	(1)	1,484,999	1
FTA Section 5309, FY 2008 - HI-04-0002		T10010	472,298	(949)	472,298	--
FTA Section 5309, FY 2009 & 2010 - HI-04-0004		T11010	1,772,133	111,199	1,734,096	38,037
FTA Section 5309, FY 2011 - HI-04-0009		T13010	975,000	975,000	975,000	--
FTA Section 5309, FY 2012 - HI-04-0013		T14010	1,240,000	1,126,123	1,126,123	113,877
Total Federal Capital Investments Grant	20.500		<u>7,402,097</u>	<u>2,211,373</u>	<u>7,234,741</u>	<u>167,356</u>
Bus and Bus Facilities Formula Program, Section 5339:						
FTA Section 5339 FFY13		T14020	415,833	32,198	32,198	383,635
Total Bus and Bus Facilities Formula Program	20.526		<u>415,833</u>	<u>32,198</u>	<u>32,198</u>	<u>383,635</u>
Highway Planning and Construction (Federal-Aid Highway Program):						
Bridge Replacement - Off system:						
Hanapēpē Bridge Repair BR-0545(1)		W09017 (410)	1,363,525	7,452	57,459	1,306,066
Puuopae Bridge Repair BR-0700(59)		W09019 (410)	480,000	29,382	290,564	189,436
Kapahi Bridge Replacement BR-0700(53)		KAPAHI (410)	436,000	54,172	398,485	37,515
Opaekaa Bridge Design BR-0700(60)		W10002 (410)	520,000	17,974	313,680	206,320
Bridge Inspection BR-NBIS(058)		W14077 (410)	100,000	77,023	85,921	14,079

County of Kaua'i, Hawai'i
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS (Continued)
Fiscal Year Ended June 30, 2015

Federal Grantor/Pass-through Grantor/Program Title	Federal CFDA Number	Grant Project Number	Program or Award Amount	Current Year Expenditure Amount	Total Cumulative Expenditures	Grant Balance
U.S. DEPARTMENT OF TRANSPORTATION (Continued)						
Highway Planning and Construction (Federal-Aid Highway Program):						
Statewide Transportation Improvement Program:						
Maluhia Road Improvements STP-0520(3)		MALUHI (410)	\$ 776,002	\$ (539)	\$ 15,305	\$ 760,697
Ahukini/Lydgate Park Bike/Pedestrian Path STP-0700(51)		AHULYD (410)	921,500	159	480,979	440,521
North Leg Kōloa Rd. STP-05220(002)		W07007 (410)	992,000	(31,987)	7,848	984,152
Resurface Various Collector Roads STP-0700(68)		W07008 (410)	3,000,896	22,298	22,298	2,978,598
Waimea Canyon 3.9 Miles Resurface STP-0552(2)		W09018 (410)	4,345,437	70	3,710,568	634,869
Lydgate-Kapaa Bikepath CMAW-0700(49)		LYDKAP (410)	7,683,792	130,245	7,421,114	262,678
Lydgate/Kapa'a Bikepath STP-0700(61)		LYDPHB (410)	4,485,041	42,645	4,036,930	448,111
Lydgate/Kapaa Bikepath Phase C STP-0700(64)		LYDPHC (410)	700,000	88,046	92,150	607,850
Rice Street Reconstruction STP-0700(33)		RICECO (410)	7,207,083	7,994	6,752,812	454,271
Safe Improvements Kūhiō to Rice St. STP-5720(1)		STP572 (410)	8,249,920	3,407,838	4,859,377	3,390,543
Kapaa-Kealia Bike and Pedestrian Path STP-0700(48)		STP048 (410)	13,810,000	(443)	13,357,200	452,800
Lihue Bypass Circulation Study SPR-0010(34)		W13006 (410)	360,000	36,402	350,641	9,359
Kōloa Safety Improvements HHRP-0530(001)		W12065 (410)	1,259,722	68,890	171,312	1,088,410
Hanapēpē Road Improvements STP-0545(2)		W12067 (410)	200,000	44,687	49,521	150,479
Puhi Road Ultra Thin Layer STP-5010(1)		W10042 (410)	2,985,294	95,020	243,291	2,742,003
Safe Routes To School SRS-1500(086)		W15111 (410)	15,000	1,000	1,000	14,000
DOT Youth Deter Use of Alcohol		P14008 (250)	25,631	24,760	25,627	4
Total Highway Planning and Construction	20.205		59,916,843	4,123,088	42,744,082	17,172,761
State and Community Highway Safety:						
Highway Safety Grant - Prosecutors - FY12		A12026	8,390	30	6,204	2,186
DOT Highway Safety Grant		A14026	11,715	337	11,715	--
OPA DOT Special Prosecutor - FY 2015		A15030	131,203	97,911	97,911	33,292
DOT Respirator Kit - FY 11		F11003	34,965	30,507	30,507	4,458
DOT Ringor Ex Glove - FY 14		F14003	1,575	1,209	1,209	366
KPD Distracted Driver - FY14 -DD14-10(04-K-01)		P14007	49,884	11,672	22,387	27,497
KPD Traffic Records - FY14 - TR14-03(07-K01)		P14009	63,160	1,017	8,691	54,469
KPD Alcohol Roadblock - FY14		P14010	129,327	43,598	84,200	45,127

County of Kaua'i, Hawai'i
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS (Continued)
Fiscal Year Ended June 30, 2015

Federal Grantor/Pass-through Grantor/Program Title	Federal CFDA Number	Grant Project Number	Program or Award Amount	Current Year Expenditure Amount	Total Cumulative Expenditures	Grant Balance
U.S. DEPARTMENT OF TRANSPORTATION (Continued)						
State and Community Highway Safety:						
KPD Speed Enforcement - FY14 SC 14-06(01-K-04)		P14012	\$ 50,058	\$ 23,429	\$ 44,314	\$ 5,744
KPD Traffic Services - FY14 SC 14-01(04-K-01)		P14013	114,060	84,524	84,524	29,536
KPD Seat Belt Program - FY14 OP 14-05(01-K-04)		P14014	127,740	36,236	74,142	53,598
KPD Distracted Driver - FY 15 DD15-10(04-K-01)		P15007	65,951	16,235	16,235	49,716
KPD Impaired Driver - FY 15 AL15-02(14-K-01)		P15008	33,336	3,146	3,146	30,190
KPD Traffic Records - FY 15 TR15-03 (06-K-01)		P15009	73,710	10,541	10,541	63,169
KPD Impaired Driver - FY 15 AL15-02 (01-K-04)		P15010	150,530	69,150	69,150	81,380
KPD Speed Enforcement - FY 15 SC 15-06 (01-K-04)		P15012	84,073	31,601	31,601	52,472
KPD Traffic Enforcement - FY 15 PT15-01 (04-K-01)		P15013	58,468	14,809	14,809	43,659
KPD Occupant Protection - FY 15 OP 15-05 (01-K-04)		P15014	126,480	44,475	44,475	82,005
Total State and Community Highway Safety	20.600		<u>1,314,625</u>	<u>520,427</u>	<u>655,761</u>	<u>658,864</u>
TOTAL U.S. DEPARTMENT OF TRANSPORTATION			<u>72,143,146</u>	<u>7,882,071</u>	<u>52,963,848</u>	<u>19,179,298</u>
CORPORATION FOR NATIONAL AND COMMUNITY SERVICE						
Direct Program -						
Retired Senior Volunteer Program (RSVP):						
Title II, Part A, Older Americans Volunteer Program:						
RSVP - CY 14 - 12SRPHI001		E14016	66,541	40,477	66,537	4
RSVP - CY 15 - 15SRPI003		E1516F	62,847	17,134	17,134	45,713
Total Retired and Senior Volunteer Program	94.002		<u>129,388</u>	<u>57,611</u>	<u>83,671</u>	<u>45,717</u>
TOTAL CORPORATION FOR NATIONAL AND COMMUNITY SERVICE			<u>\$ 129,388</u>	<u>\$ 57,611</u>	<u>\$ 83,671</u>	<u>\$ 45,717</u>

County of Kaua'i, Hawai'i
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS (Continued)
Fiscal Year Ended June 30, 2015

Federal Grantor/Pass-through Grantor/Program Title	Federal CFDA Number	Grant Project Number	Program or Award Amount	Current Year Expenditure Amount	Total Cumulative Expenditures	Grant Balance
U.S. DEPARTMENT OF HOMELAND SECURITY						
Pass-through State Department of Defense:						
Disaster Grants - Public Assistance (Presidentially Declared Disasters):						
PWA020 NO. 038-0 Debris Removal FEMA-4062-DR-HI		PWA020	\$ 4,806	\$ 1,949	\$ 1,949	\$ 2,857
PWB021 NO. 65-0 Road Access FEMA-4062-DR-HI		PWB021	48,400	47,832	47,832	568
PWC001 NO.020-0 Restore Road FEMA-4062-DR-HI		PWC001	15,000	6,961	6,961	8,039
PWC002 NO. 40-0 Repair Road Shoulder FEMA-4062-DR-HI		PWC002	67,620	12,849	12,849	54,771
PWC003 NO. 043-0 Replace Road FEMA-4062-DR-HI		PWC003	15,275	1,138	2,279	12,996
PWC006 NO. 17-0 Restore Embankment FEMA-4062-DR-HI		PWC006	62,001	33,171	47,796	14,205
PWC007 NO.049-0 Repair Road FEMA-4062-DR-HI		PWC007	322,502	774	104,865	217,637
PWC008 NO.024-0 Restore Road FEMA-4062-DR-HI		PWC008	28,402	11,617	13,839	14,563
PWC012 NO. 48-0 FEMA Disaster FEMA-4062-DR-HI		PWC012	3,061	1,947	2,692	369
PWC013 NO. 44-0 Repair Culvert FEMA-4062-DR-HI		PWC013	731,977	4,512	257,262	474,715
PWC015 NO.46-0 Repair Culvert FEMA-4062-DR-HI		PWC015	573,783	4,669	97,544	476,239
PWE014 NO. 002-0 Windshield FEMA-4062-DR-HI		PWE014	5,074	521	521	4,553
PWE016 NO. 014-0 Air Compressor FEMA-4062-DR-HI		PWE016	3,130	1,906	1,906	1,224
Total Disaster Grants - Public Assistance (Presidentially Declared Disasters)	97.036		<u>1,881,031</u>	<u>129,846</u>	<u>598,295</u>	<u>1,282,736</u>
Pass-through State Department of Health and State Civil Defense Agency -						
Federal Emergency Management Agency (FEMA) - Hazard Mitigation Grant:						
State and County Disaster Debris Mgmt. Plan FEMA-0961-DR-HI		HMG008	-	(25,000)	-	-
Total Hazard Mitigation Grant	97.039		<u>-</u>	<u>(25,000)</u>	<u>-</u>	<u>-</u>
Pass-through State Department of Defense -						
Emergency Management Performance Grants (EMPG):						
EMPG FY2012		C12500	100,000	99,618	99,618	382
EMPG FY2014		C14500	130,000	117,502	117,502	12,498
Total Emergency Management Performance Grants	97.042		<u>\$ 230,000</u>	<u>\$ 217,120</u>	<u>\$ 217,120</u>	<u>\$ 12,880</u>

County of Kaua'i, Hawai'i
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS (Continued)
Fiscal Year Ended June 30, 2015

<u>Federal Grantor/Pass-through Grantor/ProgramTitle</u>	<u>Federal CFDA Number</u>	<u>Grant Project Number</u>	<u>Program or Award Amount</u>	<u>Current Year Expenditure Amount</u>	<u>Total Cumulative Expenditures</u>	<u>Grant Balance</u>
U.S. DEPARTMENT OF HOMELAND SECURITY (Continued)						
Pass-through State Department of Defense -						
Homeland Security Grant Program/State Homeland Security:						
Homeland Security Grant 2007		C07100	\$ 924,407	\$ (1)	\$ 922,389	\$ 2,018
Homeland Security Grant LE 2007		C07200	400,310	1	400,271	39
Homeland Security Grant 2008		C08100	1,077,180	(1)	1,075,485	1,695
Homeland Security Grant 2009		C09100	1,000,000	1	996,724	3,276
Homeland Security Grant 2011		C11100	575,075	224,021	575,024	51
Homeland Security Statewide Outreach		C11300	9,925	5,062	9,915	10
Homeland Security 2012		C12100	335,000	263,344	334,460	540
Homeland Security Citizen Corp 2012		C12300	24,925	20,877	24,677	248
Homeland Security 2013		C13100	475,000	365,761	376,465	98,535
Total Homeland Security Grant Program	97.067		<u>4,821,822</u>	<u>879,065</u>	<u>4,715,410</u>	<u>106,412</u>
Direct award from Department of Homeland Security -						
Assistance to Firefighters Grant		F09SFR	1,625,700	3	1,625,700	--
Total Assistance to Firefighters Grant	97.044		<u>1,625,700</u>	<u>3</u>	<u>1,625,700</u>	<u>--</u>
Staffing for Adequate Fire and Emergency Response (SAFER):						
SAFER Grant Award - Fire Department FY 2014		F14006	944,700	454,399	527,864	416,836
Total Staffing for Adequate Fire and Emergency Response (SAFER)	97.083		<u>944,700</u>	<u>454,399</u>	<u>527,864</u>	<u>416,836</u>
Pass-through State Department of Transportation -						
Driver's License Security Grant Program:		X15010	42,204	41,642	41,642	562
Total for Driver's License Security Grant Program	97.089		<u>42,204</u>	<u>41,642</u>	<u>41,642</u>	<u>562</u>
TOTAL U.S. DEPARTMENT OF HOMELAND SECURITY			<u>9,545,457</u>	<u>1,697,075</u>	<u>7,726,031</u>	<u>1,819,426</u>
TOTAL EXPENDITURES OF FEDERAL AWARDS			<u>\$ 142,595,376</u>	<u>\$ 25,469,586</u>	<u>\$ 113,162,796</u>	<u>\$ 29,432,580</u>

County of Kaua'i, Hawai'i
NOTES TO SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
Fiscal Year Ended June 30, 2015

NOTE A - BASIS OF PRESENTATION

The accompanying schedule of expenditures of federal awards includes the federal grant activities of the County and is presented on the accrual basis of accounting. The information in this schedule is presented in accordance with the requirements of 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.

NOTE B - SUBRECIPIENTS

Of the federal expenditures presented in the schedule of expenditures of federal awards, the County provided federal awards to subrecipients as follows:

Federal Grantor/Program/Grant	CFDA Number	Amount Provided to Subrecipients
U.S. Department of Labor		
Workforce Investment Act Youth Activities	17.259	\$ 100,186
Workforce Investment Act Adult Program	17.258	100,365
Workforce Investment Act Dislocated Workers	17.260	<u>88,333</u>
Total U.S. Department of Labor		<u>288,884</u>
U.S. Department of Housing and Urban Development		
Community Development Block Grant/State Programs and Non-entitlement Grants in Hawaii	14.228	<u>516,245</u>
Total U.S. Department of Housing and Urban Development		<u>516,245</u>
U.S. Department of Health and Human Services		
Special Programs for the Aging, Title III, Part B, Grants for Supportive Services	93.044	66,023
Special Programs for the Aging, Title III, Part C, Nutrition Services	93.045	134,561
Special Programs for the Aging, Title III, Part E Family Caregiver Support	93.052	<u>25,840</u>
Total U.S. Department of Health and Human Services		<u>226,424</u>
Total Provided to Subrecipients		\$ <u><u>1,031,553</u></u>

County of Kaua'i, Hawai'i
NOTES TO SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS (Continued)
Fiscal Year Ended June 30, 2015

NOTE C - LOANS OUTSTANDING

The County had the following newly issued loan balances outstanding as of June 30, 2015. These loan program amounts are also included in the federal expenditures presented in the schedule of expenditures of federal awards.

<u>Cluster/Program Title Outstanding</u>	<u>CFDA Number</u>	<u>Amount</u>
Community Development Block Grants	14.228	\$ <u>183,349</u>

NOTE D - OUTSTANDING LOAN BALANCES

The State Revolving Fund Loans are for the construction of necessary wastewater treatment facilities and projects. As of June 30, 2015, the outstanding principal amounted to \$18,871,239 that bears interest at 0.50 percent to 3.78 percent. The loans require semi-annual principal and interest payments and loan fees through fiscal year 2030. The County has 10 projects funded with these loans.

PART III
SCHEDULE OF FINDINGS AND QUESTIONED COSTS

County of Kaua'i, Hawai'i
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
Fiscal Year Ended June 30, 2015

SECTION I - SUMMARY OF AUDITOR'S RESULTS

Financial Statements

Type of auditor's report issued:	Unmodified	
Internal control over financial reporting:		
Material weakness(es) identified?	<input type="checkbox"/> yes	<input checked="" type="checkbox"/> no
Significant deficiency(ies) identified?	<input checked="" type="checkbox"/> yes	<input type="checkbox"/> none reported
Noncompliance material to financial statements noted?	<input type="checkbox"/> yes	<input checked="" type="checkbox"/> no

Federal Awards

Internal control over major programs:		
Material weakness(es) identified?	<input type="checkbox"/> yes	<input checked="" type="checkbox"/> no
Significant deficiency(ies) identified?	<input type="checkbox"/> yes	<input checked="" type="checkbox"/> none reported

Type of auditor's report issued on compliance for major programs:	Unmodified
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Any audit findings disclosed that are required to be reported in accordance with Section 510(a) of OMB Circular A-133?	<input type="checkbox"/> yes	<input checked="" type="checkbox"/> no
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Identification of major programs:

<u>CFDA Number</u>	<u>Name of Federal Program or Cluster</u>
14.228	Community Development Block Grants - State's Program and Non-Entitlement Grants in Hawai'i
14.871	Section 8 Housing Choice Vouchers
20.205	Highway Planning and Construction

Dollar threshold used to distinguish between Type A and Type B programs:	\$764,087
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Auditee qualified as a low-risk auditee?	<input checked="" type="checkbox"/> yes	<input type="checkbox"/> no
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County of Kaua'i, Hawai'i
SCHEDULE OF FINDINGS AND QUESTIONED COSTS (Continued)
Fiscal Year Ended June 30, 2015

SECTION II - FINANCIAL STATEMENT FINDINGS

Ref.
No. **Internal Control Findings**

2015-001 Compile Vacation and Sick Leave Records Properly - Significant Deficiency

Condition: The County's various departments prepare a summary leave schedule to compute its accrued compensated absences liability balance and reports its liability to the Department of Finance. The liability was based on the balance of earned hours per individual leave records multiplied by each employee's hourly salary rate. Departmental summary leave schedules are supported by employee leave logs. During our current year audit, we noted the following:

- Elderly Affairs - 3 instances (out of 10 samples) where vacation or sick leave hours per the employee's leave log were not properly supported by leave application forms.
- Planning - 2 instances (out of 10 samples) where vacation or sick leave hours per the employee's leave log were not properly supported by leave application forms.
- Transportation - 2 instances (out of 10 samples) where vacation or sick leave hours per the employee's leave log were not properly supported by leave application forms.
- Public Works - 1 instance (out of 10 samples) where vacation or sick leave hours per the employee's leave log were not properly supported by leave application forms.

Criteria: Summary leave schedules provided by the various departments should be supported by employee leave logs, of which leave taken should be documented with leave application forms approved by both the employee taking leave and the proper authorization approver.

Cause: Each department in the County uses a different manual process to maintain and report the vacation and sick leave records which resulted in errors in the amount of hours and dollars reported to the Department of Finance.

Effect: The lack of adequate internal controls over vacation and sick leave records could result in an over or understatement of liabilities of the County of Kaua'i.

Recommendation

The County should provide adequate oversight over the vacation and sick leave balances being reported against the personnel and payroll records to ensure accuracy and completeness before reporting the balance to the Department of Finance. The County should implement a standardized process and schedule to track employees' leave hours. Management should also provide additional guidance to employees tasked with the facilitation of these functions to ensure the timely reconciliation and recording of leave applications to employee logs.

PART IV
SUMMARY SCHEDULE OF PRIOR AUDIT FINDINGS

County of Kaua'i, Hawai'i
STATUS REPORT
Fiscal Year Ended June 30, 2015

This section contains the current status of our prior audit recommendation. The recommendations are referenced to the pages of the previous audit report for the fiscal year ended June 30, 2014, dated December 1, 2014.

SECTION II - FINANCIAL STATEMENT FINDINGS

<u>Recommendations</u>	<u>Status</u>
<p>2014-01 Compile Vacation and Sick Leave Records Properly (page 34)</p> <p>The County should validate the amounts of vacation and sick leave balances being reported against the personnel and payroll records to ensure accuracy and completeness before reporting the balance to the Department of Finance. The County should implement a standardized process and schedule to track employees' leave hours. The County should also increase the number of random quality control reviews of leave records to ensure that vacation and sick leave records are accurately reported.</p>	<p>Partially accomplished. Refer to finding 2015-001.</p>
<p>2014-02 Improve Internal Controls over Financial Agreements (page 35)</p> <p>The County should ensure that all agreements that relate to the financial information are provided to the Department of Finance. The proper information and communication of relevant information to the Department of Finance would allow for proper and timely recording of the County's financial records.</p>	<p>Accomplished.</p>

PART V
CORRECTIVE ACTION PLAN

Bernard P. Carvalho, Jr.
Mayor



Ken M. Shimonishi
Director of Finance

Nadine K. Nakamura
Managing Director

Sally A. Motta
Deputy Director of Finance

DEPARTMENT OF FINANCE
County of Kaua'i, State of Hawai'i

4444 Rice Street, Suite 280, Lihu'e, Hawai'i 96766
TEL (808) 241-4200 FAX (808) 241-6529

December 22, 2015

Blake S. Isobe
N & K CPAs, Inc.
American Savings Bank Tower
1001 Bishop Street, Suite 1700
Honolulu, HI 96813-3696

Dear Mr. Isobe:

Attached are the County of Kaua'i's responses and corrective action plans related to your fiscal year 2015 audit report OMB A-133 *Single Audit Report's* Current Finding and Recommendations. We appreciate the opportunity to comment on the audit report.

Sincerely,

Ken M. Shimonishi
Director of Finance

Attachment

An Equal Opportunity Employer

2015-001 **COMPILE VACATION AND SICK LEAVE RECORDS PROPERLY**

Auditor's

Recommendation: The County should provide adequate oversight over the vacation and sick leave balances being reported against the personnel and payroll records to ensure accuracy and completeness before reporting the balance to the Department of Finance. The County should implement a standardized process and schedule to track employees' leave hours. Management should also provide additional guidance to employees tasked with the facilitation of these functions to ensure the timely reconciliation and recording of leave applications to employee logs.

Corrective Action: The Department of Human Resources (HR) Central Payroll Section continues to reconcile manual summary records that each department maintain to the summary provided by the HRIS (Human Resources Information System) Program. The eventual implementation of a Time and Attendance module will automate leave accruals in the system accurately. Until that time, some of the steps taken to ensure accurate record keeping methods for accrued leave include:

- Reconciling departments' manual balances during each pay period with the HRIS balances;
- Meeting with various departments to prioritize reconciliation of leave balances with the system, including providing resources as needed to complete this task;
- Correcting pay codes that do not accrue leave balances correctly; thus far, the leave without pay and leave sharing codes have been corrected and now accrue accurately;
- Requiring departments to submit a summary worksheet of employee timesheets for each pay period as validation to HR Central Payroll that timesheets were reviewed, documented and verified with Hours Proof Listing Report generated by the HRIS system;
- Introduction of the "Accrual Monitoring Program" earlier this year whereby departments are requested to provide supporting documentation for all payroll transactions for specific employees during a designated pay period. The employee sample is a random selection to test department application of procedures and methodology according to pay administration; the monitoring program procedures, as referenced by the audit "criteria", provides for Central Payroll to request for leave applications, timesheets, and validation that the accrual transaction is properly recorded in the payroll records;

- Performance of pre audit procedures prior to issuing final checks such as; reviewing worker's compensation transactions for accuracy, verifying that accrual adjustments are submitted on time including support documents, ensuring accrual banks are attached to eligible employees, and vacation payout or transfer amounts reconciled; in addition, HR Central Payroll Section during an open review session with department personnel provides recommended changes to department procedures so all departments understand and operate in a standardized manner; and
- Detailed and summary leave hours and liability schedule report will be generated at the end of each fiscal year for each department and agency to validate for accuracy and completeness prior to submitting to the Finance Department.

End Date: On-going

Responding Person(s): Ken Villabrille, Central Payroll Accountant, Department of Human Resources, (808) 241-4209

Carolyn Carveiro, Accountant IV, Department of Human Resources, (808) 241-4090