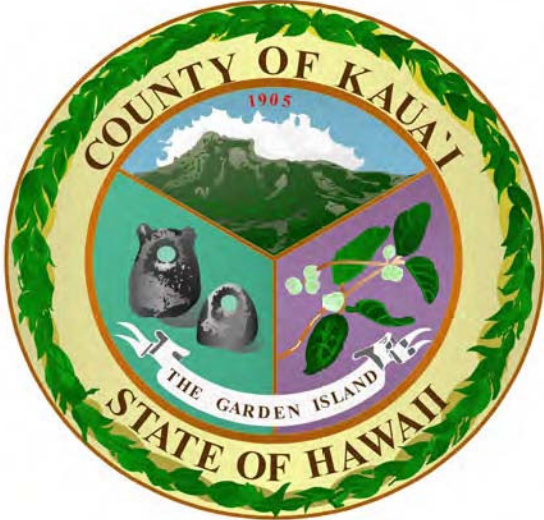


**SINGLE AUDIT REPORTS**

**County of Kaua'i, Hawai'i**



**For the Fiscal Year Ended  
June 30, 2020**

January 20, 2021

To the Chair and Members of  
the County Council of Kaua'i, Hawai'i  
Līhu'e, 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, 2020. Our report containing our opinions 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 on compliance and other matters, the County's compliance for each major federal program, internal control over compliance and on the schedule of expenditures of federal awards.

## OBJECTIVES OF THE AUDIT

The primary purpose of our audit was to form opinions on the fairness of the presentation of the County's basic financial statements as of and for the fiscal year ended June 30, 2020, and to comply with the requirements of Title 2 U.S. *Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements of Federal Awards* (Uniform Guidance). More specifically, the objectives of the audit were as follows:

1. To provide a basis for opinions on the fairness of the presentation of the County's financial statements.
2. To report on internal control over financial reporting and 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 in accordance with *Government Auditing Standards*.
3. To report on internal control over compliance related to each major federal programs and an opinion on compliance with federal statutes, regulations, and the terms and conditions of federal awards that could have a direct and material effect on each major federal program in accordance with the Single Audit Act Amendments of 1996 and the Uniform Guidance.

## 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 audit requirements of the Uniform Guidance. The scope of our audit included an examination of the transactions and accounting records of the County for the fiscal year ended June 30, 2020.

## 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 for each major federal program and on internal control over compliance; and report on the schedule of expenditures of federal awards required by the Uniform Guidance.
- Part III - The schedule of findings and questioned costs.
- Part IV - The corrective action plan.
- Part V - The summary schedule of prior audit findings.

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.

*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**

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

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

We have audited, 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, 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, 2020, and the related notes to the financial statements, which collectively comprise the County's basic financial statements, and have issued our report thereon dated January 20, 2021. 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) 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 and therefore, material weaknesses or significant deficiencies may exist that have not been identified. We did identify certain deficiencies in internal control, described in the accompanying schedule of findings and questioned costs as items 2020-001 through 2020-003 that we consider to be material weaknesses.

### **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*.

### **The County's Response to the Finding**

The County's response to the findings identified in our audit is described in Part IV, Corrective Action Plan. 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  
January 20, 2021

**PART II**

**REPORT ON COMPLIANCE FOR EACH MAJOR FEDERAL PROGRAM; REPORT  
ON INTERNAL CONTROL OVER COMPLIANCE;  
AND REPORT ON THE SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS  
REQUIRED BY THE UNIFORM GUIDANCE**



**INDEPENDENT AUDITOR’S REPORT ON COMPLIANCE FOR EACH MAJOR  
FEDERAL PROGRAM; REPORT ON INTERNAL CONTROL OVER COMPLIANCE;  
AND REPORT ON THE SCHEDULE OF EXPENDITURES OF FEDERAL  
AWARDS REQUIRED BY THE UNIFORM GUIDANCE**

To the Chair and Members of  
the County and Council of Kaua‘i, Hawai‘i  
Līhue, Kaua‘i, Hawai‘i

**Report on Compliance for Each Major Federal Program**

We have audited the County of Kaua‘i’s (the County) compliance with the types of compliance requirements described in the *OMB Compliance Supplement* that could have a direct and material effect on each of the County’s major federal programs for the fiscal year ended June 30, 2020. 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**

Management is responsible for compliance with federal statues, regulations, and the terms and conditions of its federal awards 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 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). Those standards and the Uniform Guidance 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 fiscal year ended June 30, 2020.

### **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 the Uniform Guidance, 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 a combination of deficiencies, in internal control over compliance, such that there is a reasonable possibility that material noncompliance with a type of compliance requirement of a federal program will not be prevented, or detected and corrected, on a timely basis. *A significant deficiency in internal control over compliance* is a deficiency, or a combination of deficiencies, in internal control over compliance with a type of compliance requirement of a federal program that is less severe than a material weakness in internal control over compliance, yet important enough to merit attention by those charged with governance.

Our consideration of internal control over compliance was for the limited purpose described in the 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 the Uniform Guidance. Accordingly, this report is not suitable for any other purpose.

### **Report on the Schedule of Expenditures of Federal Awards Required by the Uniform Guidance**

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, 2020, and the related notes to the financial statements, which collectively comprise the County's basic financial statements. We issued our report thereon dated January 20, 2021, which contained unmodified opinions on those financial statements. 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. 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 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.

N&K CPAs, Inc.

Honolulu, Hawai'i  
January 20, 2021

**County of Kaua'i, Hawai'i**  
**SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS**  
**Fiscal Year Ended June 30, 2020**

Federal Grantor/Pass-Through Grantor/Program or Cluster Title	Federal CFDA Number	Pass-Through Entity Identifying Number	Total Federal Expenditures	Provided Through to Subrecipients
<b>EXECUTIVE OFFICE OF THE PRESIDENT PROGRAMS</b>				
Direct Award--				
Office of National Drug Control Policy				
High Intensity Drug Trafficking Areas Program:				
High Intensity Drug Traffic, Fiscal Year 2019			\$ 111,054	\$ --
High Intensity Drug Traffic, Fiscal Year 2020			<u>48,454</u>	<u>--</u>
Total High Intensity Drug Trafficking Areas Program	95.001		<u>159,508</u>	<u>--</u>
<b>TOTAL EXECUTIVE OFFICE OF THE PRESIDENT PROGRAMS</b>			<u>159,508</u>	<u>--</u>
<b>DEPARTMENT OF AGRICULTURE PROGRAMS</b>				
Pass-through State of Hawai'i - Child Nutrition Programs--				
Summer Food Service Program for Children:				
Summer/Winter Fun Meals		370S13240E72304429	<u>27,313</u>	<u>--</u>
Total Summer Food Service Program for Children	10.559		<u>27,313</u>	<u>--</u>
Direct Award--				
Emergency Watershed Protection Program:				
Kahuna Road Stream Banks Restoration			<u>215,243</u>	<u>--</u>
Total Emergency Watershed Protection Program	10.923		<u>215,243</u>	<u>--</u>
<b>TOTAL DEPARTMENT OF AGRICULTURE PROGRAMS</b>			<u>242,556</u>	<u>--</u>
<b>DEPARTMENT OF COMMERCE PROGRAMS</b>				
Pass-through Office of State Planning--				
Coastal Zone Management Program Administration Awards--				
Coastal Zone Management Administration Awards:				
Fiscal Year 2018-2019		B17-01CZM S#2	8,300	--
Fiscal Year 2019-2020		B-20-02-CZM	<u>307,422</u>	<u>--</u>
Total Coastal Zone Management Administration Awards	11.419		<u>315,722</u>	<u>--</u>
<b>TOTAL DEPARTMENT OF COMMERCE PROGRAMS</b>			<u>315,722</u>	<u>--</u>
<b>ENVIRONMENTAL PROTECTION AGENCY PROGRAMS</b>				
Direct Award--				
Congressionally Mandated Projects:				
Water Infrastructure Waimea			<u>487,175</u>	<u>--</u>
Total Congressionally Mandated Projects	66.202		<u>487,175</u>	<u>--</u>
Pass-through State of Hawai'i Department of Health--				
Water Quality Management Planning:				
IW Biosolids Study Management Plan - Feasibility Study		016284-14	<u>84,453</u>	<u>--</u>
Total Water Quality Management Planning	66.454		<u>84,453</u>	<u>--</u>
Capitalization Grants for Clean Water State Revolving Funds:				
Kekaha LF LE Cell 2		NPS0047 12	<u>10,586,906</u>	<u>--</u>
Total Capitalization Grants for Clean Water State Revolving Funds	66.458		<u>10,586,906</u>	<u>--</u>
<b>TOTAL ENVIRONMENTAL PROTECTION AGENCY PROGRAMS</b>			<u>\$ 11,158,534</u>	<u>\$ --</u>

The accompanying notes are an integral part of this schedule.

**County of Kaua'i, Hawai'i**  
**SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS (Continued)**  
**Fiscal Year Ended June 30, 2020**

Federal Grantor/Pass-Through Grantor/Program or Cluster Title	Federal CFDA Number	Pass-Through Entity Identifying Number	Total Federal Expenditures	Provided Through to Subrecipients
<b>DEPARTMENT OF HEALTH AND HUMAN SERVICES PROGRAMS</b>				
Pass-through State Executive Office on Aging--				
Aging Cluster				
Special Programs for the Aging - Title III, Part C, Nutrition Services:				
C1 AEA FY 2017		KA2017N03	\$ 45,867	\$ --
C1 AEA FY 2018		KA2016N03	1,823	--
C1 AEA FY 2019		KA2016N03	17,530	--
C1 CONG FY 2018		KA2018N03	38,620	--
C1 CONG FY 2019		KA2016N03	65,755	--
C1 CONG FY 2020		ASO LOG 20-200	25,103	--
C2 HOMED FY 2018		KA2018N03	40	--
C2 HOMED FY 2019		KA2016N03	80,305	--
C2 HOMED FY 2020		ASO LOG 20-200	133,908	--
Total Special Programs for the Aging, Title III, Part C, Nutrition Services	93.045		<u>408,951</u>	<u>--</u>
Special Programs for the Aging - Title III, Part B:				
Grants for Supportive Services and Senior Centers:				
B AEA AREA INHOME 2018		KA2018N03	5,522	--
B AEA AREA LEGAL 2017		KA2017N03	28,432	--
B AEA AREA LEGAL 2018		KA2018N03	37,312	--
B AEA AREA SVS 2018		KA2018N03	32,723	--
B AEA AREA SYS FY 19		KA2016N03	123,754	--
B AEA AREA SYS FY 20		ASO LOG 20-200	13,300	--
Total Title III, Part B, Grants for Supportive Services and Senior Centers	93.044		<u>241,043</u>	<u>--</u>
Administration on Aging - Nutrition Services Incentive Program:				
Food Distribution:				
NSIP 2019		KA2019N03	36,520	--
Total Nutrition Services Incentive Program	93.053		<u>36,520</u>	<u>--</u>
Total Aging Cluster				
National Family Caregiver Support, Title III, Part E:				
Cooperative Agreements to States and Territories:				
E ELDER CARE FY 18		KA2018N03	4,659	--
E ELDER CARE FY 19		KA2016N03	16,440	--
E ELDER CARE FY 20		ASO LOG 20-200	14,656	--
E GRGC FY 2019		KA2019N03	1,289	--
Total National Family Caregiver Support, Title III, Part E	93.052		<u>37,044</u>	<u>--</u>
Special Programs for the Aging - Title III, Part D:				
Disease Prevention and Health Promotion Services:				
D HP3D FY 2018		KA2018N03	514	--
D HP3D FY 2019		KA2019N03	5,886	--
Total Title III, Part D, Disease Prevention and Health Promotion Services	93.043		<u>6,400</u>	<u>--</u>
Substance Abuse and Mental Health Services Projects of Regional and National Significance:				
Pass-through State of Hawai'i Department of Health--				
PFS Prevention (Mod #2)		ASO 16-161	26,753	--
PFS Prevention (Mod #6)		ASO 16-161	12,887	--
PFS Prevention (Mod #7)		ASO 16-161	52,600	--
Total SAMHSA Projects Regional and National Significance	93.243		<u>92,240</u>	<u>--</u>
State Health Insurance Assistance Program:				
Pass-through State of Hawaii Executive Office of Aging--				
SHIP Program on Kaua'i		KA2017N1 S#1	1	--
Total State Health Insurance Assistance Program	93.324		<u>1</u>	<u>--</u>
<b>TOTAL DEPARTMENT OF HEALTH AND HUMAN SERVICES PROGRAMS</b>			<u>\$ 822,199</u>	<u>\$ --</u>

The accompanying notes are an integral part of this schedule.

**County of Kaua'i, Hawai'i**  
**SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS (Continued)**  
**Fiscal Year Ended June 30, 2020**

Federal Grantor/Pass-Through Grantor/Program or Cluster Title	Federal CFDA Number	Pass-Through Entity Identifying Number	Total Federal Expenditures	Provided Through to Subrecipients
<b>DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT PROGRAMS</b>				
Pass-through State Department of Business, Economic Development and Tourism--				
Home Investment Partnerships Program:				
Fiscal year 2010		M09SG150100	\$ 63,199	\$ --
Fiscal year 2012		M11SG150100	102,309	--
Fiscal year 2016		MS16SG160100	1,184,425	1,141,753
HOME - Program Income			<u>1,266,344</u>	<u>1,226,000</u>
Total Home Investment Partnerships Program	14.239		<u>2,616,277</u>	<u>2,367,753</u>
Housing Trust Fund--				
Koa'e Workforce Housing		F16-SG150100	33,114	--
Total Housing Trust Fund	14.275		<u>33,114</u>	<u>--</u>
Direct Awards:				
Lower Income Housing Assistance Program--				
Section 8 - Housing Choice Vouchers (252 Fund)			8,555,284	--
Total Section 8 Housing Choice Vouchers	14.871		<u>8,555,284</u>	<u>--</u>
Family Self Sufficiency Program (FSS)--				
Family Self Sufficiency Program FY 2019			71,705	--
Family Self Sufficiency Program FY 2020			51,371	--
Total Family Self Sufficiency Program (FSS)	14.896		<u>123,076</u>	<u>--</u>
Community Development Block Grants--				
State's Program and Non-entitlement Grants in Hawai'i:				
CDBG - CARES Act			54	--
CDBG - Disaster Program Income			263,656	--
CDBG - Program Income			266,726	--
Fiscal year 2018			48,425	--
Fiscal year 2019			104,503	16,945
Fiscal year 2020			97,888	97,424
Program Income - NSP			<u>134,644</u>	<u>68,138</u>
Total CDBG / State's Program and Non-Entitlement Grants in Hawai'i	14.228		<u>915,896</u>	<u>182,507</u>
<b>TOTAL DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT PROGRAMS</b>			<u>12,243,647</u>	<u>2,550,260</u>
<b>DEPARTMENT OF JUSTICE PROGRAMS</b>				
Pass-through Office of State Attorney General:				
Crime Victim Assistance:				
VOCA FY 2016		16-VA-01	672	--
VOCA FY 2017		17-VA-03	294,140	80,000
Total Crime Victim Assistance	16.575		<u>294,812</u>	<u>80,000</u>
Violence Against Women Formula Grants:				
Stop Violence Against Women - 2015		16-WF-01	(111)	--
Stop Violence Against Women - 2017		17-WF-01	68,721	--
VAWA - SANE Exams - FY 2016		2016-WF-AX-0022	16,821	--
VAWA - SANE Exams - FY 2017		17-WF-05	43,883	--
Total Stop Violence Against Women Grants	16.588		<u>129,314</u>	<u>--</u>
Paul Coverdell Forensic Sciences Improvement Grant Program:				
Opioid Filed Investigation Safety Project		18-CD-04	92,652	--
Total Paul Coverdell Forensic Sciences Improvement Grant Program	16.742		<u>\$ 92,652</u>	<u>\$ --</u>

The accompanying notes are an integral part of this schedule.

**County of Kaua'i, Hawai'i**  
**SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS (Continued)**  
**Fiscal Year Ended June 30, 2020**

Federal Grantor/Pass-Through Grantor/Program or Cluster Title	Federal CFDA Number	Pass-Through Entity Identifying Number	Total Federal Expenditures	Provided Through to Subrecipients
<b>DEPARTMENT OF JUSTICE PROGRAMS (Continued)</b>				
Edward Byrne Memorial Justice Assistance Grant Program:				
JAG Drug Nuisance Abatement		2015-DJ-BX-0342	\$ 14,931	\$ --
JAG Drug Nuisance Abatement		2016-DJ-BX-0089	13,963	--
JAG Local Solicitation FY 2015		2015-DJ-BX-0557	(490)	--
JAG Local Solicitation FY 2016		2016-DJ-BX-0356	1,086	--
JAG Local Solicitation FY 2017		2017-DJ-BX-0517	21,517	--
Sex Assault Prosecution Unit		2015-DJ-BX-0342	39,207	--
Sex Assault Prosecution Unit FY 2016		2016-DJ-BX-0089	65,284	--
Statewide Multi-Jurisdictional Drug Task Force		17-DJ-03	31,802	--
Statewide Multi-Jurisdictional Drug Task Force		18-DJ-03	496	--
Total Edward Byrne Memorial Justice Assistance Grant Program	16.738		<u>187,796</u>	<u>--</u>
Pass-through State Department of Human Services Office of Youth Services:				
Juvenile Accountability Block Grants:				
JABG FY 19 Hale Opio Kaua'i Inc.		DHS-16-OYS-624 S#3	10,709	10,709
Total Juvenile Accountability Block Grants	16.523		<u>10,709</u>	<u>10,709</u>
Direct Award--				
Bulletproof Vest Partnership Program:				
Bulletproof Vests			3,296	--
Total Bulletproof Vest Partnership Program	16.607		<u>3,296</u>	<u>--</u>
<b>TOTAL DEPARTMENT OF JUSTICE PROGRAMS</b>			<u>718,579</u>	<u>90,709</u>
<b>DEPARTMENT OF LABOR PROGRAMS</b>				
Pass-through State Department of Labor and Industrial Relations:				
WIAO Cluster				
Workforce Investment Act (WIA):				
Adult Program FY 2017		WIOA-17-AP-K	4,384	4,384
Adult Program FY 2018		WIOA-18-AP-K	84,795	62,501
Adult Program FY 2019		WIOA-19-A&DWP-K	842	--
Total WIA/WIOA Adult Program	17.258		<u>90,021</u>	<u>66,885</u>
Dislocated Workers, PY 2017		WIOA-17-DWP-K	4,632	4,632
Dislocated Workers, PY 2018		WIOA-18-DWP-K	46,728	33,240
Dislocated Workers, PY 2019		WIOA-19-A&DWP-K	532	--
Total WIA/WIOA Dislocated Workers Formula Grants	17.278		<u>51,892</u>	<u>37,872</u>
Youth Programs PY 2018 - Out School		WIOA-18-YP-K	66,441	51,067
Youth Programs PY 2018 - In School		WIOA-18-YP-K	21,688	17,022
Youth Programs PY 2019 - Out School		WIOA-19-YP-K	617	--
Youth Programs PY 2019 - In School		WIOA-19-YP-K	206	--
Total WIA/WIOA Youth Activities	17.259		<u>88,952</u>	<u>68,089</u>
Administrative, PY 2018		WIOA-18-LAC-K	26,543	--
Administrative, PY 2019		WIOA-19-LAC-K	244	--
Total WIA Administrative	NOCFDA		<u>26,787</u>	<u>--</u>
Total WIOA Cluster			<u>257,652</u>	<u>172,846</u>
<b>TOTAL DEPARTMENT OF LABOR PROGRAMS</b>			<u>\$ 257,652</u>	<u>\$ 172,846</u>

The accompanying notes are an integral part of this schedule.

**County of Kaua'i, Hawai'i**  
**SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS (Continued)**  
**Fiscal Year Ended June 30, 2020**

Federal Grantor/Pass-Through Grantor/Program or Cluster Title	Federal CFDA Number	Pass-Through Entity Identifying Number	Total Federal Expenditures	Provided Through to Subrecipients
<b>DEPARTMENT OF TRANSPORTATION PROGRAMS</b>				
Pass-through State Department of Transportation:				
Buses and Bus Facilities Formula & Discretionary Programs:				
FTA Section 5339 FFY 13		HI-34-0001	\$ 105,745	\$ --
FTA Section 5339 FFY 16		HI-2016-002-00	342,089	--
FTA Section 5339 FFY 17		HI-2017-003-00	779,812	--
FTA Section 5339 FFY 18		HI-2018-002-00	<u>580,000</u>	<u>--</u>
Total Bus and Bus Facilities Formula & Discretionary Programs	20.526		<u>1,807,646</u>	<u>--</u>
Formula Grants for Rural Areas--				
Formula Grants for Rural Areas:				
FTA Section 5311 FFY 18		HI-2018-011-01	<u>201,552</u>	<u>--</u>
Total Formula Grants for Rural Areas	20.509		<u>201,552</u>	<u>--</u>
Highways Planning and Construction:				
Bridge Replacement - Off System:				
Bridge Inspection and Appraisal BR-NBIS(072)		BR-NBIS(072)	58,819	--
Bridge Inspection and Appraisal BR-NBIS(076)		BR-NBIS(076)	30,579	--
Hanapēpē Bridge Repair BR-0545(1)		BR-0545(1)	179	--
Opaekaa Bridge Design BR-0700(60)		BR-0700(60)	2,209,764	--
Puuopae Bridge Repair BR-0700(59)		BR-0700(59)	425,071	--
Statewide Transportation Improvement Program:				
Ahukini/Lydgate		STP-0700(51)	56,587	--
Hanapēpē Road Improvements STP-0545(2)		STP-0545(2)	4,143	--
Island Wide - Safe Routes to School SRS-0700(074)		SRS-0700(074)	372	--
King Kaumualii Safe Routes to School SRS-1500(086)		SRS-1500(086)	21,327	--
Koloa Safe Routes to School SRS-1500(086)		SRS-1500(086)	25,211	--
Lydgate/Kapaa Bikepath Phase C STP-0700(64)		STP-0700(64)	281,779	--
Lydgate-Kapaa Bikepath CMAQ-0700(49)		CMAQ-0700(49)	20,763	--
Maluhia and Koloa Road Improvements STP-0700(072)		STP-0700(072)	1,424,612	--
Nawiliwili Ahukini Bike Path CMAQ-0700(57)		CMAQ-0700(57)	4,976	--
Poipu Road STP-520(4)		STP-520(4)	27,422	--
Puhi Road Rehabilitation Phase II STP-5010(002)		STP-5010(002)	10,958	--
Safe Routes Kawaihau, Hau'ala, Mailehuna Rd. (STP-0700(071)		STP-0700(071)	<u>91,563</u>	<u>--</u>
Total Highways Planning and Construction	20.205		<u>\$ 4,694,125</u>	<u>\$ --</u>

The accompanying notes are an integral part of this schedule.



**County of Kaua'i, Hawai'i**  
**SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS (Continued)**  
**Fiscal Year Ended June 30, 2020**

Federal Grantor/Pass-Through Grantor/Program or Cluster Title	Federal CFDA Number	Pass-Through Entity Identifying Number	Total Federal Expenditures	Provided Through to Subrecipients
<b>DEPARTMENT OF TRANSPORTATION PROGRAMS (Continued)</b>				
State and Community Highway Safety:				
KPD Distracted Driver - FY 2020		DD30-10(04-K-01)	\$ 161	\$ --
KPD DOT Traffic Records - FY 2019		AL19-02(01-K-04)	2,511	--
KPD Highway Safety - FY 2020		TR20-03(05-K-01)	16,412	--
KPD Roadblock Grant - FY 2020		AL20-02(01-K-04)	4,903	--
KPD Seat Belt Enforcement - FY 2019		OP19-05(01-K-04)	2,351	--
KPD Seat Belt Enforcement - FY 2020		OP20-05(01-K-04)	621	--
KPD Speed Enforcement - FY 2019		SC19-06(01-K-04)	2,694	--
KPD Speed Enforcement - FY 2020		SC20-06(01-K-04)	15,865	--
KPD Traffic Services - FY 2019		PT19-01 (04-K-01)	65,963	--
KPD Youth Deterrence FY 2020		AL20-02(08-K-01)	5,709	--
OPA DOT Highway Safety 2019		AL19-02(04-S-01)	25,479	--
OPA DOT Highway Safety 2020		AL20-02(04-S-01)	<u>126,189</u>	<u>--</u>
Total State and Community Highway Safety	20.600		<u>268,858</u>	<u>--</u>
Minimum Penalties for Repeat Offenders for Driving While Intoxicated				
KPD Youth Deterrence - FY 2019		AL19-02-(08-K-01)	1,981	--
Total Minimum Penalties for Repeat Offenders for Driving While Intoxicated	20.608		<u>1,981</u>	<u>--</u>
National Priority Safety Programs				
KPD Traffic Records - FY 2019		TR19-03(05-K-01)	268	--
Total National Priority Safety Programs	20.616		<u>268</u>	<u>--</u>
Direct Award--				
National Infrastructure Investments:				
TIGER Discretionary Grants:				
Lihue Town Core Mobility and Revitalization Project			<u>9,123,772</u>	<u>--</u>
Total National Infrastructure Investments	20.933		<u>9,123,772</u>	<u>--</u>
<b>TOTAL DEPARTMENT OF TRANSPORTATION PROGRAMS</b>			<u>16,098,202</u>	<u>--</u>
<b>CORPORATION FOR NATIONAL SERVICE PROGRAMS</b>				
Direct Award--				
Retired and Senior Volunteer Program:				
Title II, Part A, Older Americans Volunteer Program:				
RSVP - CY 19			44,307	--
RSVP - CY 20			<u>1,266</u>	<u>--</u>
Total Retired and Senior Volunteer Program	94.002		<u>45,573</u>	<u>--</u>
<b>TOTAL CORPORATION FOR NATIONAL SERVICE PROGRAMS</b>			<u>\$ 45,573</u>	<u>\$ --</u>

The accompanying notes are an integral part of this schedule.

**County of Kaua'i, Hawai'i**  
**SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS (Continued)**  
**Fiscal Year Ended June 30, 2020**

Federal Grantor/Pass-Through Grantor/Program or Cluster Title	Federal CFDA Number	Pass-Through Entity Identifying Number	Total Federal Expenditures	Provided Through to Subrecipients
<b>DEPARTMENT OF HOMELAND SECURITY PROGRAMS</b>				
Pass-through State Department of Health and State Civil Defense Agency:				
Disaster Grants - Public Assistance (Presidentially Declared Disaster):				
Ala Eke Road FEMA-4365-DR-HI		PW59 #45605	\$ 44,868	\$ --
Finance Department Emergency Response FEMA-4365-DR-HI		PW06 #45025	1,209	--
Fire Building & Equipment FEMA-4365-DR-HI		PW09 #44913	10,416	--
Fire Emergency Response FEMA-4395-DR-HI		PW13 #66934	16,041	--
Kapaia Bridge Debris Removal FEMA-4365-DR-HI		PW56 #45600	5,766	--
Kumu Road FEMA-4365-DR-HI		PW53 #45609	55,322	--
Parks Emergency Response FEMA-4365-DR-HI		PW24 #65120	5,091	--
Police Emergency Response FEMA-4365-DR-HI		PW05 #44909	(3,961)	--
Public Works - Culvert R&R FEMA-4062-DR-HI		PW46 KPWC015	1,452	--
Public Works Emergency Response FEMA-4395-DR-HI		PW36 #66343	19,199	--
Transportation Emergency Response FEMA-4365-DR-HI		PW03 #65092	1,691	--
Total Disaster Grants - Public Assistance (Presidentially Declared Disaster)	97.036		<u>157,094</u>	<u>--</u>
Emergency Management Performance Grants:				
EMPG FY 2018		EMF-2018-EP-00006	109,288	--
EMPG FY 2019		EMF-2019-EP-00006	4,324	--
Total Emergency Management Performance Grants	97.042		<u>113,612</u>	<u>--</u>
Homeland Security Grant Program:				
Homeland Security Grant 2016		EMW-2016-SS-00004	89,164	--
Homeland Security Grant 2017		EMW-2017-SS-00002	84,124	--
Homeland Security Grant 2018		EMW-2018-SS-00006	204,098	--
Homeland Security Grant 2019		EMW-2019-SS-00019	5,898	--
Total Homeland Security Grant Program	97.067		<u>383,284</u>	<u>--</u>
Direct Award--				
Assistance to Firefighters Grants:				
AFG Blue Card Command FY 2019			30,720	--
Total Assistance to Firefighters Grant Program	97.044		<u>30,720</u>	<u>--</u>
<b>TOTAL DEPARTMENT OF HOMELAND SECURITY PROGRAMS</b>			<u>684,710</u>	<u>--</u>
<b>DEPARTMENT OF TREASURY</b>				
Pass-through State Executive Office of the Governor:				
Coronavirus Relief Fund:				
CARES ACT Management and Compliance			11,924	--
Retrofitted Isolation Vehicles			49,236	--
Total Coronavirus Relief Fund	21.019	001-County of Kauai	<u>61,160</u>	<u>--</u>
<b>TOTAL DEPARTMENT OF TREASURY</b>			<u>61,160</u>	<u>--</u>
<b>TOTAL EXPENDITURES OF FEDERAL AWARDS</b>			<u>\$ 42,808,042</u>	<u>\$ 2,813,815</u>

The accompanying notes are an integral part of this schedule.

**County of Kaua'i, Hawai'i**  
**NOTES TO SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS**  
**Fiscal Year Ended June 30, 2020**

**NOTE A - BASIS OF PRESENTATION**

The accompanying schedule of expenditures of federal awards (the Schedule) includes the federal award activities of the County under programs of the federal government for the fiscal year ended June 30, 2020. 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 financial position, or cash flows of the County.

**NOTE B - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

Expenditures reported on the Schedule are reported on the accrual basis of accounting. Such expenditures are recognized following the cost principles contained in the Uniform Guidance, wherein certain types of expenditures are not allowable or are limited to reimbursement.

**NOTE C - INDIRECT COST RATE**

The County has elected not to use the 10-percent de minimis indirect cost rate allowed under the Uniform Guidance.

**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, 2020**

**SECTION I - SUMMARY OF AUDITOR'S 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?	<input checked="" type="checkbox"/> yes	<input type="checkbox"/> no
Significant deficiency(ies) identified?	<input type="checkbox"/> yes	<input checked="" 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 federal 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 federal programs:	Unmodified	
Any audit findings disclosed that are required to be reported in accordance with 2 CFR 200.516(a)?	<input type="checkbox"/> yes	<input checked="" type="checkbox"/> no

Identification of major federal programs:

<u>CFDA Number</u>	<u>Name of Federal Program</u>
20.526	Bus and Bus Facilities Formula & Discretionary Programs
20.933	National Infrastructure Investments
66.458	Capitalization Grants for Clean Water State Revolving Funds

Dollar threshold used to distinguish between Type A and Type B programs:	\$1,284,240
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Auditee qualified as a low-risk auditee?	<input type="checkbox"/> yes	<input checked="" 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, 2020**

**SECTION II - FINANCIAL STATEMENT FINDINGS**

**Ref.**  
**No.**            **Internal Control Findings**

**2020-001    OPEB Prior Period Adjustment - Material Weakness**

**Criteria:**    Employer contributions subsequent to the measurement date of the net Other Post-Employment Benefits (OPEB) liability are required to be reported as deferred outflows of resources.

**Condition:** During our audit, we noted that the County recorded a prior period adjustment due to OPEB employer contributions totaling \$7,332,882 were expensed rather than recorded as deferred outflows of resources on the Statement of Net Position until recognized in the OPEB liability. The adjustment resulted in an increase in beginning net position of \$7,332,882 for total primary government activities reported in the Comprehensive Annual Financial Report (CAFR) of the County as of July 1, 2019.

**Cause:**        A reconciliation was not performed between OPEB employer contributions made after the measurement date of the liability and amounts recognized in the OPEB liability.

**Effect:**        The County's beginning net position reported in the CAFR as of July 1, 2019 was understated by \$7,332,882.

**Identification as a Repeat Finding, if applicable:**

Not applicable.

**Recommendation**

Management should ensure that a process is established in which management-level fiscal personnel review transactions for the determination of the proper accounting treatment for changes to the OPEB liability as of the measurement date.

**Views of Responsible Officials and Planned Corrective Action**

The County agrees with the finding and the recommendation. See Part IV Corrective Action Plan.

**County of Kaua'i, Hawai'i**  
**SCHEDULE OF FINDINGS AND QUESTIONED COSTS (Continued)**  
**Fiscal Year Ended June 30, 2020**

**SECTION II - FINANCIAL STATEMENT FINDINGS (Continued)**

**Ref.**  
**No.**            **Internal Control Findings (Continued)**

**2020-002    Landfill Prior Period Adjustment - Material Weakness**

**Criteria:**    The County has three landfill sites - Kekaha Landfill Phases I and II, and Halehaka Landfill. The County is required to accrue estimated closure and postclosure care costs for these solid waste landfills, which represents disbursements that will occur near or after the date that the landfill stops accepting solid waste and during the postclosure period. After the initial calculation of estimated total costs, the costs are required to be adjusted annually for the effects of any changes and is required to be reported primarily in the period of change.

**Condition:** During our audit, we noted that the County had obtained a 'Closure and Post-Closure Plan' report for the Kekaha Landfill Phase II dated May 2016 in a prior year, but had used a previous report dated August 2013 for the fiscal year ended June 30, 2019.

**Cause:**        There does not appear to be a process in place between the Solid Waste Department and the Department of Finance to communicate updated estimates of costs during the period of the change.

**Effect:**        The County's beginning net position reported in the Consolidated Annual Financial Report as of July 1, 2019 was overstated by \$4.4 million.

**Identification as a Repeat Finding, if applicable:**

Not applicable.

**Recommendation**

Management should perform an annual review of available information for its landfill operations to ensure that adjustments to its accrued estimated closure and postclosure care costs are reported in the period when the change occurs.

**Views of Responsible Officials and Planned Corrective Action**

The County agrees with the finding and the recommendation. See Part IV Corrective Action Plan.

**County of Kaua'i, Hawai'i**  
**SCHEDULE OF FINDINGS AND QUESTIONED COSTS (Continued)**  
**Fiscal Year Ended June 30, 2020**

**SECTION II - FINANCIAL STATEMENT FINDINGS (Continued)**

**Ref.**  
**No.**            **Internal Control Findings (Continued)**

**2020-003    Timely Reconciliation of State Grant Programs - Material Weakness**

**Criteria:**    Accrual balances presented in the State Grant Fund balance sheet should reflect the amount of unreimbursed grant expenditures (grant receivables) or the amount of grant funds received in advance (deferred grant revenue). Reconciliations of these balances should be performed timely.

**Condition:** During the current year audit, we noted the following:

- There were two instances where cash received totaling \$97,746 were not recorded against the outstanding grant receivable. The cash was incorrectly recorded in the Federal Grants Fund.
- There was one instance where outstanding deferred grant revenue totaling \$83,618 in an inactive project was not transferred to the current active project. The transfer resulted in a reduction of an outstanding grant receivable of \$13,167.

**Cause:**        There does not appear to be a uniform process used by grant management personnel in County departments to perform a timely reconciliation of grant receivables and deferred grant revenue to communicate changes to the Department of Finance.

**Effect:**        The lack of timely reconciliations performed on the State Grant Fund accrual balances could lead to misstatements in the County's financial statements.

**Identification as a Repeat Finding, if applicable:**

Not applicable.

**Recommendation**

The County should implement a uniform process across all departments to complete monthly or quarterly reconciliations and monitoring of State grants.

**Views of Responsible Officials and Planned Corrective Action**

The County agrees with the finding and the recommendation. See Part IV Corrective Action Plan.



**County of Kaua'i, Hawai'i**  
**SCHEDULE OF FINDINGS AND QUESTIONED COSTS (Continued)**  
**Fiscal Year Ended June 30, 2020**

**SECTION III - FEDERAL AWARD FINDINGS AND QUESTIONED COSTS**

No matters were reported.

**PART IV**  
**CORRECTIVE ACTION PLAN**

# DEPARTMENT OF FINANCE

REIKO MATSUYAMA, DIRECTOR

MICHELLE L. LIZAMA, DEPUTY DIRECTOR



DEREK S.K. KAWAKAMI, MAYOR  
MICHAEL A. DAHLIG, MANAGING DIRECTOR

January 20, 2021

Blake S. Isobe  
N & K CPA's Inc.  
999 Bishop Street, Suite 2200  
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 2019 audit report *Uniform Guidance Single Audit Report* Current Findings and Recommendations. We appreciate the opportunity to comment on the audit report.

Sincerely,

A handwritten signature in black ink, appearing to read "Reiko Matsuyama", is written over a large, light-colored oval shape.

Reiko Matsuyama  
Director of Finance

**County of Kaua'i, Hawai'i  
CORRECTIVE ACTION PLAN  
Fiscal Year Ended June 30, 2020**

**Ref.**  
**No.**      **Internal Control Findings**

**2020-001    OPEB Prior Period Adjustment - Material Weakness**

**Auditor's**

**Recommendation:** Management should ensure that a process is established in which management-level fiscal personnel review transactions for the determination of the proper accounting treatment for changes to the OPEB liability as of the measurement date.

**Corrective  
Action:**

The Accounting Systems Administrator agrees with the auditor's recommendation. During the initiating year of GASB 75 implementation, the County's Employer contributions were erroneously expensed in the Government-wide Financial Statements; however, these contributions should have been reclassified as deferred outflows on the Statement of Net Position. Although this was an isolated occurrence, additional time to review transactions will be allotted to ensure appropriate accounting treatment and recordation of changes to the OPEB liability.

**End Date:**                      Continuous monitoring.

**Responding  
Person(s):**

Renee M. Yadao, Accounting Systems Administrator  
Phone: (808) 241-4211

**County of Kaua'i, Hawai'i**  
**CORRECTIVE ACTION PLAN (Continued)**  
**Fiscal Year Ended June 30, 2020**

**Ref.**  
**No.**      **Internal Control Findings (Continued)**

**2020-002    Landfill Prior Period Adjustment - Material Weakness**

**Auditor's**

**Recommendation:** Management should perform an annual review of available information for its landfill operations to ensure that adjustments to its accrued estimated closure and post-closure care costs are reported in the period when the change occurs.

**Corrective**  
**Action:**

Solid Waste Management Administrative staff will create an annual checklist to assist with identifying and compiling the following information:

1. Separately track by fiscal year the annual operating costs related to closed landfills;
2. Separately track and prepare based on available information, appropriate updates to the closure costs of the current operating landfill.

The Solid Waste Management Division Head will prepare and verify the annual CAFR information submittal to the Department Head.

**End Date:**                      Continuous monitoring.

**Responding**  
**Person(s):**                      Allison Fraley, Acting Solid Waste Management Division Head  
Phone: (808) 241-4837

**County of Kaua'i, Hawai'i**  
**CORRECTIVE ACTION PLAN (Continued)**  
**Fiscal Year Ended June 30, 2020**

**Ref.**  
**No.**            **Internal Control Findings (Continued)**

**2020-003    Timely Reconciliation of State Grant Programs - Material Weakness**

**Auditor's Recommendation:**    The County should implement a uniform process across all departments to complete monthly or quarterly reconciliations and monitoring of State grants.

**Corrective Action:**            The County agrees with the auditor's recommendation and will work to implement a grants overview report on at least a tri-annual basis. All grant deposits and reconciliations will be conducted on a quarterly basis, if not on a monthly basis.

**End Date:**                      Continuous monitoring.

**Responding Person(s):**        Ken M. Shimonishi, Budget Administrator  
Phone: (808) 241-4206

Jamie Olivas, Grant Coordinator / Yvette Sahut, Administrative Officer  
Phone: (808) 241-1756 / (808) 241-1727

Teresa Nero, Accountant III  
Phone: (808) 241-4482

**PART V**  
**SUMMARY SCHEDULE OF PRIOR AUDIT FINDINGS**

**County of Kaua'i, Hawai'i**  
**STATUS REPORT**  
**Fiscal Year Ended June 30, 2020**

This section contains the current status of our prior audit recommendations. The recommendations are referenced to the pages of the previous audit report for the fiscal year ended June 30, 2019, dated December 20, 2019.

**SECTION II - FINANCIAL STATEMENT FINDINGS**

<u>Recommendations</u>	<u>Status</u>
<p><b>2019-001    Reconcile Bank Accounts on a Timely Basis - Material Weakness</b></p> <p>The County should perform timely bank reconciliations to reduce the risk that errors will go undetected and/or uncorrected. The County should perform reconciliations monthly to ensure that timely identification and resolution of errors that will ensure that general ledger balances are accurate and properly supported.</p>	<p>Accomplished.</p>
<p><b>2019-002    Ensure Timely Filing of Information Returns - Significant Deficiency</b></p> <p>To reduce the possibility of incurring penalties and/or interest charges for late or missed filings, the County should develop an all-inclusive tax calendar that includes the dates returns are due and the assignment of responsibility for preparation and filing.</p>	<p>Accomplished.</p>