

TAXPAYER ALERT

Federal Single Audit Program

March 2022



The mission of the Allegheny County Controller's audit division is to ensure transparency, efficiency, and accountability in how County tax dollars are spent. What many people may not realize, however, is that our auditors also provide the same oversight for federal money spent by the County. This role was particularly important in 2020, as the County spent \$468 million in federal funding (including over \$200 million from the CARES Act alone); and this oversight will continue to be critical as the County spends the \$380 million allocated by the American Rescue Plan over the next few years.

The Federal Single Audit Program

The Single Audit Act of 1984 established requirements for audits of state and local governments that administer federal programs; current guidance from the U.S. Office of Management and Budget (OMB) requires these audits for any programs that spend at least \$750,000 in federal funds. In 2020, our office identified 18 federally funded programs for audit under the Single Audit Program; these programs had a combined \$447 million of expenditures, or 95% of the federal funds spent by the County in 2020.

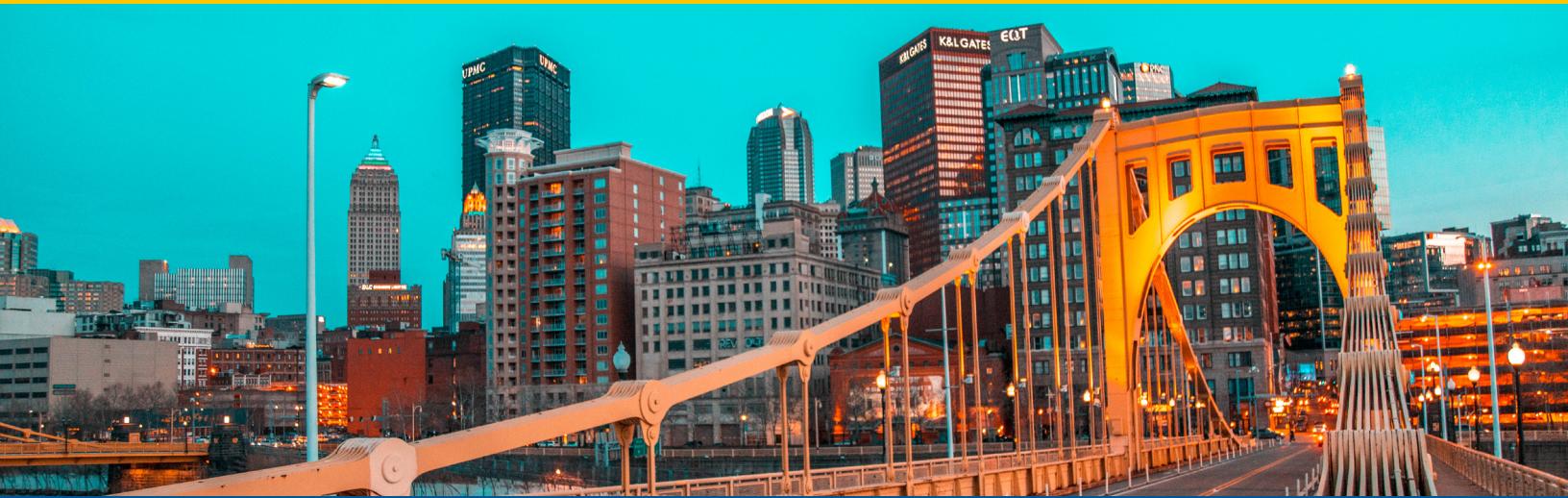
The OMB's guidelines require looking at just a small sample of records from each program we audit, but our auditors went far beyond the minimum requirements, closely examining invoices and other records for \$167 million of the \$447 million spent by the programs we audited in 2020. The audit requirements from OMB are different for each program, but each audit dug into several of the following program aspects:

- Activities Allowed or Unallowed
- Allowable Costs/Cost Principles
- Cash Management
- Eligibility
- Equipment Real Property Management
- Matching, Level of Effort, Earmarking
- Period of Performance
- Procurement Suspension & Debarment
- Program Income
- Reporting
- Subrecipient Monitoring
- Special Tests and Provisions

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● Through the Auditing Division, the Controller
● ensures that the County is achieving honest, efficient
● management and full accountability through every
● aspect of government. The Controller may audit
● at any time any account of any agency receiving,
● disbursing, or authorizing the disbursement of county
● funds. The Auditing Division performs its duties in
● compliance with Government Auditing Standards and
● is regularly peer reviewed.
●

| Program | 2020 Federal Expenditures Audited | Amount of Records Examined |
|---|-----------------------------------|----------------------------|
| Medical Assistance-Medicaid, Medical Assistance Transportation Program, Title XIX | \$9,414,882 | \$2,783,790 |
| Foster Care | \$20,445,309 | \$139,108 |
| Adoption Assistance | \$10,350,030 | \$27,147 |
| Early Learning Resource Center (ELRC) | \$10,992,000 | \$87,685 |
| Childcare Development | \$46,866,396 | \$12,325,549 |
| Head Start | \$12,710,410 | \$7,674,442 |
| Supportive Housing (HUD) | \$20,450,700 | \$820,326 |
| Temporary Assistance for Needy Families (TANF) | \$19,119,059 | \$690,122 |
| Aging Cluster (includes funding for support services, senior centers, and nutrition programs) | \$7,201,682 | \$572,945 |
| Social Services Block Grant (SSBG) | \$4,486,641 | \$425,483 |
| Substance Abuse (SAPT) | \$19,245,581 | \$279,290 |
| Family Center | \$3,233,045 | \$675,600 |
| Community Development Block Grants (CDBG) | \$13,112,790 | \$409,604 |
| Highway Planning and Construction | \$16,119,090 | \$1,314,758 |
| Child Support Enforcement | \$16,002,228 | \$31,366 |
| Women, Infants and Children (WIC) | \$2,609,867 | \$78,038 |
| Injury Prevention and Control Research and State and Community Based Programs | \$4,542,779 | \$514,331 |
| CARES Act | \$209,659,047 | \$138,059,969 |
| TOTALS | \$446,561,536 | \$166,909,553 |

These audits resulted in \$210,285 in expenditures and income for the Community Development Block Grant (CDBG) program being reported to the federal government as not in compliance with regulations, with potential remedial action forthcoming. A reported expenditure of \$9,520,000 in CARES Act funds was found to have not actually been made, which enabled these funds to be reallocated for other essential needs of Allegheny County government and communities resulting from the COVID-19 pandemic.



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