

---

---

***BOONE COUNTY, MISSOURI***

*OMB CIRCULAR A-133  
SINGLE AUDIT REPORT  
DECEMBER 31, 2009*

---

---

## Contents

---

	<b>Page</b>
Independent Auditors' Report On Internal Control Over Financial Reporting And On Compliance And Other Matters Based On An Audit Of Financial Statements Performed In Accordance With <i>Government Auditing Standards</i> .....	1 - 2
Independent Auditors' Report On Compliance With Requirements Applicable To Each Major Program And On Internal Control Over Compliance In Accordance With OMB Circular A-133 And On The Schedule Of Expenditures Of Federal Awards.....	3 - 5
Schedule Of Expenditures Of Federal Awards .....	6 - 7
Notes To Schedule Of Expenditures Of Federal Awards .....	8
Schedule Of Findings And Questioned Costs.....	9 - 11

**Independent Auditors' Report On Internal  
Control Over Financial Reporting And On  
Compliance And Other Matters Based On An  
Audit Of Financial Statements Performed In  
Accordance With *Government Auditing Standards***

County Commissioners  
Boone County, Missouri

We have audited the financial statements of the governmental activities, the discretely presented component unit, each major fund and the aggregate remaining fund information of Boone County, Missouri (the County) as of and for the year ended December 31, 2009, which collectively comprise the County's basic financial statements and have issued our report thereon dated June 28, 2010. Our report on the basic financial statements was modified because we did not audit the financial statements of the discretely presented component unit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. The financial statements of the discretely presented component unit were not audited in accordance with *Government Auditing Standards*.

**Internal Control Over Financial Reporting**

In planning and performing our audit, we considered the County's internal control over financial reporting as a basis for designing our auditing procedures for the purpose of expressing our opinion on the financials statements, but not for the purpose of expressing an opinion on the effectiveness of the County's internal control over financial reporting. Accordingly, we do not express an opinion on the effectiveness of the County's internal control over financial reporting.

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 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.

Our consideration of internal control over financial reporting was for the limited purpose described in the preceding paragraph of this section and was not designed to identify all deficiencies in internal control over financial reporting that might be significant deficiencies or material weaknesses and therefore, there can be no assurance that all deficiencies, significant deficiencies, or material weaknesses have been identified. However, we did not identify any deficiencies in internal control over financial reporting that we consider to be a material weakness.

Compliance And Other Matters

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

This report is intended solely for the information and use of the County Commissioners of Boone County, Missouri; management; federal awarding agencies and pass-through entities and is not intended to be and should not be used by anyone other than these specified parties.

*RubinBrown LLP*

June 28, 2010

**Independent Auditors' Report On Compliance  
With Requirements Applicable To Each Major  
Program And On Internal Control Over Compliance  
In Accordance With OMB Circular A-133 And On  
The Schedule Of Expenditures Of Federal Awards**

County Commissioners  
Boone County, Missouri

Compliance

We have audited the compliance of Boone County, Missouri (the County) with the types of compliance requirements described in the U.S. Office of Management and Budget (OMB) *Circular A-133 Compliance Supplement* that are applicable to each of its major federal programs for the year ended December 31, 2009. The County's major federal programs are identified in the summary of auditors' results section of the accompanying schedule of findings and questioned costs. Compliance with the requirements of laws, regulations, contracts, and grants applicable to each of its major federal programs is the responsibility of Boone County, Missouri's management. Our responsibility is to express an opinion on the County's compliance based on our audit.

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. Our audit does not provide a legal determination of the County's compliance with those requirements.

As described in item 2009-1 in the accompanying schedule of findings and questioned costs, the County, did not comply with requirements regarding equipment and real property management that are applicable to the Edward Byrne Justice Assistance Grant. Compliance with such requirements is necessary, in our opinion, for the County to comply with the requirements applicable to that program.

In our opinion, except for the noncompliance described in the preceding paragraph, the County, complied, in all material respects, with the requirements referred to above that are applicable to each of its major federal programs for the year ended December 31, 2009.

#### Internal Control Over Compliance

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

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

Our consideration of internal control over compliance was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control over compliance that might be deficiencies, significant deficiencies, or material weaknesses. We did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses, as defined above. However, we identified certain deficiencies in internal control over compliance that we consider to be significant deficiencies as described in the accompanying schedule of findings and questioned costs as items 2009-1 and 2009-2. A significant deficiency in internal control over compliance is a deficiency, or a combination of deficiencies, in internal control over compliance with a type of compliance requirement of a federal program that is less severe than a material weakness in internal control over compliance, yet important enough to merit attention by those charged with governance.

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

Schedule of Expenditures of Federal Awards

We have audited the financial statements of the governmental activities, the discretely presented component unit, each major fund, and the aggregate remaining fund information of Boone County, Missouri as of and for the year ended December 31, 2009, and have issued our report thereon dated June 28, 2010. Our audit was performed for the purpose of forming an opinion on the financial statements taken as a whole. 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 financial statements. Such information has been subjected to the auditing procedures applied in the audit of the financial statements and, in our opinion, is fairly stated, in all material respects, in relation to the financial statements taken as a whole.

This report is intended solely for the information and use of the County Commissioners of Boone County, Missouri; management; federal awarding agencies and pass-through entities and is not intended to be and should not be used by anyone other than these specified parties.

*RubinBrown LLP*

August 12, 2010  
(Except for paragraph 9,  
which is dated June 28, 2010)

# BOONE COUNTY, MISSOURI

## SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS For The Year Ended December 31, 2009

Federal Grantor/Pass-Through Grantor	Pass-Through Grantor	Program Or Cluster Title	Dept	Federal CFDA Number	Federal Expenditures
<b>United States Department of Agriculture:</b>					
Schools and Roads Cluster:					
Schools and Roads-Grants to Counties		Forest Cropland PILT	1150	10.666	\$ 419
Schools and Roads-Grants to Counties		National Forest PILT	2049	10.666	26,990
					<u>27,409</u>
Child Nutrition Cluster:					
School Breakfast Program		National School Breakfast Program	1242	10.553	11,860
National School Lunch Program		National School Lunch Program	1242	10.555	18,292
					<u>30,152</u>
<b>Total United States Department of Agriculture</b>					
					<u>57,561</u>
<b>United States Department of the Interior:</b>					
Outdoor Recreation Acquisition, Development and Planning	Missouri Department of Natural Resources	Land and Water Conservation Program - Fairgrounds Adkins Tract	2120	15.916	19,005
Payments in Lieu of Taxes		Fish & Wildlife PILT	1190	15.226	1,294
		Fish & Wildlife PILT	2049	15.226	33,750
		Bureau of Land Management PILT	2049	15.226	5,829
					<u>40,873</u>
<b>Total United States Department of the Interior</b>					
					<u>59,878</u>
<b>United States Department of Health and Human Services:</b>					
Child Support Enforcement	Missouri Department of Social Services - Family Support Division	Family Court Service and Justice IV-D Reimbursement	1210	93.563	2,391
	Missouri Department of Social Services - Family Support Division	Child Support Enforcement	1221	93.563	12,192
	Missouri Department of Social Services - Family Support Division	Child Support Enforcement	1263	93.563	486,527
					<u>501,110</u>
<b>Total United States Department of Health and Human Services</b>					
					<u>501,110</u>
<b>United States Environmental Protection Agency</b>					
Capitalization Grants for Clean Water State Revolving Funds	Missouri Department of Natural Resources	NID Direct Loan Program - Hill Creek NID	5220	66.458	1,435,164
Nonpoint Source Implementation Grants	Missouri Department of Natural Resources	Hinkson Creek Watershed Restoration Project Phase II	1751	66.460	60,358
<b>Total United States Environmental Protection Agency</b>					
					<u>1,495,522</u>



# BOONE COUNTY, MISSOURI

## SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS *(Continued)* For The Year Ended December 31, 2009

Federal Grantor/Pass-Through Grantor	Pass-Through Grantor	Program Or Cluster Title	Dept	Federal CFDA Number	Federal Expenditures
<b>United States Department of Justice:</b>					
Juvenile Accountability Block Grants	Missouri Department of Public Safety	Juvenile Accountability Block Grants	1243	16.523	\$ 16,947
Juvenile Justice & Delinquency Prevention - Allocation to States	Missouri Department of Public Safety	Substance Abuse Intervention Program	1243	16.540	395
	Missouri Department of Public Safety	Juvenile Detention Alternatives Initiative	1243	16.540	1,318
Crime Victim Assistance	Missouri Department of Public Safety	Victim Response Team	1262	16.575	41,928
					<u>60,588</u>
Violence Against Women Formula Grants	Missouri Department of Public Safety	Domestic Violence Enforcement	1243	16.588	36,028
	Missouri Department of Public Safety	Domestic Violence Enforcement	1251	16.588	24,296
	Missouri Department of Public Safety	Domestic Violence Enforcement	1261	16.588	58,855
ARRA - Violence Against Women Formula Grants	Missouri Department of Public Safety	Domestic Violence Enforcement	2971	16.588	39,027
					<u>158,206</u>
Edward Byrne Memorial Justice Assistance Grant Program		Justice Assistance Grant	2537	16.738	213
		Justice Assistance Grant	2538	16.738	17,167
		Justice Assistance Grant	2539	16.738	74,370
					<u>91,750</u>
ARRA - Edward Byrne Memorial Justice Assistance Grant Program/ Grants to States		Multi-Jurisdictional Cyber Crime Grant	2972	16.803	97,453
ARRA - Edward Byrne Memorial Justice Assistance Grant Program/ Grants To Units Of Local Government		Justice Assistance Grant	2981	16.804	293,288
					<u>390,741</u>
					<u>701,285</u>
<b>Total United States Department of Justice</b>					
<b>United States Department of Transportation:</b>					
Highway Planning and Construction Cluster					
Highway Planning and Construction	Highway Safety Division	McBaine Bridge Project	2049	20.205	634,849
Highway Safety Cluster:					
State and Community Highway Safety	Missouri Department of Transportation - Highway Safety Division	Police Traffic Services Sobriety Checkpoint	1251	20.600	18,130
	Missouri Department of Transportation - Highway Safety Division	Police Traffic Services Hazardous Moving Violation Enforcement	1251	20.600	13,981
	Missouri Department of Transportation - Highway Safety Division	State and Community Highway Safety Full-Time Traffic Unit	1251	20.600	51,135
	Missouri Department of Transportation - Highway Safety Division	Selective Traffic Enforcement Program (STEP)	1251	20.600	1,264
Alcohol Traffic Safety and Drunk Driving Prevention Incentive Grants	Missouri Department of Transportation - Highway Safety Division	DWI Holiday Enforcement	1251	20.601	441
Child Safety and Child Booster Seat Incentive Grants	Missouri Department of Transportation - Highway Safety Division	CIOT/CPS Enforcement	1251	20.613	905
Alcohol Open Container Requirements	Missouri Department of Transportation - Highway Safety Division	Alcohol Traffic Safety Grant	1251	20.607	14,287
Alcohol Open Container Requirements	Missouri Department of Transportation - Highway Safety Division	DWI Enforcement	1251	20.607	2,325
					<u>102,468</u>
					<u>737,317</u>
<b>Total United States Department of Transportation</b>					
		Total Federal Awards			<u>\$ 3,552,673</u>

# BOONE COUNTY, MISSOURI

---

## NOTES TO SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS

December 31, 2009

### 1. Basis Of Presentation

The accompanying schedule of expenditures of federal awards (the Schedule) presents the activity of all federal awards programs of Boone County, Missouri (the County) for the year ended December 31, 2009 and is presented on the accrual basis of accounting. For the purpose of the Schedule, federal awards include grants, contracts, loans, and loan guarantee agreements entered into directly between the County and agencies and departments of the federal government or passed through other government agencies or other organizations.

### 2. Basis Of Accounting And Relationship To Federal Financial Reports

Amounts reported in the accompanying Schedule are presented using the accrual basis of accounting, which is described in Note 1 to the County's financial statements. Related federal financial reports are prepared on the cash basis of accounting.

### 3. Grants To Subrecipients

Of the federal expenditures presented in the Schedule, the County provided \$253,727 in expenditures to subrecipients as follows:

City of Columbia, Missouri	\$253,727
----------------------------	-----------

**BOONE COUNTY, MISSOURI**

**SCHEDULE OF FINDINGS AND QUESTIONED COSTS  
For The Year Ended December 31, 2009**

**Section I - Summary Of Auditors' Results**

**Financial Statements**

Type of auditors' report issued:

Unqualified Opinion

Internal control over financial reporting:

- Material weakness(es) identified?  yes  no
- Significant deficiency(s) identified that are not considered to be material weakness(es)?  yes  None noted
- Noncompliance material to financial statements noted?  yes  no

**Federal Awards**

Internal control over major programs:

- Material weakness(es) identified?  yes  no
- Significant deficiency(s) identified that are not considered to be material weakness(es)?  yes  no

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

Qualified opinion for equipment and real property management relative to the Edward Byrne Justice Assistance Grant; Unqualified opinion for all other compliance requirements and programs

Any audit findings disclosed that are required to be reported in accordance with section 510(a) of Circular A-133?

yes  no

**Identification of Major Programs:**

**Student Financial Aid Cluster**

CFDA #16.804 - U.S. Department of Justice – Recovery Act: Edward Byrne Memorial Justice Assistance Grant/ Grants to Units of Local Government

CFDA #20.205 - U.S. Department of Transportation – Highway Planning and Construction – McBaine Bridge Project

CFDA #66.458 - U.S. Environmental Protection Agency – Capitalization Grants for Clean Water State Revolving Fund, NID Direct Loan Program (Hillcreek NID)

Dollar threshold used to distinguish between type A and type B programs:

\$300,000

Auditee qualified as low-risk auditee?

yes  no

**Section II - Financial Statement Findings**

None

---

**BOONE COUNTY, MISSOURI**

---

**SCHEDULE OF FINDINGS AND QUESTIONED COSTS (*Continued*)**

**December 31, 2009**

---

**Section III - Federal Award Findings And Questioned Costs**

---

**Finding No. 2009-1**

**Federal Award**

**Information:**

ARRA - Edward Byrne Justice Assistance Grant (JAG) passed through the U.S. Department of Justice Office of Justice Programs (OJP)

**CFDA No:**

16.804

**Criteria:**

The U.S. Department of Justice Office of Justice Programs (OJP) Financial Guide (October 2009) requires a physical inventory of property be taken and the results reconciled with the property records at least once every two years.

**Condition:**

We determined that physical inventories were not being performed on a bi-annual basis for all federally funded capital assets. Physical inventories for the County are performed on a rotating schedule, with one or more offices selected each year. Based on the current schedule, an office's capital assets will be inventoried every three to four years. In addition, it was noted the Fixed Asset and Capital Asset Policy of the County requires the County Auditor to perform physical inventories on an annual basis.

**Questioned Costs:**

Not applicable.

**Cause:**

The County has been unable to adhere to the current Fixed Asset and Capital Asset Policy due to the volume of capital assets and recent turnover in accounting personnel.

**Effect:**

The County is not properly performing physical inventories and reconciling with property records timely in accordance with the OJP Financial Guide or internal policies.

**Recommendation:**

We recommend the County develop a physical inventory schedule to ensure physical inventories of federally funded fixed assets are performed at least once every two years, as required, by the individual departments responsible for administering the federally funded programs. Additionally, this schedule should be utilized to ensure proper disposal procedures are performed by the County.

**Corrective Action**

**Plan:**

The County will identify fixed assets purchased with federal funds and add a field to the Fixed Asset Program to identify all such assets. Using this information, the various offices administering federally funded programs will conduct inventories of federally funded fixed assets at least once every two years.

**Completion Date:**

December 31, 2010

**Contact Person  
And Title:**

June Pitchford, Boone County Auditor

---

**BOONE COUNTY, MISSOURI**

---

**SCHEDULE OF FINDINGS AND QUESTIONED COSTS (*Continued*)  
December 31, 2009**

**Finding No. 2009-2**

**Federal Award  
Information:**

Highway Planning and Construction - McBaine Bridge Project

**CFDA No:** 20.205

**Criteria:** Under 29 CFR Part 5, "Labor Standards Provision Applicable to Contracts Governing Federally Financed and Assisted Construction," all laborers and mechanics employed by contractors or subcontractors for work on construction contracts in excess of \$2,000 financed by federal assistance funds must be paid wages not less than those established for the locality of the project (prevailing wage rates) established by the Department of Labor.

**Condition:** We selected a sample of 40 laborers and mechanics employed by County contractors or subcontractors to test for compliance with prevailing wage rates. All individuals tested were paid an amount equal to or in excess of the prevailing wage rate, as required. However, of the 40 individuals tested, we noted three instances where no member of County management had reviewed the certified payroll report to verify compliance with prevailing wage rates.

**Questioned Costs:** Not applicable.

**Cause:** The three individuals in question were employed by contractors with minimal involvement in the project, and thus these contractors certified payroll reports were overlooked by County management.

**Effect:** The County's internal controls governing compliance with prevailing wage rate requirements did not operate properly.

**Recommendation:** We recommend the County develop a listing of all contractors and subcontractors associated with each federally-funded project. This listing can then be used as a checklist by County personnel to ensure that the certified payroll report is reviewed for each contractor and subcontractor each week.

**Corrective Action  
Plan:**

For each federally-funded project, the County will prepare a listing of each contractor and subcontractor required to submit certified payrolls. County personnel will use this listing to ensure that each certified payroll reports are received and reviewed.

**Completion Date:** Immediately

**Contact Person  
And Title:**

Public Works Chief Construction Inspector