

COUNTY OF JAMES CITY, VIRGINIA

Schedule of Findings and Questioned Costs

Year ended June 30, 2007

(1) Summary of Auditors' Results

- (a) The type of report issued on the financial statements: **unqualified opinion**
- (b) Significant deficiencies in internal control were disclosed by the audit of the financial statements: **none noted**
Material weaknesses: **no**
- (c) Noncompliance which is material to the financial statements: **no**
- (d) Significant deficiencies in internal control over major programs: **no**
- (e) The type of report issued on compliance for major programs: **Unqualified opinion**
- (f) Any audit findings which are required to be reported under Section 510(a) of OMB Circular A-133: **no**
- (g) Major programs:
Special Education Cluster (CFDA Numbers 84.027 and 84.173), Medical Assistance Program (CFDA Number 93.778), Child Care Cluster (CFDA Numbers 93.575 and 93.596), Coastal Zone Management (CFDA Numbers 11.419), Federal Transit Cluster (CFDA Numbers 20.500 and 20.507).
- (h) Dollar threshold used to determine Type A programs: \$444,283
- (i) Auditee qualified as low-risk auditee under Section 530 of OMB Circular A-133: **No**

(2) Findings Relating to the Financial Statements Reported in Accordance with *Government Auditing Standards*: none noted.

(3) Findings and Questioned Costs Relating to Federal Awards: none noted

(4) State Compliance Findings: none noted.

(5) Summary Schedule of Prior Federal Audit Findings:

(a) 06-1 Allowable Costs – Time Certifications

Program – Special Education Cluster (CFDA Numbers 84.027 and 84.173)

Condition – Personnel costs for employees charged to these programs are not based on certifications of time spent working on the program.

Recommendation – The County should require employees to perform certifications of time charged to the program as required by OMB Circular A-87.

Current status – County communicated with all administrators who have the responsibility of certifying time for individuals who work on Federal Programs to include the Special Education Program in that process. Time is now being certified in accordance with OMB Circular A-87.

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(b) 06-2 Eligibility

Program – Special Education Cluster (CFDA Numbers 84.027 and 84.173)

Condition – The Individualized Education Program form was not up to date for one of the 40 students tested.

Recommendation – No recommendation was given.

Current status – Management has modified procedures to insure all Individualized Education Program forms are up to date.

(c) 06-3 Eligibility

Program – Medical Assistance Program (CFDA Numbers 93.778)

Condition – Evidence of income verification was absent from the eligibility file for one participant of 50 tested. In addition, evidence of the annual recertification was absent from the eligibility file for two participants of the 50 tested.

Recommendation – No recommendation was given.

Current status – Management has implemented a comprehensive review of all Medicaid cases in an effort to eliminate overdue reviews. No such findings were found in the current year.