

**GREENVILLE COUNTY, SOUTH CAROLINA**

**Note to Schedule of Expenditures of Federal Awards  
Year Ended June 30, 2008**

The accompanying Schedule of Expenditures of Federal Awards includes the federal grant activity of the County and is presented on the modified 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*.

**GREENVILLE COUNTY, SOUTH CAROLINA**

Schedule of Expenditures of Federal Awards

Year Ended June 30, 2008

Federal Grantor/Pass-Through Grantor Program Title	Federal CFDA Number	Pass- Through Grantor's Number	Federal Program or Award Amount	Expenditures
<b>Environmental Protection Agency</b>				
Direct Programs				
USEPA Air Quality Grant	66.034	XA-96453606-0	N/A	\$ 36,163
				<u>36,163</u>
Total Environmental Protection Agency				<u>36,163</u>
<b>U.S. Department of HUD</b>				
Direct Programs				
Fair Housing Initiatives	14.409	FH400GO6078		40,938
Housing Counseling Grant	14.169	HC05-0498-017		28,433
Housing Counseling Grant	14.169	HC06-0498-017		36,170
				<u>105,541</u>
Total U.S. Department of HUD				<u>105,541</u>
<b>U.S. Department of Transportation</b>				
Pass-Through State				
LEN Mini-Grant	20.600	2JC07013		19,894
Section 8-Planning Commission	20.505			123,147
P/L Funds	20.205	N/A		533,471
				<u>676,512</u>
Total U.S. Department of Transportation				<u>676,512</u>
<b>U.S. Department of Justice</b>				
Pass-Through State				
COPS 2005 Technology Grant	16.710	2005CKWX0347		60,474
Meth Lab Intervention	16.738	1DO5060		10,023
JAG FY07	16.738	2007DJBX0203		160,708
JAG FY06	16.738	2006DJBX0527		70,262
JAG FY05	16.738	2005DJBX0197		6,471
Mental Health Court	16.738	1GO7010		86,953
Mental Health Court	16.738	1DO5041		1,644
Federal Equitable Sharing	16.000	N/A	N/A	155,817
				<u>552,352</u>
Total U.S. Department of Justice				<u>552,352</u>

**GREENVILLE COUNTY, SOUTH CAROLINA**

Schedule of Expenditures of Federal Awards  
Year Ended June 30, 2008

Federal Grantor/Pass-Through Grantor Program Title	Federal CFDA Number	Pass- Through Grantor's Number	Federal Program or Award Amount	Expenditures
<b>Department of Homeland Security</b>				
Pass-Through State				
Citizens Corps	97.067	6CCP01		11,390
LEMPG	97.042	7EMPG01		47,677
LEMPG	97.042	7EMPG02		8,708
LEMPG	97.042	8EMPG01		9,351
SHSP FY07	97.067	7SHSP16		7,148
Catastrophic Planner	97.067	6SHSP16		55,869
State Homeland Security	97.004	5SHSP23		27,206
Law Enforcement Terrorism Prevention	97.004	5LETP23		19,501
				<u>186,850</u>
Total Department of Homeland Security				<u>186,850</u>
<b>U.S. Department of Labor</b>				
Pass-Through State				
WIA Incumbent Worker 7IWT004	17.258	7IWT004	\$	60,454
WIA Adult Admin 7AM004	17.258	7AM004		48,489
WIA Adult Program 7A004	17.258	7A004		714,734
WIA Youth Program 07/09 7Y004	17.259	7Y004		663,263
WIA Admin Youth 07/09 7AM004	17.259	7AM004		66,158
WIA Trade Adjustment Assistance	17.260	8TAA004		373,696
WIA Dislocated Worker Program 7DW004	17.260	7DW004		1,440,656
WIA Incumbent Worker 61WT004	17.258	61WT004		98,512
WIA Rapid Response	17.260	6RRA104		243,215
WIA Dislocated Worker 06/08	17.260	6DW004		341,713
WIA Youth Admin	17.259	6AM004		23,483
WIA Youth 06/08	17.259	6Y004		227,757
WIA Admin Dislocated Worker 06/08	17.260	6AM004		71,579
WIA Admin Adult 06/08	17.258	6AM004		37,902
WIA Adult 06/08	17.258	6A004		186,936
WIA Admin Dislocated Worker 7AM004	17.260	7AM004		77,952
Total WIA Cluster				<u>4,676,499</u>
WIA Incentives	17.266	6INC004		38,522
Total U.S. Department of Labor				<u>4,715,021</u>
<b>U.S. Dept of Health &amp; Human Services</b>				
Pass-Through State				
Child Support Enforcement Title IV-D Incentives	93.563	N/A	N/A	84,434
Child Support Enforcement Title IV-D Unit Costs	93.563	N/A	N/A	566,171
Child Support Enforcement Title IV-D Warrants	93.563	N/A	N/A	59,983
Sheriff-Warrants	13.783/93.563	N/A	N/A	19,448
				<u>730,036</u>
Total U.S. Department of Health & Human Services				<u>730,036</u>
Total Federal Financial Assistance			\$	<u>7,002,475</u>
Fund Reconciliation				
Special Revenue Fund			\$	<u>7,002,475</u>
Grand Total			\$	<u>7,002,475</u>

See accompanying notes to the schedule of expenditures of federal awards.



**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***

To the Honorable Members of County Council  
Greenville, South Carolina

We have audited the financial statements of the governmental activities, the business-type activities, the Greenville County Library Systems (the "Library") a discretely presented component unit, each major fund, and the aggregate remaining fund information of Greenville County, South Carolina (the "County") as of and for the year ended June 30, 2008, which collectively comprise the County's basic financial statements and have issued our report thereon dated November 18, 2008. We did not audit the financial statements of the Greenville County Redevelopment Authority (the "Authority"), a discretely presented component unit. Those financial statements were audited by another auditor whose report thereon has been furnished to us, and our opinion, insofar as it relates to the amounts included for the Authority, is based solely on the report of the other auditor. 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.

**Internal Control Over Financial Reporting**

In planning and performing our audit, we considered the County's internal control over financial reporting in order to determine our auditing procedures for the purpose of expressing our opinion on the financial 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 control deficiency 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 misstatements on a timely basis. A significant deficiency is a control deficiency, or combination of control deficiencies, that adversely affects the County's ability to initiate, authorize, record, process or report financial data reliably in accordance with generally accepted accounting principles such that there is more than a remote likelihood that a misstatement of the County's financial statements that is more than inconsequential will not be prevented or detected by the County's internal control.

A material weakness is a significant deficiency, or combination of significant deficiencies, that results in more than a remote likelihood that a material misstatement of the financial statements will not be prevented or detected by the County's internal control.

**Greenville County, South Carolina**

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* - continued  
June 30, 2008

Our consideration of internal control over financial reporting was for the limited purpose described in the first paragraph of this section and would not necessarily identify all deficiencies in internal control that might be significant deficiencies or material weaknesses. We did not identify any deficiencies in internal control over financial reporting that we consider to be material weaknesses, as defined above.

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 of the County council, management, and federal awarding agencies and pass-through entities and is not intended to be and should not be used by anyone other than those specified parties.

Cherry Beasant + Holland, L.L.P.

Greenville, South Carolina  
November 18, 2008



**Independent Auditors' Report on  
Compliance with Requirements Applicable to Each Major  
Federal Program and Internal Control over Compliance in  
Accordance with OMB Circular A-133**

To the Honorable Members of County Council  
Greenville, South Carolina

Compliance

We have audited the compliance of Greenville County, South Carolina (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 June 30, 2008. We did not audit the financial statements of the Greenville County Redevelopment Authority (the "Authority"), a discretely presented component unit. Those financial statements were audited by other auditors whose reports thereon have been furnished to us, and our opinion, insofar as it relates to the amounts included for the Authority is based solely on the reports of the other auditors. 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 the County'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 on the County's compliance with those requirements.

In our opinion, 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 June 30, 2008.

**Greenville County, South Carolina**

**Independent Auditors' Report on Compliance with Requirements**

Applicable to Each Major Program and Internal Control over

Compliance in Accordance with OMB Circular A-133 - continued

June 30, 2008

Internal Control Over Compliance

The 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, 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 *control deficiency* in an entity's internal control over compliance 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 noncompliance with a type of compliance requirement of a federal program on a timely basis. A *significant deficiency* is a control deficiency, or combination of control deficiencies, that adversely affects the entity's ability to administer a federal program such that there is more than a remote likelihood that noncompliance with a type of compliance requirement of a federal program that is more than inconsequential will not be prevented or detected by the entity's internal control.

A material weakness is a significant deficiency, or combination of significant deficiencies, that results in more than a remote likelihood that material noncompliance with a type of compliance requirement of a federal program will not be prevented or detected by the entity's internal control.

Our consideration of internal control over compliance was for the limited purpose described in the first paragraph of this section and would not necessarily identify all deficiencies in internal control that might be 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.

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

*Cherry, Roberts + Holland, L.L.P.*

Greenville, South Carolina

November 18, 2008

Greenville County, South Carolina

Schedule of Findings and Questioned Costs  
Year ended June 30, 2008

Section I. Summary of Auditors' Results

Financial Statements

Type of auditors' report issued: Unqualified  
Internal control over financial reporting:

- Material weakness identified?                   \_\_\_ yes    X no
- Significant deficiency identified that  
is not considered to be a material  
weakness   \_\_\_ yes    X none reported

Noncompliance material to financial statements  
noted   \_\_\_ yes    X no

Federal Awards

Internal control over major federal programs:

- Material weakness identified?                   \_\_\_ yes    X no
- Significant deficiency identified that  
is not considered to be material weakness   \_\_\_ yes    X none reported

Noncompliance material to federal awards                   \_\_\_ yes    X no

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

Any audit findings disclosed that are required to  
be reported in accordance with Section 510(a)  
of Circular A-133                               \_\_\_ yes    X no

Identification of major federal programs:

<u>CFDA#</u>	<u>Program Name</u>
16.000	<b>U.S. Department of Justice</b> Federal Equitable Sharing
17.258	<b>Workforce Investment Act Cluster</b> WIA Adult Program
17.259	WIA Youth Activities
17.260	WIA Dislocated Worker

Dollar threshold used to distinguish between  
Type A and Type B Programs                               \$ 300,000

Auditee qualified as low-risk auditee?                   X yes    \_\_\_ no

**Greenville County, South Carolina**

**Schedule of Findings and Questioned Costs  
Year ended June 30, 2008**

**Section II. Financial Statement Findings**

There were no financial statement findings.

**Section III. Federal Award Questioned Costs & Findings**

There were no federal award findings or questioned costs.

Greenville County, South Carolina

Schedule of Prior Year Audit Findings  
Year ended June 30, 2008

Program	Findings/Noncompliance	Status
Cash Disbursements WIA Cluster (17.258 to 17.260)	As part of its procurement policy, the County requires invoices to have a purchase order attached before it is sent for payment. (Some exceptions may apply). Of the twenty five cash disbursements selected for testing, eleven disbursements did not have a purchase order when one was required.	The AS400 system has been adjusted to implement purchase order linkage to invoices. When invoices greater than \$1,500 are received, in order to get them paid, the corresponding purchase order number must be entered. This has been implemented for WIA invoices as well as all other invoices in the AS400 system.
Prior Period Adjustment – Solid Waste Fund	Construction in process (CIP) should be capitalized throughout construction and re-classed to a depreciable asset upon completion. Construction costs on the new landfill from the prior year were inappropriately expensed. In fiscal year, June 30, 2006, County management identified this item; however, it was not noted in a timely fashion.	The issue in the previous year was caused by an unclear path of communication and review for capitalization efforts. A new procedure has been added to streamline the process and add two levels of review. An appointed Enterprise Fund employee handles his respective expenditures. This employee then submits his reports to the Principal Financial Analyst for review. The Principal Financial Analyst then sends a report back to the appointed Enterprise Fund employee to review for a second time before the entries are made by the Principal Financial Analyst. The Enterprise Fund employee has unique knowledge of all of the projects that are in process which gives them the ability to better identify errors.