

**BOARD OF EDUCATION OF
BALTIMORE COUNTY, MARYLAND
Baltimore, Maryland**

**REPORT ON SINGLE AUDIT
June 30, 2011**

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**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***

Members of the
Board of Education of Baltimore County
Baltimore, Maryland

We have audited the financial statements of the governmental activities, business-type activities, each major fund, and the aggregate remaining fund information of the Board of Education of Baltimore County (the Board), a component unit of Baltimore County, as of and for the year ended June 30, 2011, and the budgetary comparison for the general fund and special revenue fund for the year ended June 30, 2011, and have issued our report thereon dated September 30, 2011. 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 Board's internal control over financial reporting as a basis for designing 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 entity's internal control over financial reporting. Accordingly, we do not express an opinion on the effectiveness of the Board'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 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 first paragraph of this section and would not necessarily identify all deficiencies in internal control over financial reporting that might be deficiencies, 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 Board'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*.

We noted a certain matter that we reported to management of the Board in a separate letter dated September 30, 2011.

This report is intended solely for the information and use of the Budget and Audit Committee of the Board of Education of Baltimore County, Maryland, management, and 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.

Clifton Gunderson LLP

Baltimore, Maryland
September 30, 2011

**Independent Auditor's Report on Compliance with Requirements That
Could Have a Direct and Material Effect on Each Major Program and on
Internal Control Over Compliance and Schedule of Expenditures of Federal Award in
Accordance with OMB Circular A-133**

Members of the
Board of Education of Baltimore County
Baltimore, Maryland

Compliance

We have audited the compliance of the Board of Education of Baltimore County (the Board) with the types of compliance requirements described in the *Office of Management and Budget (OMB) Circular A-133 Compliance Supplement* that could have a direct and material effect on each of its major federal programs for the year ended June 30, 2011. The Board's major federal programs are identified in the summary of auditor's 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 Board's management. Our responsibility is to express an opinion on the Board'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 Board'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 Board's compliance with those requirements.

In our opinion the Board complied, in all material respects, with the requirements referred to above that could have a direct and material effect on each of its major federal programs for the year ended June 30, 2011.

Internal Control Over Compliance

The management of the Board 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 Board'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 Board'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.

Schedule of Expenditures of Federal Awards

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 Board of Education of Baltimore County (the Board) as of and for the year ended June 30, 2011, and have issued our report thereon dated September 30, 2011. Our audits were performed for the purpose of forming an opinion on the financial statements that collectively comprise the Board's basic financial statements. 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 basic financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and, in our opinion, is fairly stated, in all material respects, in relation to the basic financial statements taken as a whole.

This report is intended solely for the information and use of the Budget and Audit Committee, the Board's management, and 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.

Clifton Henderson LLP

Baltimore, Maryland
October 17, 2011, except for our report on the Schedule of
Expenditures of Federal Awards which is September 30, 2011

BOARD OF EDUCATION OF BALTIMORE COUNTY
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
Year Ending June 30, 2011

Federal Grantor/Pass-through Grantor/Program or Cluster Title	Federal CFDA Number	Pass-through Entity Identifying Number	Federal Expenditures
U. S. Department of Agriculture:			
Pass-through Program from Maryland State			
Department of Education:			
Federal Donations of Food Commodities	10.555	—	\$ 1,991,604
National School Lunch Program	10.555	—	16,203,906
After-School Snack Program	10.555	—	31,736
National School Breakfast Program	10.553	—	4,476,130
National School Summer Food Service Program	10.559	—	<u>483,993</u>
Total Child Nutrition Cluster			23,187,369
Fresh Fruit and Vegetable Program	10.582	—	<u>179,099</u>
Total U.S. Department of Agriculture			<u>23,366,468</u>
U. S. Department of Defense:			
National Security Agency:			
Mathematical Sciences Program:			
Direct Program:			
BCML & BCMT FY 10	12.901	H98230-09-1-0086	6,815
BCML & BCMT FY 11	12.901	H98230-10-1-0255	23,432
SIEST FY 11	12.901	H98230-10-2-0001	<u>45,817</u>
Total U. S. Department of Defense			<u>76,064</u>
U. S. Department of the Interior:			
Service Training and Technical Assistance (Generic Training):			
Direct Program:			
Youth in Natural Resources FY 11	15.649	9735001514	<u>1,900</u>
Total U.S. Department of the Interior			<u>1,900</u>
U. S. Department of Labor:			
Workforce Investment Act			
Pass-through Program from Baltimore County, Maryland:			
WIA Youth Activities:			
Life Works FY 10	17.259	MA00600001344	1,206
Life Works FY 11	17.259	M7023-07	<u>209,255</u>
Total U.S. Department of Labor			<u>210,461</u>
National Science Foundation:			
Education and Human Resources:			
Pass-through Program from University of Maryland, Baltimore County:			
UMBC STEM Initiatives FY 11	47.076		<u>3,961</u>
Total National Science Foundation			<u>3,961</u>
Environmental Protection Agency:			
State Clean Diesel Grant Program, Recovery Act:			
Direct Program:			
MDE School Bus Retrofit Project - ARRA FY 10	66.040	U00R0400445	<u>399,936</u>

BOARD OF EDUCATION OF BALTIMORE COUNTY
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
Year Ending June 30, 2011

Federal Grantor/Pass-through Grantor/Program or Cluster Title	Federal CFDA Number	Pass-through Entity Identifying Number	Federal Expenditures
Environmental Education Grants:			
Direct Program:			
EPA FY 11	66.951	NE-973948-01-0	\$ 5,272
Total Environmental Protection Agency			<u>405,208</u>
U. S. Department of Education:			
Adult Education State Grant program:			
Pass-through Program from Maryland State			
Department of Labor, Licensing and Regulation:			
Adult Basic Education FY 11	84.002A	POOB1400076-03	134,786
Adult Secondary Education FY 11	84.002A	POOB1400076-04	25,330
Local Institutionalized FY 11	84.002A	POOB1400076-05	27,405
Adult General Education FY 10 C/O FY 09	84.002A	-	9,970
Total Adult Education Programs			<u>197,491</u>
Title 1 Grants to Local Educational Agencies:			
Pass-through Program from Maryland State			
Department of Education:			
Recognition Awards FY 10	84.010	105870-01	1,276
Recognition Awards FY 11	84.010	116149-01	12,334
Title I FY 10	84.010	104791-01	3,500,813
Title I FY 11	84.010	114467-01	18,313,875
Title I Part D - Neglected and Delinquent Youth FY 10	84.010	104776-01	10,508
Title I Part D - Neglected and Delinquent Youth FY 11	84.010	114756-01	105,584
Title I Distinguished School Award FY 11 - Milbrook	84.010	115865-01	2,000
School Improvement Grant FY 11	84.010	115871-01	310,818
School Improvement Grant (2) FY 11	84.010	116205-01	2,027
			<u>22,259,235</u>
Special Education Grants to States:			
Pass-through Program from Maryland State			
Department of Education:			
Pass-through FY 10	84.027	104214-01	2,414,759
Pass-through FY 11	84.027	114655-01	21,289,932
Special Education Citizens Advisory Council FY 10	84.027	104214-05	310
Special Education Citizens Advisory Council FY 11	84.027	114655-08	2,241
Personnel Development FY 10	84.027	104214-03	7,122
Personnel Development FY 11	84.027	114655-06	38,609
Least Restrictive Environment (LRE) FY 10	84.027	104214-07	6,832
Least Restrictive Environment (LRE) Competitive FY 10	84.027	104960-01	19,061
Infants and Toddlers Part B FY 10	84.027	104205-02	24,281
Infants and Toddlers Part B FY 11	84.027	114105-02	145,326
ALT - MSA FY 10	84.027	104387-01	5,368
ALT - MSA FY 11	84.027	114654-01	30,000

BOARD OF EDUCATION OF BALTIMORE COUNTY
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
Year Ending June 30, 2011

Federal Grantor/Pass-through Grantor/Program or Cluster Title	Federal CFDA Number	Pass-through Entity Identifying Number	Federal Expenditures
Special Education Continued			
Reduction of Disproportionality of Minorities FY 10	84.027	104706-01	\$ 35,184
Pass-through EIS FY 10	84.027	104214-02	122,644
Partners for Success FY 10	84.027	104214-04	391
Partners for Success FY 11	84.027	114655-07	10,000
Transition and Dropout Prevention FY 10	84.027	104738-01	13,500
Transition and Dropout Prevention FY 11	84.027	114659-01	17,375
Parent Training FY 10	84.027	104705-01	288
High School Assessments FY 10	84.027	104440-01	151,762
High School Assessments FY 11	84.027	114656-01	66,410
Transition FY 10	84.027	104214-06	5,231
Transition FY 11	84.027	114655-05	883
Emotional Disturbance & Behavior FY 10	84.027	104961-01	35,470
Emotional Disturbance & Behavior FY 11	84.027	114657-01	49,553
Adequate Yearly Progress (AYP) FY 11	84.027	114658-01	31,250
Seamless Transition & School Completion FY 11	84.027	114598-01	20,758
Supplementary Aids & Services FY 11	84.027	114925-01	59,410
Pass-through PPPSS FY 11	84.027	114655-02	102,441
Total Special Education Pass-through Program			24,706,391
Special Education: Preschool — IDEA Part B: Pass-through Program from Maryland State Department of Education:			
MMSR Federal FY 10	84.173	104819-02	16,494
MMSR Federal FY 11	84.173	114583-02	17,394
Preschool Pass-through FY 10	84.173	104214-08	41,141
Preschool Pass-through FY 11	84.173	114655-03	623,817
Preschool Pass-through EIS FY 10	84.173	104214-09	16,780
Preschool Pass-through Carryover to FY 10	84.173	105141-01	34,609
Infants and Toddlers Part B FY 11	84.173	114105-03	9,000
Preschool Pass-through PPPSS FY 11	84.173	114655-04	128
Total Preschool - IDEA Part B			759,363
Total Special Education Cluster			25,465,754
Career and Technical Education - Basic Grants to States: Pass-through Program from Maryland State Department of Education:			
Perkins FY 10	84.048	105602-01/02	99,602
Perkins FY 11	84.048	115326-01/02	1,093,081
Project Lead the Way FY 10 - Woodlawn	84.048	105905-01	164
Project Lead the Way FY 10 - Dulaney HS	84.048	105905-01	3,256
Project Lead the Way FY 10 - Parkville HS	84.048	105905-01	158
Project Lead the Way FY 11 - Parkville HS	84.048	115327-01	21,793
Project Lead the Way FY 11 - Woodlawn	84.048	115327-01	24,927
Project Lead the Way FY 11 - Dulaney HS	84.048	115327-01	18,485
Project Lead the Way FY 11 - Lansdowne HS	84.048	115327-01	24,376

BOARD OF EDUCATION OF BALTIMORE COUNTY
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
Year Ending June 30, 2011

Federal Grantor/Pass-through Grantor/Program or Cluster Title	Federal CFDA Number	Pass-through Entity Identifying Number	Federal Expenditures
Career and Technical Education - Basic Grants to States:			
Continued:			
Project Lead the Way FY 11 - Overlea HS	84.048	115327-01	\$ 19,857
CASE FY 11	84.048	115327-01	24,766
Biomed Overlea FY 10	84.048	105905-01	1,337
CTE Homeland Security FY 10	84.048	105905-01	<u>4</u>
Total Career and Technical Education - Basic Grants to States			<u>1,331,806</u>
Career and Technical Education - National Programs:			
Pass-through Program from Maryland State			
Department of Education:			
Automotive Services Targeted Grant FY 11	84.051	115878-01	<u>31,920</u>
Total Career and Technical Education - National Programs			<u>31,920</u>
Total Career and Technical Education			<u>1,363,726</u>
Special Education: Preschool — IDEA Part C:			
Pass-through Program from Maryland State			
Department of Education:			
Infants and Toddlers Part C FY 10	84.181	104205-01	131,653
Infants and Toddlers Part C FY 11	84.181	114105-01	<u>724,251</u>
Total IDEA Part C			<u>855,904</u>
Safe and Drug Free Schools and Communities:			
Pass-through Program from Maryland State			
Department of Education:			
Title IV - Safe and Drug Free Schools FY 10	84.186	104284-01	<u>67,241</u>
Total Safe and Drug Free Schools			<u>67,241</u>
Education for Homeless Children and Youth:			
Pass-through Program from Maryland State			
Department of Education:			
Education for Homeless Children and Youth FY 10	84.196A	105063-01	9,883
Education for Homeless Children and Youth FY 11	84.196A	114760-01	<u>51,114</u>
Total Education for Homeless Children and Youth			<u>60,997</u>
Fund for Improvement of Education — ESEA Title X			
Direct Program:			
Teaching American History FY 10	84.215X		<u>259,910</u>
Total Fund for Improvement of Education			<u>259,910</u>

**BOARD OF EDUCATION OF BALTIMORE COUNTY
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
Year Ending June 30, 2011**

Federal Grantor/Pass-through Grantor/Program or Cluster Title	Federal CFDA Number	Pass-through Entity Identifying Number	Federal Expenditures
Tech Prep Education Program:			
Pass-through Program from Maryland State			
Department of Education:			
Perkins FY 10	84.243	105602-03/04	\$ 12,551
Perkins FY 11	84.243	115326-03/04	<u>115,925</u>
Total Tech Prep Education			<u>128,476</u>
Charter Schools:			
Pass-through Program from Maryland State			
Department of Education:			
Charter School FY 10	84.282A	105934-02	<u>72,208</u>
Total Charter Schools			<u>72,208</u>
Educational Technology State Grants:			
Pass-through Program from Maryland State			
Department of Education:			
Education Technology Formula Title II D FY 09	84.318	900803-01	102,134
Education Technology Formula Title II D FY 10	84.318	105020-01	25,629
Pass-through Program from Montgomery County			
Public Schools:			
TLC Consortium FY 10	84.318	MCPS	10,174
MTTP Expert FY 11	84.318	MCPS	<u>2,500</u>
Total Educational Technology State Grants			<u>140,437</u>
Advanced Placement Incentive Program:			
Pass-through Program from Maryland State			
Department of Education:			
IB Test FY 11 Milford Mill	84.330B	116263-01	<u>2,976</u>
Total Advanced Placement Incentive Program			<u>2,976</u>
Gaining Early Awareness and Readiness for Undergraduate Program (GEAR UP):			
Pass-through Program from Maryland State			
Department of Education:			
GEAR UP FY10	84.334S	104761-01	95,584
GEAR UP FY11	84.334S	114472-01	139,684
GEAR UP Celebration FY 11	84.334S	114446-01	<u>10,000</u>
Total GEAR UP			<u>245,268</u>
Reading First State Grants:			
Pass-through Program from Maryland State			
Department of Education:			
Reading First FY 10	84.357A	104641-01	<u>83,013</u>
Total Reading First			<u>83,013</u>

**BOARD OF EDUCATION OF BALTIMORE COUNTY
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
Year Ending June 30, 2011**

Federal Grantor/Pass-through Grantor/Program or Cluster Title	Federal CFDA Number	Pass-through Entity Identifying Number	Federal Expenditures
English Language Acquisition:			
Pass-through Program from Maryland State			
Department of Education:			
Title III - Language Acquisition FY 10	84.365A	104616-01	\$ 406,535
Title III - Immigrant Funds FY 11	84.365A	115170-02	20,209
Title III - Line 1 FY 11	84.365A	115170-01	<u>230,141</u>
Total English Language Acquisition			<u>656,885</u>
U. S. Department of Education, continued:			
Improving Teacher Quality State Grants:			
Pass-through Program from Maryland State			
Department of Education:			
Title II FY 09	84.367	900581-01	1,016,381
Title II FY 10	84.367	104593-01	3,035,946
Title II FY 11	84.367	114269-01	<u>1,605,839</u>
Total Improving Teacher Quality State Grants			<u>5,658,166</u>
Education Technology State Grants, Recovery Act:			
Pass-through Baltimore City Public Schools:			
Open Education Resources (OER) FY 11 - ARRA	84.386	PO459993	11,114
MSPP FY 10 - ARRA	84.386	AACPS	<u>78,864</u>
Total Education Technology State Grants, Recovery Act			<u>89,978</u>
Education for Homeless Children and Youth, Recovery Act			
Pass-through Program from Maryland State			
Department of Education:			
Educating Homeless Children and Youth ARRA FY 10	84.387	105668-01	<u>62,597</u>
Total Educating Homeless Children and Youth ARRA			<u>62,597</u>
Title I Grants to Local Educational Agencies, Recovery Act			
Pass-through Program from Maryland State			
Department of Education:			
Title I ARRA FY 10	84.389	104589-01	<u>5,775,738</u>
Total Title I Grants to Local Educational Agencies, Recovery Act			<u>5,775,738</u>
Special Education Grants to States, Recovery Act			
Pass-through Program from Maryland State			
Department of Education:			
Pass-through EIS ARRA FY 10	84.391	104324-02	1,680,138
Pass-through ARRA FY 10	84.391	104324-01	10,445,248
Pass-through PPPSS - ARRA FY 10	84.391	104324-05	<u>382,620</u>
Total Special Education Grants to States, Recovery Act			<u>12,508,006</u>

BOARD OF EDUCATION OF BALTIMORE COUNTY
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
Year Ending June 30, 2011

Federal Grantor/Pass-through Grantor/Program or Cluster Title	Federal CFDA Number	Pass-through Entity Identifying Number	Federal Expenditures
Special Education - Preschool Grants, Recovery Act Pass-through Program from Maryland State Department of Education:			
Preschool ARRA FY 10	84.392	104324-03	\$ 508,085
Preschool EIS - ARRA FY 10	84.392	104324-04	155,754
Preschool Pass-through PPPSS - ARRA FY 10	84.392	104324-06	<u>29,717</u>
Total Special Education - Preschool Grants, Recovery Act			<u>693,556</u>
Special Education - Grants for Infants and Families, Recovery Act Pass-through Program from Maryland State Department of Education:			
Infants and Toddlers ARRA FY 10	84.393	104522-01	159,142
Infants and Toddlers Extended IFSP ARRA FY 10	84.393	104522-03	<u>1,474,040</u>
Total Special Education - Grants for Infants and Families, Recovery Act			<u>1,633,182</u>
U. S. Department of Education, continued:			
State Fiscal Stabilization Fund (SFSF) - Education State Grants, Recovery Act: Pass-through Program from Maryland State Department of Education:			
State Fiscal Stabilization Funds - ARRA	84.394	104333-03	1,680,778
State Fiscal Stabilization Funds - ARRA	84.394	104333-04	347,259
State Fiscal Stabilization Funds - ARRA	84.394	104333-05	1,791,570
State Fiscal Stabilization Funds - ARRA	84.394	114069-01	3,712,345
State Fiscal Stabilization Funds - ARRA	84.394	114069-03	6,561,647
State Fiscal Stabilization Funds - ARRA	84.394	114069-05	<u>2,108,652</u>
Total State Fiscal Stabilization Fund (SFSF) - Education State Grants, Recovery Act			<u>16,202,251</u>
State Fiscal Stabilization Fund (SFSF) - Race-to-the-Top Incentive Grants, Recovery Act: Pass-through Program from Maryland State Department of Education:			
Race to the Top FY11 Project 1 - ARRA	84.395	115742-01	30,165
Race to the Top FY11 Project 3 - ARRA	84.395	115742-03	506,469
Race to the Top FY11 Project 4 - ARRA	84.395	115742-04	433,936
Race to the Top FY11 Project 6 - ARRA	84.395	115742-06	<u>46,717</u>
Total State Fiscal Stabilization Fund (SFSF) - Race-to-the-Top Incentive Grants, Recovery Act:			<u>1,017,287</u>

BOARD OF EDUCATION OF BALTIMORE COUNTY
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
Year Ending June 30, 2011

Federal Grantor/Pass-through Grantor/Program or Cluster Title	Federal CFDA Number	Pass-through Entity Identifying Number	Federal Expenditures
Education Jobs Fund :			
Pass-through Program from Maryland State Department of Education:			
Education Job Funds	84.410	115718-01	\$ 15,381,351
Total U. S. Department of Education			<u>110,881,633</u>
U.S. Department of Health and Human Services:			
Preventive Health and Health Services Block Grant:			
Pass-through Program from Maryland State Department of Education:			
Sexual Harassment and Assault Prevention FY 10	93.991	105621-01	1,860
Sexual Harassment and Assault Prevention FY 11	93.991	115830-01	<u>10,019</u>
Total Preventive Health and Health Services Block Grant:			<u>11,879</u>
Total U.S. Department of Health and Human Services			<u>11,879</u>
Corporation for National and Community Service:			
Learn and Serve America School and Community Based Programs:			
Pass-through Program from Maryland State Department of Education:			
Learn and Serve America FY 11	94.004	114378-01	<u>21,000</u>
Total Corporation for National and Community Service			<u>21,000</u>
U. S. Department of Homeland Security:			
Federal Emergency Management Agency:			
Disaster Grants - Public Assistance (Presidentially Declared Disasters):			
Pass-through Program from Maryland Emergency Management Agency:			
FY 11 Severe Winter Storms	97.036	FEMA-1910-DR-MD	<u>166,448</u>
Total Federal Emergency Management Agency			<u>166,448</u>
U. S. Department of Homeland Security:			
State Homeland Security Program:			
Direct Program:			
Transportation Homeland Security FY 10	97.073	-	<u>9,500</u>
Total State Homeland Security Program			<u>9,500</u>
Total U. S. Department of Homeland Security			<u>175,948</u>
Total Expenditures of Federal Awards			<u>\$ 135,154,522</u>

BOARD OF EDUCATION OF BALTIMORE COUNTY
NOTES TO SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
 June 30, 2011

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Reporting Entity

The accompanying Schedule of Expenditures of Federal Awards presents the activity of all federal award programs of the Board of Education of Baltimore County, Maryland (the Board), a component unit of Baltimore County, Maryland, for the year ended June 30, 2011.

Basis of Accounting

The accompanying Schedule has been prepared using the modified accrual basis of accounting, except for the U.S. Department of Agriculture (USDA) programs which are presented using the accrual basis of accounting. This basis of accounting is fully described in Note 1 to the Board's basic financial statements.

NOTE 2 – RELATION TO THE BASIC FINANCIAL STATEMENTS AND FEDERAL FINANCIAL REPORTS

Amounts reported in the accompanying Schedule agree with amounts reported in the Board's basic financial statements and the related federal financial reports submitted by the Board.

The following is a reconciliation of federal awards reported in the Schedule to federal revenue reported in the Board's basic financial statements for the year ended June 30, 2011:

Total federal expenditures reported in the Schedule	\$135,154,522
Federal revenues included in the basic financial statements that are not required to be included in the Schedule:	
Medicaid funds under contract for services	6,711,306
R.O.T.C. funds under contract for services	703,250
Early Retiree Reinsurance Subsidy	<u>2,453,655</u>
Total	<u>\$145,022,733</u>
Total federal revenues reported in the basic financial statements:	
Special Revenue Fund	\$ 86,749,310
Food Service Fund	23,366,468
General Fund	<u>34,906,955</u>
Total	<u>\$145,022,733</u>

BOARD OF EDUCATION OF BALTIMORE COUNTY, MARYLAND
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
June 30, 2011

I. Summary of Independent Auditor's Results

Financial Statements

Type of auditor's report issued: Unqualified

Internal control over financial reporting:

Material weakness(es) identified?	_____	Yes	_____ <u>X</u> _____	No
Significant deficiency(ies) identified that is not considered to be a material weakness.	_____	Yes	_____ <u>X</u> _____	None reported
Noncompliance material to financial statements noted?	_____	Yes	_____ <u>X</u> _____	No

Federal Awards

Internal control over major programs:

Material weakness(es) identified?	_____	Yes	_____ <u>X</u> _____	No
Significant deficiency(ies) identified that is not considered to be a material weakness.	_____	Yes	_____ <u>X</u> _____	None reported

Type of auditor's report issued on compliance for major programs: Unqualified

Any audit findings disclosed that are required to be reported in accordance with Section 510(a) of Circular A-133?	_____	Yes	_____ <u>X</u> _____	No
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Identification of Major Programs

<u>Name of Federal Program or Cluster</u>	<u>CFDA Number(s)</u>
Education Jobs Fund	84.410
Special Education Cluster	84.027, 173,391,392
Title I	84.010, 389
Race to the Top	84.395
State Stabilization Fund	84.394
Infants and Toddlers Program	84.181, 393
School Bus Retrofit	66.040
Dollar threshold used to distinguish between type A and type B programs	<u>\$ 3,000,000</u>
Auditee qualified as low-risk auditee?	_____ <u>X</u> _____ Yes _____ No

BOARD OF EDUCATION OF BALTIMORE COUNTY, MARYLAND
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
June 30, 2011

II. Financial Statement

None

III. Federal Award Findings and Questioned Costs

None

BOARD OF EDUCATION OF BALTIMORE COUNTY, MARYLAND
SCHEDULE OF PRIOR YEAR FINDINGS
June 30, 2011

Finding No. 2010-3 Program Manager's Approval of Program Costs

Condition

A reimbursement for mileage was approved for payment by the fiscal assistant instead of the designated program manager.

Current Year Status

Resolved.

Finding No. 2010-4 Retention of Monthly Activity Report (MAR) for Early Intervention Services (EIS)

Condition

The Board did not consistently retain copies or document receipt of the originally submitted MAR reports when the MAR was returned to the employee for correction or clarification. The revised forms were retained but did not document the initial date that the MAR was submitted.

Current Year Status

Resolved.

Finding No. 2010-5 Segregation of Duties

Condition

The same employee prepares, authorizes and submits the Financial Status Report (FSR) to the County Health Department for reimbursement.

Current Year Status

Resolved.

Finding No. 2010-6 Highly Qualified: Verification of Paraprofessional's Education

Condition

The Board did not obtain verification that 5 of 9 paraprofessionals obtained a high school diploma or General Education Development (GED) in order to comply with the highly qualified paraprofessional requirement

Current Year Status

Substantially Corrected. As of June 30, 2011 Baltimore County Public Schools was 90 % (123 out of 137 files) complete in its effort to update all the personnel files that lacked highly qualified documentation. CG tested highly qualified status of required employees with a heightened risk for fiscal year 2011 testing and found no exceptions.