

WEBER COUNTY

Government Auditing Standards

OMB Circular A-133 and Other Required Reports

December 31, 2012

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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*

To the Members of the County Commission
Weber County
Ogden, Utah

We have audited, 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 governmental activities, the business-type activities, the aggregate discretely presented component units, each major fund, and the aggregate remaining fund information of Weber County as of and for the year ended December 31, 2012, and the related notes to the financial statements, which collectively comprise Weber County's basic financial statements, and have issued our report thereon dated June 6, 2013.

Internal Control over Financial Reporting

In planning and performing our audit of the financial statements, we considered Weber County's internal control over financial reporting (internal control) to determine the audit procedures that are appropriate in the circumstances for the purpose of expressing our opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of Weber County's internal control. Accordingly, we do not express an opinion on the effectiveness of Weber County's internal control.

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 a 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. A *significant deficiency* is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

Our consideration of internal control over financial reporting 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 financial reporting that might be material weaknesses or significant deficiencies. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. However, material weaknesses may exist that have not yet been identified.

Compliance and Other Matters

As part of obtaining reasonable assurance about whether Weber County's financial statements are free from 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*.

Purpose of this Report

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the entity's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the entity's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

A handwritten signature in cursive script that reads "Eide Bailly LLP".

Ogden, Utah
June 6, 2013



Independent Auditor's Report on Compliance for Each Major Federal Program; Report on Internal Control Over Compliance; and Report on the Schedule of Expenditures of Federal Awards Required by OMB Circular A-133

To the Members of the County Commission
Weber County
Ogden, Utah

Report on Compliance for Each Major Federal Program

We have audited Weber County's compliance with the types of compliance requirements described in the *OMB Circular A-133 Compliance Supplement* that could have a direct and material effect on each of Weber County's major federal programs for the year ended December 31, 2012. Weber County's major federal programs are identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs.

Management's Responsibility

Management is responsible for compliance with the requirements of laws, regulations, contracts and grants applicable to its federal programs.

Auditor's Responsibility

Our responsibility is to express an opinion on the compliance for each of Weber County's major federal programs based on our audit of the types of compliance requirements referred to above. 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 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 Weber 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 on compliance for each major federal program. However, our audit does not provide a legal determination of Weber County's compliance.

Opinion on Each Major Federal Program

In our opinion, Weber County complied, in all material respects, with the compliance requirements referred to above that could have a direct and material effect of each of its major Federal programs for the year ended December 31, 2012.

Report on Internal Control over Compliance

Management of Weber County is responsible for establishing and maintaining effective internal control over compliance with the compliance requirements referred to above. In planning and performing our audit of compliance, we considered Weber County's internal control over compliance with the types of requirements that could have a direct and material effect on each major federal program to determine the

auditing procedures that are appropriate in the circumstances for the purpose of expressing an opinion on compliance for each major federal program 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 Weber 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 compliance requirement will not be prevented, or detected and corrected, on a timely basis. *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.

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 that might be material weaknesses or significant deficiencies. We did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

The purpose of this report on internal control over compliance is solely to describe the scope of our testing of internal control over compliance and the results of that testing based on the requirements of OMB Circular A-133. Accordingly, this report is not suitable for any other purpose.

Report on Schedule of Expenditures of Federal Awards Required by OMB Circular A-133

We have audited the financial statements of Weber County as of and for the year ended December 31, 2012, and have issued our report thereon dated June 6, 2013, which contained an unmodified opinion on those financial statements. Our audit was conducted for the purpose of forming an opinion on the financial statements 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 is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the financial statements. The information has been subjected to the auditing procedures applied in the audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the schedule of expenditure of federal awards is fairly stated in all material respects in relation to the financial statements as a whole.



Ogden, Utah
June 6, 2013

Weber County
Schedule of Expenditures of Federal Awards
December 31, 2012

Title	Federal CFDA Number	Pass-Through Grantor's Number	Award Amount	Revenue Recognized	Actual Expenditures
U.S. Department of Agriculture passed through Utah State Department of Health					
WIC - Administration	10.557	12-0538	1,202,841	902,403	902,403
WIC - Food	10.557	12-0538	3,788,842	2,883,086	2,883,086
WIC - Administration	10.557	13-1364	1,085,887	268,193	268,193
WIC - Food	10.557	13-1364	3,859,572	1,024,882	1,024,882
			9,937,142	5,078,564	5,078,564
U.S. Department of Agriculture, Natural Resources Conservation Service (NCRS)					
2011 Emergency Watershed Protection (EWP) Project	10.923	68-8D43-12-19	14,300,000	571,899	571,899
Total U.S. Department of Agriculture			24,237,142	5,650,463	5,650,463
U.S. Department of Health and Human Services passed through Utah State Department of Health					
Summer Food Service	10.559	12-0095	100	-	-
Summer Food Service	10.559	12-2310	400	-	-
Highway Safety	20.600	CP12-02-03	31,000	25,921	25,921
Highway Safety	20.600	CP12-02-03	26,999	2,681	2,681
DEQ	66.605	12-0155	21,462	10,749	10,749
DEQ	66.605	13-0375	20,414	10,207	10,207
NACCHO	93.008	MRC12-276	5,000	5,000	5,000
Regional Epidemiologist	93.069	12-0459	45,872	26,611	26,611
Bio-terrorism	93.069	12-0459	281,552	190,033	190,033
Bio-terrorism	93.069	13-0769	329,461	114,915	114,915
PREP	93.092	12-0098	200,000	74,866	74,866
PREP	93.092	13-1025	125,000	91,261	91,261
TB Elimination	93.116	12-1799	9,305	9,305	9,305
Teen Abstinence	93.235	12-0301	123,489	42,229	42,229
Teen Abstinence	93.235	13-1025	75,186	32,337	32,337
Immunizations	93.268	12-1799	60,751	60,751	60,751
Tobacco Cancer Policy	93.283	12-0098	22,000	16,344	16,344
Tobacco Cancer Policy	93.283	13-0891	20,000	10,985	10,985
Comprehensive-Tobacco	93.283	12-0098	65,283	27,559	27,559
Comprehensive-Tobacco	93.283	13-0891	46,319	28,443	28,443
Diabetes	93.283	13-0891	40,000	17,676	17,676
Diabetes	93.988	12-0098	50,000	28,156	28,156
Cancer Control	93.283	12-0098	42,325	18,425	18,425
Cancer Control	93.283	13-0891	41,400	18,142	18,142
CDC Supplemental	93.520	12-0098	6,606	6,126	6,126
HAI Infection	93.521	12-1900	9,698	9,698	9,698
UT NEDSS Training	93.521	12-1799	5,000	5,000	5,000
Community Transfer	93.531	12-0098	15,000	15,000	15,000
Community Transfer	93.531	13-0891	53,250	38,151	38,151
PPHF Outreach	93.539	13-1170	10,000	1,176	1,176
Chronic Disease	93.544	12-0098	10,000	10,000	10,000
Chronic Disease	93.544	13-0891	2,500	2,357	2,357
CHEC	93.778	12-0694	43,898	6,921	6,921
CHEC	93.778	13-0423	43,898	25,410	25,410
TCM-Home Visits	93.778	13-0423	106,500	34,806	34,806
TCM-Home Visits	93.778	12-0694	106,500	19,062	19,062
MRC	93.889	12-0630	10,000	4,397	4,397
MRC	93.889	13-0769	10,000	6,083	6,083
HIV	93.940	12-1799	10,500	10,500	10,500
STD-CSPS	93.977	12-1799	5,750	5,750	5,750
Basic Inj. Prev.	93.991	12-0098	5,649	4,880	4,880
Basic Inj. Prev.	93.991	13-0891	4,859	1,878	1,878
PANO	93.991	12-0098	34,698	30,294	30,294
PANO	93.991	13-0891	34,903	19,677	19,677
Community Inj. Prev.	93.994	12-0098	25,814	9,031	9,031
Community Inj. Prev.	93.994	13-0891	25,814	19,314	19,314
MCH Block Grant	93.994	12-0301	117,630	58,815	58,815
MCH Block Grant	93.994	13-1025	117,630	58,815	58,815
Prenatal to 5	93.994	12-0301	38,400	12,407	12,407
Prenatal to 5	93.994	13-1025	38,400	19,200	19,200
FDA-Tobacco Ret. Comp.	110.542	12-0098	15,796	14,762	14,762
FDA-Tobacco Ret. Comp.	110.542	13-0891	19,298	369	369
Total U.S. Department of Health and Human Services			2,611,309	1,312,475	1,312,475

Weber County
Schedule of Expenditures of Federal Awards, Continued
December 31, 2012

U.S. Department of Justice passed through Utah State Crime Victim Reparations					
DUI Court	16.803	9AR-79	295,630	66,407	66,407
VOCA Victim/Witness Program	16.575	11-VOCA-83	15,459	7,195	7,195
VOCA Victim/Witness Program	16.575	12-VOCA-80	16,431	8,046	8,046
			<u>327,520</u>	<u>81,648</u>	<u>81,648</u>
U.S. Department of Justice, Bulletproof Vest Partnership					
FY 2010 Regular Fund	16.607		11,822	145	145
U.S. Department of Justice, Bureau of Justice Assistance					
SCAAP Grant FY10	16.606	2010APBX0096	38,516	-	8,154
SCAAP Grant FY11	16.606	2011APBX0435	25,352	25,352	25,352
SCAAP Grant FY12	16.606	2012APBX0771	32,381	32,381	-
FY09 Recovery Stimulus Justice Assistance Grant	16.804	2009SBB91435	53,123	46	46
FY09 Justice Assistance Grant	16.738	2009DJBX027010	12,864	6,722	6,722
FY11 Justice Assistance Grant	16.738	2011DJBX2374	12,980	12,980	12,980
FY12 Justice Assistance Grant	16.738	2012DJBX0200	6,240	6,240	6,240
FY11 Justice Assistance Block Grant 11A191	16.738	2011DJBX2082	8,882	8,882	8,882
			<u>190,338</u>	<u>92,603</u>	<u>68,376</u>
U.S. Department of Justice passed through Utah Council on Criminal and Juvenile Justice (UCCJJ)					
Weber/Morgan Narcotics Strike Force 2012 HIDTA	95.001	G12RM0043A	133,255	133,255	133,255
Total U.S. Department of Justice			<u>662,935</u>	<u>307,651</u>	<u>283,424</u>
U.S. Department of Housing and Urban Development passed through Utah Department of Community and Culture					
CDBG Home Buyer Assistance Program	14.228	12-0364	300,000	194,500	194,500
CDBG Home Buyer Assistance Program	14.228	12-0364	250,000	209,000	209,000
Total U.S. Department of Housing and Urban Development			<u>550,000</u>	<u>403,500</u>	<u>403,500</u>
U.S. Department of Homeland Security passed through Utah Division of Emergency Management					
Emergency Mgmt. Performance Grant (EMPG)	97.042	EMPG-2012-DEM-029	50,000	50,000	50,000
Emergency Mgmt. Performance Grant (EMPG)	97.042	EMPG PROJECT-2011-DEM-029	18,750	16,303	16,303
Emergency Mgmt. Performance Grant (EMPG)	97.042	EMPG PROJECT-2011-DEC-028	11,250	11,250	11,250
Emergency Mgmt. Performance Grant (EMPG)	97.042	EMPG PROJECT-2011-DEC-030	11,250	11,250	11,250
Emergency Mgmt. Performance Grant (EMPG)	97.042	EMPG PROJECT-2011-DEC-031	18,750	18,750	18,750
Emergency Mgmt. Performance Grant (EMPG)	97.042	EMPG PROJECT-2011-DEC-032	25,000	24,677	24,677
Emergency Mgmt. Performance Grant (EMPG)	97.042		4,254	4,254	4,254
2012 LEPC - HMEP	20.703	HLS2012 - LEPC-WEBER	5,372	5,372	5,163
Homeland Security 2009 SHSP	97.067	DES-2009-SHSP-001	126,000	27,712	27,712
Homeland Security 2010 SHSP	97.067	DES-2010-SHSP-001	1,127,186	49,948	49,948
Homeland Security 2011 SHSP	97.067	DES-2011-SHSP-001	835,994	196,993	196,993
2010 CERT CCP	97.067	DES-2010-CCP-001	17,188	3,999	3,999
Disaster Grant - Public Assistance 2011	97.036	WEBC08B	32,797	32,797	32,797
Disaster Grant - Public Assistance 2011	97.036	WEBC03B	54,150	54,150	54,150
Disaster Grant - Public Assistance 2011	97.036	WEBC06C	69,156	69,156	69,156
Total U.S. Department of Homeland Security			<u>2,407,097</u>	<u>576,611</u>	<u>576,402</u>
Department of Commerce passed through Utah Department of Public Safety					
Public Safety Interoperable Communications Grant	11.555	FY07 PSIC	500,000	116,213	116,213
Total U.S. Department of Commerce			<u>500,000</u>	<u>116,213</u>	<u>116,213</u>
TOTAL WEBER COUNTY CORPORATION			<u>30,968,483</u>	<u>8,366,913</u>	<u>8,342,477</u>
				(2)	(2)

Note 1 – Purpose of the Schedule

The Schedule of Expenditures of Federal Awards (the Schedule) is a supplementary schedule to the basic financial statements. The Schedule is required by the *U.S. Office of Management and Budget (OMB) Circular A-133, Audits of States, Local Governments, and Non-Profit Organizations*.

Note 2 – Significant Accounting Policies

Basis of Accounting

The information in the Schedule is presented in accordance with OMB Circular A-133. The Schedule is prepared using the same accounting policies and basis of accounting as the basic financial statements.

CFDA Numbers

OMB Circular A-133 requires the Schedule to show the total expenditures for each of the entity's federal financial assistance programs as identified in the Catalog of Federal Domestic Assistance (CFDA). The CFDA is a government-wide compendium of individual federal programs. Each program included in the CFDA is assigned a five-digit program identification number (CFDA number).

Major Programs

OMB Circular A-133 establishes a risk-based approach to determining which federal programs are major programs. The federal awards tested as major programs were that with a CFDA number of 14.228 and 10.557.

Matching Costs

The Schedule does not include matching expenditures.

Section I – Summary of Auditor’s Results

Financial Statements

Type of auditors’ report issued Unmodified

Internal control over financial reporting:

Material weakness identified No

Significant deficiencies identified not considered to be material weakness None Reported

Noncompliance material to financial statements noted No

Federal Awards

Internal control over major programs:

Material weakness identified No

Significant deficiency identified not considered to be material weakness None Reported

Type of auditors’ report issued on compliance for major programs Unmodified

Identification of major programs:

Name of Federal Program or Cluster CFDA number

WIC 10.557

CDBG Home Buyer Assistance Program 14.228

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

Auditee qualified as a low-risk auditee Yes

Section II – Findings Related to the Financial Statements Required to be Reported in Accordance with Government Auditing Standards

No matters were reported.

Section III – Federal and Questioned Costs Related to Federal Awards Required to be Reported in Accordance with OMB Circular A-133

No matters were reported.

Weber County
Summary Schedule of Prior Audit
Findings and Questioned Costs
December 31, 2012

There were no findings in the prior year.

There were no findings in the current year.



**Independent Auditor's Report on Compliance
In Accordance with the *State of Utah Legal Compliance Audit Guide***

To the Members of the County Commission
Weber County
Ogden, Utah

Report on Compliance with General and Major State Programs

We have audited Weber County's compliance with general and major state program compliance requirements described in the *State of Utah Legal Compliance Audit Guide* for the year ended December 31, 2012. The general compliance requirements applicable to the County are identified as follows:

Public Debt	Uniform Building Code Standards
Cash Management	Statement of Taxes Charged Collected & Disbursed
Purchasing Requirements	Assessing and Collecting of Property Taxes
Budgetary Compliance	Transient Room Tax
Truth in Taxation & Property Tax Limitations	Impact Fees
Liquor Law Enforcement	Asset Forfeiture
B&C Road Funds	URS Compliance
Other General Issues	Fund Balance

The County received the following major assistance programs from the State of Utah:

B and C Road Funds (Department of Transportation)
Liquor Law Enforcement (State Tax Commission)
Public Health Services (Department of Health)
Children's Justice Center (State of Utah Attorney General's Office)

Management's Responsibility

Compliance with the requirements referred to above are the responsibility of the County's management.

Auditor's Responsibility

Our responsibility is to express an opinion on compliance with those requirements referred to above based upon our audit. We conducted our audit 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 the State of Utah Legal Compliance Audit Guide. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether noncompliance with the compliance requirements identified above. 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.

Opinion

In our opinion, the County, complied, in all material respects, with the general compliance requirements identified above and the compliance requirements that are applicable to each of its major state programs for the year ended December 31, 2012. However, the results of our auditing procedures disclosed other instances of noncompliance with those requirements, which are required to be reported in accordance with the State of Utah Legal compliance Audit Guide and which are described in this report.

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

This report is intended solely for the information and use of the County Commission, audit committee and management of Weber County, and is not intended to be and should not be used by anyone other than these specified parties. However, the report is a matter of public record and its distribution is not limited.

A handwritten signature in cursive script that reads "Eric Sully LLP".

Ogden, Utah
June 6, 2013

12-1 Receipts

Condition: The State of Utah Legal Compliance requires that all public money be deposited within three business days. It was noted that two of the sampled deposits were not deposited within three business days.

Criteria: The State of Utah requires that all public funds be deposited daily, whenever practicable, but not later than three business days after receipt.

Cause of Condition: Incorrect implementation of policies and procedures.

Effect of Condition: Non-compliance with Utah State Law.

Recommendation: The County should implement a system of controls to ensure that public funds are deposited at least every three business days.

Administrative response: The County will provide additional training to all departments to ensure all funds are deposited within three business days of receipt.

12-2 Budgetary Compliance (repeat finding)

Condition: The expenditures for the training department exceeded the budget.

Criteria: The County shall not incur expenditures in excess of the total appropriation for any department or fund.

Cause of Condition: Incorrect implementation of policies and procedures.

Effect of Condition: Non-compliance with Utah State Law.

Recommendation: The County should monitor the budget more closely to ensure that the expenditures do not exceed the budget.

Administrative response: The County will monitor departments' expenditures more closely and make appropriate budget adjustments before year-end as needed to ensure departments do not exceed their budgeted appropriations.

12-3 Budgetary Compliance

Condition: Building permit fees were not submitted within 30 days following the end of the quarter.

Cause of Condition: Incorrect implementation of policies and procedures.

Effect of Condition: Non-compliance with Utah State Law.

Recommendation: The County should implement a system of controls to ensure that building permit funds are deposited within 30 days following the end of the quarter.

Administrative response: The County will provide additional training to all employees that handle building permit funds to ensure they are deposited within 30 days following the end of the quarter.