

**HOWARD COUNTY, MARYLAND
REPORT ON SINGLE AUDIT
YEAR ENDED JUNE 30, 2025**



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**HOWARD COUNTY, MARYLAND
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**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**

Honorable Members of the County Council
Howard County, Maryland

We have audited, in accordance with the 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 Howard County, Maryland (the County), as of and for the year ended June 30, 2025, and the related notes to the financial statements, which collectively comprise the County's basic financial statements, and have issued our report thereon dated November 24, 2025. Our report includes a reference to other auditors who audited the financial statements of Howard County Public Schools and Howard County Public Library, as described in our report on the County's financial statements. This report does not include the results of the other auditors' testing of internal controls over financial reporting or compliance and other matters that are reported on separately by those auditors. This report does not include the results of our testing of internal controls over financial reporting or compliance and other matters for Howard Community College and Howard Housing Commission as we have issued a separate report for Howard Community College and Howard Housing Commission.

Report on Internal Control Over Financial Reporting

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

Honorable Members of the County Council
Howard County, Maryland

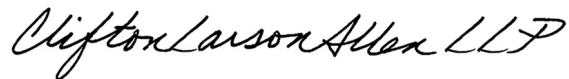
Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. However, material weaknesses or significant deficiencies may exist that were not identified.

Report on Compliance and Other Matters

As part of obtaining reasonable assurance about whether the 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 financial statements. 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.



CliftonLarsonAllen LLP
Baltimore, Maryland
November 24, 2025



**INDEPENDENT AUDITORS' REPORT ON COMPLIANCE FOR EACH
MAJOR FEDERAL PROGRAM AND REPORT ON INTERNAL CONTROL
OVER COMPLIANCE REQUIRED BY THE UNIFORM GUIDANCE**

Honorable Members of the County Council
Howard County, Maryland

Report on Compliance for Each Major Federal Program

Opinion on Each Major Federal Program

We have audited the Howard County Maryland's (the County) compliance with the types of compliance requirements identified as subject to audit in the OMB *Compliance Supplement* that could have a direct and material effect on each of the County's major federal programs for the year ended June 30, 2025. The County's major federal programs are identified in the summary of auditors' results section of the accompanying schedule of findings and questioned costs.

In our opinion, the County complied, in all material respects, with the compliance 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, 2025.

Basis for Opinion on Each Major Federal Program

We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America (GAAS); the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States; and the audit requirements of Title 2 U.S. *Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance). Our responsibilities under those standards and the Uniform Guidance are further described in the Auditors' Responsibilities for the Audit of Compliance section of our report.

We are required to be independent of the County and to meet our other ethical responsibilities, in accordance with relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion on compliance for each major federal program. Our audit does not provide a legal determination of the County's compliance with the compliance requirements referred to above.

Other Matter – Federal Expenditures Not included in the Compliance Audit

The County’s basic financial statements include the operations of Howard Community College, Howard County Public Schools, and Howard County Public Library, all of which are discreetly presented component units. Federal awards received by Howard Community College, Howard County Public Schools, and Howard County Public Library are not included in the County’s schedule of expenditures of federal awards for the year ended June 30, 2025. Our compliance audit, described in the Opinion on Each Major Federal Program, does not include the operations of Howard County Public Schools and Howard County Public Library because each of these discreetly presented component units engaged other auditors to perform an audit of compliance. We were separately engaged to perform, and we have separately reported on the results of our audit of Howard Community College in accordance with Uniform Guidance.

Responsibilities of Management for Compliance

Management is responsible for compliance with the requirements referred to above and for the design, implementation, and maintenance of effective internal control over compliance with the requirements of laws, statutes, regulations, rules, and provisions of contracts or grant agreements applicable to the County’s federal programs.

Auditors’ Responsibilities for the Audit of Compliance

Our objectives are to obtain reasonable assurance about whether material noncompliance with the compliance requirements referred to above occurred, whether due to fraud or error, and express an opinion on the County’s compliance based on our audit. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with GAAS, *Government Auditing Standards*, and the Uniform Guidance will always detect material noncompliance when it exists. The risk of not detecting material noncompliance resulting from fraud is higher than for that resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Noncompliance with the compliance requirements referred to above is considered material if there is a substantial likelihood that, individually or in the aggregate, it would influence the judgment made by a reasonable user of the report on compliance about the County’s compliance with the requirements of each major federal program as a whole.

In performing an audit in accordance with GAAS, *Government Auditing Standards*, and the Uniform Guidance, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material noncompliance, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the County’s compliance with the compliance requirements referred to above and performing such other procedures as we considered necessary in the circumstances.

- Obtain an understanding of the County's internal control over compliance relevant to the audit in order to design audit procedures that are appropriate in the circumstances and to test and report on internal control over compliance in accordance with the Uniform Guidance, but not for the purpose of expressing an opinion on the effectiveness of the County's internal control over compliance. Accordingly, no such opinion is expressed.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and any significant deficiencies and material weaknesses in internal control over compliance that we identified during the audit.

Report on 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 a combination of deficiencies, in internal control over compliance, such that there is a reasonable possibility that material noncompliance with a type of compliance of a federal program 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 Auditors' Responsibilities for the Audit of Compliance section above and was not designed to identify all deficiencies in internal control over compliance that might be material weaknesses or significant deficiencies in internal control over compliance. Given these limitations, during our audit we did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses, as defined above. However, material weaknesses or significant deficiencies in internal control over compliance may exist that were not identified.

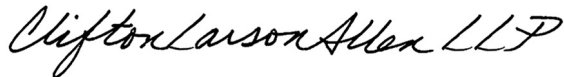
Our audit was not designed for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, no such opinion is expressed.

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 the Uniform Guidance. Accordingly, this report is not suitable for any other purpose.

Honorable Members of the County Council
Howard County, Maryland

Report on Schedule of Expenditures of Federal Awards Required by the Uniform Guidance

We have audited 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 the County as of and for the year ended June 30, 2025 and the related notes to the financial statements, which collectively comprise the County's basic financial statements. We issued our report thereon dated November 24, 2025, which contained unmodified opinions on those financial statements. Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the basic financial statements. The accompanying schedule of expenditures of federal awards is presented for purposes of additional analysis as required by the Uniform Guidance and is not a required part of the basic 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 basic 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 basic financial statements or to the basic 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 expenditures of federal awards is fairly stated in all material respects in relation to the basic financial statements as a whole.



CliftonLarsonAllen LLP

Baltimore, Maryland
March 17, 2026

**HOWARD COUNTY GOVERNMENT
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
YEAR ENDED JUNE 30, 2025**

Federal Grantor/Pass-Through Grantor/ Program or Cluster Title	Assistance Listing Number	Pass-Through Identifying Number	Passed- Through to Subrecipients	Total Federal Expenditures
Equal Employment Opportunity Commission				
Fair Employment Practices Agency Contracts	30.001		\$ -	\$ 41,680
Institute of Museum and Library Services				
Pass-Through Howard County Library System: Pathway to Success: Professional Development	45.312	S2384802	-	6,724
Environmental Protection Agency				
Pass-Through Maryland Department of the Environment Clean Water Projects-Extended North Tunnel GMP-1	66.458	Not Available	-	2,074,707
Pass-Through National Fish and Wildlife Foundation: Chesapeake Bay Program - Innovative Nutrient and Sediment Reduction	66.466	0602.20.067589	-	136,256
Total Environmental Protection Agency			-	2,210,963
Department of Energy				
Energy Efficiency and Conservation Block Grants	81.128		-	321,148
Department of Education				
Pass-Through Maryland Department of Education and Howard County Public School System: Maryland Works Grant	84.425	Not Available	-	63,830
U.S. Department of Agriculture				
Pass-Through Maryland Department of Human Resources: Howard County Department of Social Services SNAP Cluster: Supplemental Nutrition Assistance Program	10.561	Not Available	-	1,438
Total U.S. Department of Agriculture			-	1,438

**HOWARD COUNTY GOVERNMENT
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS (CONTINUED)
YEAR ENDED JUNE 30, 2025**

Federal Grantor/Pass-Through Grantor/ Program or Cluster Title	Assistance Listing Number	Pass-Through Identifying Number	Passed- Through to Subrecipients	Total Federal Expenditures
U.S. Department of Health and Human Resources				
Pass-Through Maryland Department of Aging:				
Aging Cluster:				
ARP Act Title IIIB Supportive Services - SSC6	93.044	655521/12	\$ -	\$ 32,164
Older Americans Act, Title III, Part B Supportive Services and Senior Centers	93.044	650124/12	-	9,715
Older Americans Act, Title III, Part B Ombudsman	93.044	652124/12	-	1,846
Older Americans Act, Title III, Part B Supportive Services and Senior Centers	93.044	650125/12	-	249,459
Older Americans Act, Title III, Part B Ombudsman	93.044	652125/12	-	4,481
Total ALN 93.044			<u>-</u>	<u>297,665</u>
Older Americans Act Title III, Part C-1 Congregate Meals	93.045	650224/12	-	138,105
Older Americans Act Title III, Part C-2 Nutrition Services - Home Delivered Meal	93.045	650324/12	-	232,988
Older Americans Act Title III, Part C-1 Congregate Meals	93.045	650225/12	-	255,773
Older Americans Act Title III, Part C-2 Nutrition Services - Home Delivered Meal	93.045	650325/12	-	174,259
Total ALN 93.045			<u>-</u>	<u>801,125</u>
Nutrition Services Incentive Program	93.053	650525/12	-	971
Total Aging Cluster			-	1,099,761
Special Programs for the Aging - Title VII, Elder Abuse Prevention	93.041	650924/12	-	3,370
Ombudsman Services	93.042	650723/12, 650724/12	-	17,433
Special Programs for the Aging - Title III, Part D, Disease Prevention and Health Promotion Services	93.043	655521/12	-	3,324
COVID 19 Act Title IIID Preventive Health - PHC6	93.043	650625/12	-	15,850
Total ALN 93.043			<u>-</u>	<u>19,174</u>

**HOWARD COUNTY GOVERNMENT
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS (CONTINUED)
YEAR ENDED JUNE 30, 2025**

Federal Grantor/Pass-Through Grantor/ Program or Cluster Title	Assistance Listing Number	Pass-Through Identifying Number	Passed- Through to Subrecipients	Total Federal Expenditures
U.S. Department of Health and Human Resources (Continued)				
Pass-Through Maryland Department of Aging (Continued):				
Special Programs for the Aging - Title IV and II				
Discretionary Projects - Senior Medical Patrol	93.048	653425/12	\$ -	\$ 17,598
National Family Caregiver Support - Title III, Part E	93.052	652023/12, 652024/12, 652025/12	-	112,279
COVID-19 Act Title III E Family Caregivers - FCC6	93.052	655621/12	-	321
Total ALN 93.052			-	112,600
Medicare Enrollment Assistance Program - MIPPA	93.071	653725/12, 653825/12, 653925/12	-	11,449
State Health Insurance Assistance Program	93.324	65152025/12	-	27,518
Medicaid Cluster:				
Pass-Through Maryland Department of Human Resources and Howard County Department of Social Services:				
Title XIX MA Eligibility	93.778	Not Available	-	271
Title XIX Health Related Services	93.778	Not Available	-	50
Total ALN 93.778			-	321
Pass-Through Maryland Department of Aging:				
Medicaid Administrative Federal Financial Participation	93.778	APD-22-14	-	322,535
Total Medicaid Cluster			-	322,856
Pass-Through Governor's Office of Crime Control and Prevention:				
Maryland Resuscitation Academy Program - Carol Act Resuscitation Academy				
	93.643	CJAC-2024-0005	-	16,520
Pass-Through Center for Disease Control:				
Maryland Resuscitation Academy Program - Carol Act Resuscitation Academy				
	93.945	NU58DP007745-01-00	-	24,579
Pass-Through Maryland Department of Health and Howard County Health Department:				
State Opioid Response	93.788	BH412SOR, BH009SOR / F936N	-	281,167

**HOWARD COUNTY GOVERNMENT
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS (CONTINUED)
YEAR ENDED JUNE 30, 2025**

Federal Grantor/Pass-Through Grantor/ Program or Cluster Title	Assistance Listing Number	Pass-Through Identifying Number	Passed- Through to Subrecipients	Total Federal Expenditures
U.S. Department of Health and Human Resources (Continued)				
Pass-Through Maryland Department of Human Resources Resources Office of Victims Assistance: Child Support Enforcement	93.563	CSA/CRA-23-048, CSA/CRA-24-050, CSA/CRA-25 050	\$ -	\$ 173,773
CCDF Cluster:				
Pass-Through Maryland Family Network, Inc.: Child Care and Development Block Grant	93.575	2401MDCCDD	-	130,258
Pass-Through Maryland Department of Education: Maryland Rebuilds Initiative Grant	93.575	241094, 251201	-	41,661
Total ALN 93.575			-	171,919
Pass-Through Maryland Family Network: Community-Based Child Abuse Prevention Grants	93.590	2101MDBCC6	-	65,546
Pass-Through Maryland Department of Human Resources and Howard County Department of Social Services: Foster Care Program Title IV-E	93.658	Not Available	-	3,960
Child Support Enforcement Title IV-D	93.563	Not Available	-	142,277
Subtotal			-	146,237
Total U. S. Department of Health and Human Resources			-	2,511,500
U.S. Department of Homeland Security				
Assistance to Firefighters Grant	97.044		-	28,755
Pass-Through Maryland Department of Emergency Management: Disaster Grants - Public Assistance (Presidentially Declared Disasters)	97.036	FEMA-4279-DR-MD, FEMA-4376-DR-MD	-	2,776,558
Emergency Management Performance Grant	97.042	24-SR 8850-02, 23-SR 8850-01	-	66,972
Urban Area Security Initiative Grant Program	97.067	22-SR 8850-07, 23-SR 8850-02 20-GA 8850-08, 22-SR 8850-02,	-	290,257
State Homeland Security Grant Program	97.067	23-SR 8850-03	-	152,810
Subtotal			-	3,286,597
Total Department of Homeland Security			-	3,315,352

**HOWARD COUNTY GOVERNMENT
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS (CONTINUED)
YEAR ENDED JUNE 30, 2025**

Federal Grantor/Pass-Through Grantor/ Program or Cluster Title	Assistance Listing Number	Pass-Through Identifying Number	Passed- Through to Subrecipients	Total Federal Expenditures
U.S. Department of Housing and Urban Development				
CDBG - Entitlement Grants Cluster:				
Community Development Block Grants/Entitlement Grants	14.218		\$ 1,206,904	\$ 1,320,754
Balance of Outstanding Loans as of 6/30/2024	14.218		-	1,002,346
Total CDBG - Entitlement Grants Cluster			<u>1,206,904</u>	<u>2,323,100</u>
Home Investment Partnerships Program	14.239		1,333,121	1,350,515
Balance of Outstanding Loans as of 6/30/2024	14.239		-	2,097,069
Total ALN 14.239			<u>1,333,121</u>	<u>3,447,584</u>
Continuum of Care Program	14.267		1,108,280	1,119,180
Older Adults Home Modification Grant Program	14.921		-	146,858
Pass-Through Maryland Department of Housing and Community Development, Division of Neighborhood Revitalization:				
Homeless Solutions Program	14.231	E-20-DC-24-0001	<u>7,430</u>	<u>7,430</u>
Total Department of Housing and Urban Development			3,655,735	7,044,152
Department of Justice				
Equitable Sharing Program	16.922		-	233,295
Services for Trafficking Victims	16.320		-	111,825
State Criminal Alien Assistance Program	16.606		-	278,842
Pass-Through Governor's Office of Crime Control and Prevention:				
BJAG Program	16.738	BJNT-2019-0021, BJAG-2022-0025	-	10,765
Domestic Violence Legal Assistant	16.588	VAWA-2024-0020	<u>-</u>	<u>50,424</u>
Total Department of Justice			-	685,151

**HOWARD COUNTY GOVERNMENT
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS (CONTINUED)
YEAR ENDED JUNE 30, 2025**

Federal Grantor/Pass-Through Grantor/ Program or Cluster Title	Assistance Listing Number	Pass-Through Identifying Number	Passed- Through to Subrecipients	Total Federal Expenditures
U.S. Department of Labor				
Pass-Through State of Maryland Department of Labor:				
WIA/WIOA Cluster:				
Workforce Innovation and Opportunity Act - Youth Program	17.259	P46-HC-PY23-Y, P56-HC-PY24-Y	\$ -	\$ 249,800
Workforce Innovation and Opportunity Act - Dislocated Workers Program	17.278	P46-HC-FY24-D, P46-HC-PY23-D, P56-HC-PY24-D, P56-HC-PY24-D	-	740,291
Workforce Innovation and Opportunity Act - Adult Program	17.258	P46-HC-PY23-A, P46-HC-FY24-A, P56-HC-PY24-A, P56-HC-PY24-A	-	294,945
Total WIA/WIOA Cluster			<u>-</u>	<u>1,285,036</u>
Total Department of Labor			-	1,285,036
Department of Transportation				
Metropolitan Transportation Planning and State and Non-Metropolitan Planning:				
Pass-Through Baltimore Metropolitan Council:				
Unified Planning Work Program	20.505	Not Available	-	143,208
Pass-Through Maryland State Highway Administration:				
Patuxent, Henryton, Dobbin, Daisy, Ellicott Mills	20.205	PO1925 C-1, PO1957 C-1, 693JJ22340000ER01MDMD18006	-	7,619,242
Total ALN 20.205			<u>-</u>	<u>7,762,450</u>
Pass-Through Maryland Department of Transportation/ Maryland Transit Administration:				
Federal Transit Cluster:				
Assistance Program	20.507	HO05CMAQ2025	-	130,507
Pass-Through Maryland Department of Transportation:				
Highway Safety Cluster:				
State and Community Highway Safety - Aggressive, Distracted, and Impaired Driving	20.600	LE-HOWARD CO PD-2024-068, LE-HOWARD CO PD-2025-131, LE-HOWARD CO PD-2025-125, LE-HOWARD CO PD-2025-132	-	63,246
Total Highway Safety Cluster			<u>-</u>	<u>63,246</u>

**HOWARD COUNTY GOVERNMENT
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS (CONTINUED)
YEAR ENDED JUNE 30, 2025**

Federal Grantor/Pass-Through Grantor/ Program or Cluster Title	Assistance Listing Number	Pass-Through Identifying Number	Passed- Through to Subrecipients	Total Federal Expenditures
Department of Transportation (Continued)				
Pass-Through Maryland Emergency Management Agency: Hazardous Materials Emergency Preparedness Grant	20.703	22-GA 8850-06	\$ -	\$ 2,231
Total Department of Transportation			-	7,958,434
Department of Treasury				
COVID-19 - Coronavirus State and Local Fiscal Recovery Funds	21.027		4,139,621	15,563,117
COVID-19 - Emergency Rental Assistance	21.023		143,777	174,394
Pass-Through Maryland Department of Housing and Community Development, Division of Neighborhood Revitalization: COVID-19-Coronavirus State and Local Fiscal Recovery Funds - Maryland Connected Devices, Project Restore	21.027	Not Available	-	241,486
Pass-Through Maryland Department of Labor: COVID-19 - Coronavirus State and Local Fiscal Recovery Funds	21.027	HC-ARPA-PY21, HC-ARPA II	42,518	857,214
Total Department of Treasury			4,325,916	16,836,211
Total Expenditures of Federal Awards			\$ 7,981,651	\$ 42,281,619

HOWARD COUNTY, MARYLAND
NOTES TO SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
JUNE 30, 2025

NOTE 1 BASIS OF PRESENTATION

The accompanying schedule of expenditures of federal awards (the Schedule) includes the federal award activity of Howard County, Maryland under programs of the federal government for the year ended June 30, 2025, excluding the Howard Community College, Howard County Public Schools, and Howard County Public Library. The County reporting entity is defined in Note 1 to the County's basic financial statements.

NOTE 2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The Schedule was prepared on the modified accrual basis of accounting. The information in this Schedule is presented in accordance with Title 2 U.S. *Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards*. Because the Schedule presents only a selected portion of the operations of the County, it is not intended to and does not present the financial position, changes in net assets, or cash flows of the County.

NOTE 3 INDIRECT COSTS

Effective June 18, 2025, the County elected to use the de minimis indirect cost rate in accordance with the Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards (2 CFR Part 200) for applicable federal awards.

NOTE 4 LOAN PROGRAM

The County has a program to provide low-interest loans to businesses providing housing for low- to moderate-income persons. The federal Department of Housing and Urban Development (HUD) grants money for these loans to the County. The loans were disbursed under Assistance Listing Number 14.218 and Assistance Listing Number 14.239, and the outstanding loan balances as of June 30, 2025, were \$994,858 and \$2,069,161 respectively.

NOTE 5 MEDICAL ASSISTANCE PROGRAM

Maryland's Department of Health and Mental Hygiene—Medical Assistance Program (Medicaid; Title XIX; Assistance Listing number 93.778) is a state-administered program that utilizes local governments to provide patient care services to Medicaid-eligible individuals. Certain expenditures incurred by the County relate to the Emergency Service Transporter Supplemental Payment Program, under which the County operates in a service-provider capacity. Federal compliance related to these expenditures is the responsibility of the Maryland Department of Health and Mental Hygiene.

For the fiscal year ended June 30, 2025, the County received \$9,406,472 related to patient care services provided to eligible individuals under this program. This amount is not reflected in the accompanying Schedule.

**HOWARD COUNTY, MARYLAND
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
YEAR ENDED JUNE 30, 2025**

Section I – Summary of Auditors’ Results

Financial Statements

1. Type of auditors’ report issued: Unmodified
2. Internal control over financial reporting:
- Material weakness(es) identified? _____ yes X no
 - Significant deficiency(ies) identified? _____ yes X none reported
3. Noncompliance material to financial statements noted? _____ yes X no

Federal Awards

1. Internal control over major programs:
- Material weakness(es) identified? _____ yes X no
 - Significant deficiency(ies) identified? _____ yes X none reported
2. Type of auditors’ report issued on compliance for major federal programs: Unmodified
3. Any audit findings disclosed that are required to be reported in accordance with 2 CFR 200.516(a)? _____ yes X no

Identification of Major Federal Programs

<u>Name of Federal Program or Cluster</u>	<u>Federal Assistance Listing Number(s)</u>
CDBG – Entitlement Grants Cluster	14.218
Highway Planning and Construction	20.205
Clean Water State Revolving Fund	66.458

- Dollar threshold used to distinguish between Type A and Type B programs: \$ 1,268,449
- Auditee qualified as low-risk auditee? X yes _____ no

HOWARD COUNTY, MARYLAND
SCHEDULE OF FINDINGS AND QUESTIONED COSTS (CONTINUED)
YEAR ENDED JUNE 30, 2025

Section II – Financial Statement Findings

Our audit did not disclose any matters required to be reported in accordance with *Government Auditing Standards*.

**HOWARD COUNTY, MARYLAND
SCHEDULE OF FINDINGS AND QUESTIONED COSTS (CONTINUED)
YEAR ENDED JUNE 30, 2025**

Section III – Findings and Questioned Costs – Federal Awards

Our audit did not disclose any matters required to be reported in accordance with 2 CFR 200.516(a).



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