

WASHINGTON COUNTY, ARKANSAS, FEDERAL PROGRAMS

December 31, 2023

**Schedule of Expenditures of Federal Awards – Cash Basis
And
Supplementary Information**

With

Independent Auditor's Report



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Independent Auditor's Report

County Quorum Court
Washington County, Arkansas, Federal Programs
Washington County, Arkansas

Report on Schedule of Expenditures of Federal Awards – Cash Basis

Opinion

We have audited the schedule of expenditures of federal awards – cash basis of Washington County, Arkansas, Federal Programs, a component unit of Washington County, Arkansas, for the year ended December 31, 2023, and the related notes (the “schedule”).

In our opinion, the accompanying schedule presents fairly, in all material respects, the expenditures of federal awards of Washington County, Arkansas, Federal Programs for the year ended December 31, 2023, in accordance with the cash basis of accounting as described in Note 1.

Basis for Opinion

We conducted our audit 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* (“GAS”) 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 are further described in the Auditor’s Responsibilities for the Audit of the Schedule section of our report.

We are required to be independent of Washington County, Arkansas, Federal Programs and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audit. We believe the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Basis of Accounting

We draw attention to Note 1 of the schedule, which describes the basis of accounting. The schedule is prepared on the cash basis of accounting, which is a basis of accounting other than accounting principles generally accepted in the United States of America. Our opinion is not modified with respect to that matter.

Responsibilities of Management for the Schedule

Management is responsible for the preparation and fair presentation of the schedule in accordance with the cash basis of accounting and for the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of the schedule that is free from material misstatement, whether due to fraud or error.

Auditor's Responsibilities for the Audit of the Schedule

Our objectives are to obtain reasonable assurance about whether the schedule as a whole is free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. 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, GAS, and the Uniform Guidance will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the schedule.

In performing an audit in accordance with GAAS, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the schedule, 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 amounts and disclosures in the schedule.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of Washington County, Arkansas, Federal Programs' internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the schedule.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit, significant audit findings, and certain internal control-related matters that we identified during the audit.

Supplementary Information

Our audit was conducted for the purpose of forming an opinion on the schedule as a whole. The accompanying supplementary information contained on pages 10 through 19 is presented for purposes of additional analysis and is not a required part of the schedule. Such information has been subjected to auditing procedures applied in the audit of the schedule and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the schedule or to the schedule itself, and other additional procedures in accordance with GAAS. In our opinion, the accompanying supplementary information and the schedule are fairly stated in all material respects in relation to the schedule as a whole.

Other Reporting Required by GAS

In accordance with *GAS*, we have also issued our report dated June 16, 2025, on our consideration of Washington County, Arkansas, Federal Programs' internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements, and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the internal control over financial reporting or on compliance. This report is an integral part of an audit performed in accordance with *GAS* in considering Washington County, Arkansas, Federal Programs' internal control over financial reporting and compliance.

The image shows a handwritten signature in black ink that reads "Frost, PLLC". The signature is written in a cursive, professional style.

Certified Public Accountants

Little Rock, Arkansas
June 16, 2025

Schedule of Expenditures of Federal Awards – Cash Basis

For the Year Ended December 31, 2023

<u>Grant</u>	<u>Grant ID Number</u>	Federal Assistance Living ("FAL") Number	<u>Expenditures</u>	<u>Subrecipients</u>
Major Programs				
U.S. Department of Treasury Emergency Rental Assistance #2 American Rescue Plan Act	ERA2 ARPA	21.023 21.027	\$ 300,000 <u>1,832,874</u>	\$ 300,000 <u>-</u>
Total major programs			<u>2,132,874</u>	<u>300,000</u>
Nonmajor Programs				
U.S. Department of Health and Human Services Substance Abuse and Mental Health Services Administration - Drug Courts FY 22 Substance Abuse and Mental Health Services Administration - Drug Courts FY 23 Subtotal	5H79TI082976-03 5H79TI082976-04	93.243 93.243	273,359 <u>219,782</u> <u>493,141</u>	- <u>-</u> <u>-</u>

The accompanying notes are an integral part of this schedule.

Schedule of Expenditures of Federal Awards – Cash Basis (cont.)

For the Year Ended December 31, 2023

<u>Grant</u>	<u>Grant ID Number</u>	<u>FAL Number</u>	<u>Expenditures</u>	<u>Subrecipients</u>
Nonmajor Programs (cont.)				
U.S. Department of Homeland Security/Federal Emergency Management Agency Passed through the State of Arkansas Department of Emergency Management Homeland Security Grant Program				
Urban Search and Rescue Program FY 2020	SHSGP-FY-20-USAR	97.067	\$ 21,534	\$ -
Urban Search and Rescue Program FY 2021	SHSGP-FY-21-USAR	97.067	158,722	-
Urban Search and Rescue Program FY 2022	SHSGP-FY-22-USAR	97.067	11,210	-
Special Weapons and Tactics FY 2020	FY-20-SHSGP-SWAT	97.067	22,697	-
Special Weapons and Tactics FY 2021	FY-21-SHSGP-SWAT	97.067	177,457	-
Special Weapons and Tactics FY 2022	FY-22-SHSGP-SWAT	97.067	49,984	-
Weapons of Mass Destruction FY 2021	FY-21-SHSGP-WMD	97.067	204,995	-
Weapons of Mass Destruction FY 2022	FY-22-SHSGP-WMD	97.067	78,339	-
CYBER	FY-21-SHSGP-CYBER	97.067	24,691	-
Subtotal			<u>749,629</u>	<u>-</u>
Office of National Drug Control Policy				
High Intensity Drug Trafficking Area FY 2021	G21GC004A	95.001	122,078	-
High Intensity Drug Trafficking Area FY 2022	G22GC004A	95.001	247,027	-
Subtotal			<u>369,105</u>	<u>-</u>
U.S. Department of Justice/Connect and Protect				
Drug Court Discretionary Grant Program	2020-VC-BX-0049	16.585	220,970	-
Subtotal			<u>220,970</u>	<u>-</u>
State Criminal Alien Assistance Program	2021-AP-BX-1148	16.606	96,191	-
State Criminal Alien Assistance Program	2022-AP-BX-1148	16.606	65,439	-
State Criminal Alien Assistance Program	2023-AP-BX-1148	16.606	16,689	-
Subtotal			<u>178,319</u>	<u>-</u>
Edward Byrne Memorial Justice Assistance Grant Program - FY22	15PBJA-22-GG-02242-JAGX	16.738	14,804	-
Edward Byrne Memorial Justice Assistance Grant Program - FY23	15PBJA-23-GG-02242-JAGX	16.738	13,506	-
Edward Byrne Memorial Justice Assistance Grant Program Allocations - FY23	15PBJA-23-GG-01477-MENT	16.745	2,879	-
Subtotal			<u>31,189</u>	<u>-</u>
Total nonmajor programs			<u>2,042,353</u>	<u>-</u>
Total programs			<u>\$ 4,175,227</u>	<u>\$ 300,000</u>

The accompanying notes are an integral part of this schedule.

Notes to Schedule of Expenditures of Federal Awards – Cash Basis

For the Year Ended December 31, 2023

1. Summary of Significant Accounting Policies

- a. **Organization** – The schedule of expenditures of federal awards (“SEFA”) of Washington County, Arkansas, Federal Programs (the “County”) is a report on the federal programs of Washington County, Arkansas, which are specifically defined below.

<u>Grant Name</u>	<u>Grant Number</u>	<u>Abbreviation</u>
Alternatives to Detention	2016-JF-FX-0032	DHS-FY22
American Rescue Plan Act	-	ARPA-FY21
Drug Court Discretionary Grant Program	2020-VC-BX-0049	DOJ-FY22
Emergency Rental Assistance #1	ERA1	ERA1-FY21
Emergency Rental Assistance #2	ERA2	ERA2-FY21
High Intensity Drug Trafficking Area FY 2021	G21GC004A	HIDTA-FY21
High Intensity Drug Trafficking Area FY 2022	G22GC004A	HIDTA-FY22
Homeland Security Grant Program		
Urban Search and Rescue Program FY 2020	SHSGP-FY-20-USAR	SHSG-FY20
Urban Search and Rescue Program FY 2021	SHSGP-FY-21-USAR	SHSG-FY21
Urban Search and Rescue Program FY 2022	SHSGP-FY-22-USAR	SHSG-FY22
State Criminal Alien Assistance Program	2020-AP-BX-1148	SCAAP-FY19
State Criminal Alien Assistance Program	2021-AP-BX-1148	SCAAP-FY20
State Criminal Alien Assistance Program	2022-AP-BX-1148	SCAAP-FY21
State Criminal Alien Assistance Program	2023-AP-BX-1148	SCAAP-FY22
State Criminal Alien Assistance Program	2024-AP-BX-1148	SCAAP-FY23
Special Weapons and Tactics FY 2019	FY-19-SHSGP-SWAT	SWAT-FY19
Special Weapons and Tactics FY 2020	FY-20-SHSGP-SWAT	SWAT-FY20
Special Weapons and Tactics FY 2021	FY-21-SHSGP-SWAT	SWAT-FY21
Special Weapons and Tactics FY 2022	FY-22-SHSGP-SWAT	SWAT-FY22
CYBER	FY-21-SHSGP-CYBER	CYBER-FY21
Substance Abuse and Mental Health Services		
Administration - Drug Courts FY 20/21	1H79TI080136-03	SAMHSA-FY20
Substance Abuse and Mental Health Services		
Administration - Drug Courts FY 21/22	5H79TI082976-03	SAMHSA-FY21
Substance Abuse and Mental Health Services		
Administration - Drug Courts FY 22/23	5H79TI082976-04	SAMHSA-FY22
Substance Abuse and Mental Health Services		
Administration - Drug Courts FY 23/24	15H79TI082976-03	SAMHSA-FY23
Weapons of Mass Destruction FY 2020	FY-20-SHSGP-WMD	WMD-FY20
Weapons of Mass Destruction FY 2021	FY-21-SHSGP-WMD	WMD-FY21
Weapons of Mass Destruction FY 2022	FY-22-SHSGP-WMD	WMD-FY22
U.S Department of Justice/Connect and Protect		
Edward Byrne Memorial Justice Assistance Grant Program - FY22	15PBJA-22-GG-02242-JAGX	JAG-FY22
Edward Byrne Memorial Justice Assistance Grant Program - FY23	15PBJA-23-GG-02242-JAGX	JAG-FY23
Edward Byrne Memorial Justice Assistance Grant Program Allocations - FY23	15PBJA-23-GG-01477-MENT	BJA- FY23

Notes to Schedule of Expenditures of Federal Awards – Cash Basis

For the Year Ended December 31, 2023

1. **Summary of Significant Accounting Policies** (cont.)

- b. **Financial reporting** – This report includes all funds and accounts directly related to the above mentioned grants.
- c. **Basis of presentation** – The SEFA includes the federal grant activity of the County under programs of the federal government for the year ended December 31, 2023. The information in the SEFA is presented in accordance with the requirements of Title 2 U.S. Code of Federal Regulations Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards*. Because the SEFA presents only a selected portion of the operations of the County, it is not intended to and does not include all of the funds and account groups relevant to the operations of the County.
- d. **Basis of accounting** – Expenditures reported on the SEFA are reported on the cash basis of accounting which is a comprehensive basis of accounting other than accounting principles generally accepted in the United States of America (“GAAP”). All transactions relating to the County’s participation in the federal programs are recognized as either cash receipts or disbursements. Noncash transactions are not recognized in the SEFA. Disbursements are recognized following the cost principles contained in the U.S. Office of Management and Budget *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards*, wherein certain types of expenditures are not allowable or are limited as to reimbursement.

The County operates under an elected form of government similar to a mayor-council format. GAAP requires that the reporting entity include (1) the primary government, (2) organizations for which the primary government is financially accountable, and (3) other organizations for which the nature and significance of their relationship with the primary government are such that exclusion would cause the reporting entity’s financial statements to be misleading or incomplete. The criteria provided in the Governmental Accounting Standards Board Statement No. 14, “The Financial Reporting Entity,” have been considered. The SEFA represents only the federal programs of the County and does not include data of other funds of the primary government necessary for reporting in conformity with GAAP.

2. **Indirect Cost Rate**

The County has not elected to use the 10% de minimis indirect cost rate as allowed in the Uniform Guidance, Section 200.414, “Indirect (F&A) Costs.”

3. **Contingencies**

The County is subject to possible examinations with respect to grants made by regulations governing its grant activities. These examinations may result in refunds by the County to the grantors in the event of noncompliance.

Notes to Schedule of Expenditures of Federal Awards – Cash Basis

For the Year Ended December 31, 2023

4. Subrecipients

A local foundation was a subrecipient for the Emergency Rental Assistance #2 grant. Disbursements to subrecipients are considered to be made when the grants' funds are received and then subsequently disbursed to the subrecipients.

WASHINGTON COUNTY, ARKANSAS, FEDERAL PROGRAMS

Notes to Schedule of Expenditures of Federal Awards – Cash Basis

For the Year Ended December 31, 2023

5. Budgets (Unaudited)

The budgets, if applicable, for the grants identified in Note 1 are as follows:

	<u>WMD- FY20</u>	<u>WMD- FY21</u>	<u>WMD- FY22</u>	<u>SHSG- FY20</u>	<u>SHSG- FY21</u>	<u>SHSG- FY22</u>	<u>ERA1- FY21</u>	<u>ERA2- FY21</u>	<u>SWAT- FY20</u>	<u>SWAT- FY21</u>	<u>SWAT- FY22</u>
Program costs											
Machinery and equipment	\$ -	\$ 188,964	\$ 76,826	\$ -	\$ 172,111	\$ 190,000	\$ -	\$ -	\$ 2,351	\$ 83,441	\$ 322,218
Other	-	44,715	1,500	-	12,651	75,500	-	1,785,364	-	35,720	42,357
Personnel	-	-	-	-	-	-	-	-	-	-	-
Professional fees and services	-	-	-	-	-	-	484,966	-	-	-	-
Supplies	<u>1,070</u>	<u>18,821</u>	<u>3,174</u>	<u>21,652</u>	<u>11,166</u>	<u>16,000</u>	<u>-</u>	<u>-</u>	<u>19,411</u>	<u>94,134</u>	<u>77,725</u>
Total program costs	<u>\$ 1,070</u>	<u>\$ 252,500</u>	<u>\$ 81,500</u>	<u>\$ 21,652</u>	<u>\$ 195,928</u>	<u>\$ 281,500</u>	<u>\$ 484,966</u>	<u>\$ 1,785,364</u>	<u>\$ 21,762</u>	<u>\$ 213,295</u>	<u>\$ 442,300</u>

	<u>HIDTA- FY21</u>	<u>HIDTA- FY22</u>	<u>SAMHSA- FY21</u>	<u>SAMHSA- FY22</u>	<u>SAMHSA- FY23</u>	<u>SCAAP- FY20</u>	<u>SCAAP- FY21</u>	<u>SCAAP- FY22</u>	<u>ARPA- FY21</u>	<u>CYBER- FY21</u>	<u>Total</u>
Program costs											
Machinery and equipment	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 14,389,119	\$ -	\$ 15,425,030
Other	46,842	253,998	3,949	182,174	399,999	82	15,203	51,820	1,984,985	35,000	4,971,859
Personnel	-	-	-	73,045	73,041	-	-	-	95,543	-	241,629
Professional fees and services	-	-	-	-	-	-	-	-	-	-	484,966
Supplies	<u>-</u>	<u>-</u>	<u>-</u>	<u>19,435</u>	<u>56,400</u>	<u>96,109</u>	<u>106,543</u>	<u>50,000</u>	<u>24,650</u>	<u>-</u>	<u>616,290</u>
Total program costs	<u>\$ 46,842</u>	<u>\$ 253,998</u>	<u>\$ 3,949</u>	<u>\$ 274,654</u>	<u>\$ 529,440</u>	<u>\$ 96,191</u>	<u>\$ 121,746</u>	<u>\$ 101,820</u>	<u>\$ 16,494,297</u>	<u>\$ 35,000</u>	<u>\$ 21,739,774</u>

WASHINGTON COUNTY, ARKANSAS, FEDERAL PROGRAMS

Statement of Cash Receipts, Disbursements, and Changes in Fund Balances – Cash Basis

For the Year Ended December 31, 2023

	<u>SWAT- FY19</u>	<u>SWAT- FY20</u>	<u>SWAT- FY21</u>	<u>SWAT- FY22</u>	<u>SHSG- FY20</u>	<u>SHSG- FY21</u>	<u>SHSG- FY22</u>	<u>WMD- FY20</u>	<u>WMD- FY21</u>	<u>WMD- FY22</u>
Receipts										
Federal advances/reimbursements	\$ -	\$ 110,756	\$ 147,967	\$ 49,984	\$ 65,591	\$ 157,996	\$ 5,400	\$ 5,795	\$ 127,979	\$ 76,826
Disbursements										
Capital outlay and equipment	-	-	-	-	-	-	-	-	-	-
Emergency management	-	-	-	-	-	-	-	-	-	-
Law enforcement	-	22,697	177,457	49,984	-	-	-	-	-	-
Other	-	-	-	-	21,534	158,722	11,210	-	204,995	78,339
Total disbursements	<u>-</u>	<u>22,697</u>	<u>177,457</u>	<u>49,984</u>	<u>21,534</u>	<u>158,722</u>	<u>11,210</u>	<u>-</u>	<u>204,995</u>	<u>78,339</u>
Excess of cash receipts over disbursements or (disbursements over receipts)	-	88,059	(29,490)	-	44,057	(726)	(5,810)	5,795	(77,016)	(1,513)
Fund balances (deficit) - beginning of year	<u>(219)</u>	<u>(117,441)</u>	<u>(12,117)</u>	<u>-</u>	<u>(116,055)</u>	<u>(10,272)</u>	<u>-</u>	<u>(5,795)</u>	<u>-</u>	<u>-</u>
Fund balances (deficit) - end of year	<u>\$ (219)</u>	<u>\$ (29,382)</u>	<u>\$ (41,607)</u>	<u>\$ -</u>	<u>\$ (71,998)</u>	<u>\$ (10,998)</u>	<u>\$ (5,810)</u>	<u>\$ -</u>	<u>\$ (77,016)</u>	<u>\$ (1,513)</u>

See independent auditor's report.

WASHINGTON COUNTY, ARKANSAS, FEDERAL PROGRAMS

Statement of Cash Receipts, Disbursements, and Changes in Fund Balances – Cash Basis (cont.)

For the Year Ended December 31, 2023

	<u>ERA1- FY21</u>	<u>ERA2- FY21</u>	<u>HIDTA- FY21</u>	<u>HIDTA- FY22</u>	<u>SAMHSA- FY20</u>	<u>SAMHSA- FY21</u>	<u>SAMHSA- FY22</u>	<u>SAMHSA- FY23</u>	<u>DOJ- FY22</u>	<u>DHS- FY22</u>
Receipts										
Federal advances/reimbursements	\$ -	\$ 1,701,407	\$ 122,078	\$ 247,027	\$ -	\$ 43,588	\$ 399,996	\$ 100,492	\$ 220,970	\$ -
Disbursements										
Capital outlay and equipment	-	-	-	-	-	-	-	-	-	-
Emergency management	-	-	-	-	-	-	-	-	-	-
Law enforcement	-	-	122,078	247,027	-	-	-	-	-	-
Other	-	300,000	-	-	-	-	273,359	219,782	220,970	-
Total disbursements	<u>-</u>	<u>300,000</u>	<u>122,078</u>	<u>247,027</u>	<u>-</u>	<u>-</u>	<u>273,359</u>	<u>219,782</u>	<u>220,970</u>	<u>-</u>
Excess of cash receipts over disbursements or (disbursements over receipts)	-	1,401,407	-	-	-	43,588	126,637	(119,290)	-	-
Fund balances (deficit) - beginning of year	<u>2,076,810</u>	<u>82,300</u>	<u>-</u>	<u>-</u>	<u>(1,484)</u>	<u>(270,336)</u>	<u>(46,759)</u>	<u>-</u>	<u>24,056</u>	<u>578</u>
Fund balances (deficit) - end of year	<u>\$ 2,076,810</u>	<u>\$ 1,483,707</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ (1,484)</u>	<u>\$ (226,748)</u>	<u>\$ 79,878</u>	<u>\$ (119,290)</u>	<u>\$ 24,056</u>	<u>\$ 578</u>

See independent auditor's report.

WASHINGTON COUNTY, ARKANSAS, FEDERAL PROGRAMS

Statement of Cash Receipts, Disbursements, and Changes in Fund Balances – Cash Basis (cont.)

For the Year Ended December 31, 2023

	SCAAP- FY19	SCAAP- FY20	SCAAP- FY21	SCAAP- FY22	SCAAP- FY23	CYBER- FY21	JAG- FY22	JAG- FY23	BJA- FY23	ARPA- FY21	Total
Receipts											
Federal advances/reimbursements	\$ -	\$ -	\$ 121,746	\$ 101,820	\$ 117,953	\$ 24,691	\$ 14,804	\$ 13,506	\$ 2,879	\$ -	\$ 3,981,251
Disbursements											
Capital outlay and equipment	-	-	-	-	-	-	-	-	-	-	-
Emergency management	-	-	-	-	-	-	-	-	-	-	-
Law enforcement	-	-	-	-	-	-	-	-	-	-	619,243
Other	-	96,191	65,439	16,689	-	24,691	14,804	13,506	2,879	1,832,874	3,555,984
Total disbursements	-	96,191	65,439	16,689	-	24,691	14,804	13,506	2,879	1,832,874	4,175,227
Excess of cash receipts over disbursements or (disbursements over receipts)	-	(96,191)	56,307	85,131	117,953	-	-	-	-	(1,832,874)	(193,976)
Fund balances (deficit) - beginning of year	70,811	96,191	121,746	-	-	-	-	-	-	26,327,252	28,219,266
Fund balances (deficit) - end of year	\$ 70,811	\$ -	\$ 178,053	\$ 85,131	\$ 117,953	\$ -	\$ -	\$ -	\$ -	\$ 24,494,378	\$ 28,025,290

See independent auditor's report.

WASHINGTON COUNTY, ARKANSAS, FEDERAL PROGRAMS

Statement of Cash Receipts, Disbursements, and Changes in Fund Balances from Inception – Cash Basis

For the Year Ended December 31, 2023

	<u>SWAT- FY19</u>	<u>SWAT- FY20</u>	<u>SWAT- FY21</u>	<u>SWAT- FY22</u>	<u>SHSG- FY20</u>	<u>SHSG- FY21</u>	<u>SHSG- FY22</u>	<u>WMD- FY20</u>	<u>WMD- FY21</u>	<u>WMD- FY22</u>
Fund balances - inception of grant	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Receipts										
Federal advances/reimbursements	<u>364,962</u>	<u>257,968</u>	<u>333,131</u>	<u>49,984</u>	<u>265,839</u>	<u>157,996</u>	<u>5,400</u>	<u>267,798</u>	<u>127,979</u>	<u>76,826</u>
Disbursements										
Capital outlay and equipment	-	-	-	-	-	-	-	-	-	-
Emergency management	-	-	-	-	-	-	-	-	-	-
Law enforcement	365,181	287,350	374,738	49,984	-	-	-	-	-	-
Other	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>337,837</u>	<u>168,994</u>	<u>11,210</u>	<u>267,798</u>	<u>204,995</u>	<u>78,339</u>
Total disbursements	<u>365,181</u>	<u>287,350</u>	<u>374,738</u>	<u>49,984</u>	<u>337,837</u>	<u>168,994</u>	<u>11,210</u>	<u>267,798</u>	<u>204,995</u>	<u>78,339</u>
Fund balances (deficit) - end of year	<u>\$ (219)</u>	<u>\$ (29,382)</u>	<u>\$ (41,607)</u>	<u>\$ -</u>	<u>\$ (71,998)</u>	<u>\$ (10,998)</u>	<u>\$ (5,810)</u>	<u>\$ -</u>	<u>\$ (77,016)</u>	<u>\$ (1,513)</u>

See independent auditor's report.

WASHINGTON COUNTY, ARKANSAS, FEDERAL PROGRAMS

Statement of Cash Receipts, Disbursements, and Changes in Fund Balances from Inception – Cash Basis (cont.)

For the Year Ended December 31, 2023

	<u>ERA1- FY21</u>	<u>ERA2- FY21</u>	<u>HIDTA- FY21</u>	<u>HIDTA- FY22</u>	<u>SAMHSA- FY20</u>	<u>SAMHSA- FY21</u>	<u>SAMHSA- FY22</u>	<u>SAMHSA- FY23</u>	<u>DOJ- FY22</u>	<u>DHS- FY22</u>
Fund balances - inception of grant	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Receipts										
Federal advances/reimbursements	<u>10,339,522</u>	<u>5,689,056</u>	<u>287,807</u>	<u>254,771</u>	<u>277,857</u>	<u>171,988</u>	<u>478,719</u>	<u>100,492</u>	<u>408,572</u>	<u>17,536</u>
Disbursements										
Capital outlay and equipment	-	-	-	-	-	-	-	-	-	-
Emergency management	-	-	-	-	-	-	-	-	-	-
Law enforcement	-	-	287,807	254,771	-	-	-	-	-	-
Other	<u>8,262,712</u>	<u>4,205,349</u>	<u>-</u>	<u>-</u>	<u>279,341</u>	<u>398,736</u>	<u>398,841</u>	<u>219,782</u>	<u>384,516</u>	<u>16,958</u>
Total disbursements	<u>8,262,712</u>	<u>4,205,349</u>	<u>287,807</u>	<u>254,771</u>	<u>279,341</u>	<u>398,736</u>	<u>398,841</u>	<u>219,782</u>	<u>384,516</u>	<u>16,958</u>
Fund balances (deficit) - end of year	<u>\$ 2,076,810</u>	<u>\$ 1,483,707</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ (1,484)</u>	<u>\$ (226,748)</u>	<u>\$ 79,878</u>	<u>\$ (119,290)</u>	<u>\$ 24,056</u>	<u>\$ 578</u>

See independent auditor's report.

WASHINGTON COUNTY, ARKANSAS, FEDERAL PROGRAMS

Statement of Cash Receipts, Disbursements, and Changes in Fund Balances from Inception – Cash Basis (cont.)

For the Year Ended December 31, 2023

	SCAAP- FY19	SCAAP- FY20	SCAAP- FY21	SCAAP- FY22	SCAAP- FY23	CYBER- FY21	JAG- FY22	JAG- FY23	BJA- FY23	ARPA FY21	Total
Fund balances - inception of grant	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Receipts											
Federal advances/reimbursements	<u>76,382</u>	<u>96,191</u>	<u>243,492</u>	<u>101,820</u>	<u>117,953</u>	<u>24,691</u>	<u>14,804</u>	<u>13,506</u>	<u>2,879</u>	<u>46,459,271</u>	<u>67,085,192</u>
Disbursements											
Capital outlay and equipment	-	-	-	-	-	-	-	-	-	-	-
Emergency management	-	-	-	-	-	-	-	-	-	-	-
Law enforcement	-	-	-	-	-	-	-	-	-	-	1,619,831
Other	<u>5,571</u>	<u>96,191</u>	<u>65,439</u>	<u>16,689</u>	<u>-</u>	<u>24,691</u>	<u>14,804</u>	<u>13,506</u>	<u>2,879</u>	<u>21,964,893</u>	<u>37,440,071</u>
Total disbursements	<u>5,571</u>	<u>96,191</u>	<u>65,439</u>	<u>16,689</u>	<u>-</u>	<u>24,691</u>	<u>14,804</u>	<u>13,506</u>	<u>2,879</u>	<u>21,964,893</u>	<u>39,059,902</u>
Fund balances (deficit) - end of year	<u>\$ 70,811</u>	<u>\$ -</u>	<u>\$ 178,053</u>	<u>\$ 85,131</u>	<u>\$ 117,953</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 24,494,378</u>	<u>\$ 28,025,290</u>

See independent auditor's report.

WASHINGTON COUNTY, ARKANSAS, FEDERAL PROGRAMS

Schedule of Sources and Status of Funds – Cash Basis

For the Year Ended December 31, 2023

	SWAT- FY19	SWAT- FY20	SWAT- FY21	SWAT- FY22	SHSG- FY20	SHSG- FY21	SHSG- FY22	WMD- FY20	WMD- FY21	WMD- FY22
Total program funds allocated	\$ -	\$ 287,769	\$ 410,575	\$ -	\$ 340,069	\$ 206,200	\$ -	\$ 268,869	\$ 252,500	\$ -
Less drawdowns in prior fiscal years	364,962	147,212	185,164	-	200,248	-	-	262,004	-	-
Less drawdowns during current period	-	110,756	147,967	49,984	65,591	157,996	5,400	5,795	127,979	76,826
Less expired funds	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Program funds still available	<u>\$ (364,962)</u>	<u>\$ 29,801</u>	<u>\$ 77,444</u>	<u>\$ (49,984)</u>	<u>\$ 74,230</u>	<u>\$ 48,204</u>	<u>\$ (5,400)</u>	<u>\$ 1,070</u>	<u>\$ 124,521</u>	<u>\$ (76,826)</u>
Program funds drawn down by recipient	\$ -	\$ 110,756	\$ 147,967	\$ 49,984	\$ 65,591	\$ 157,996	\$ 5,400	\$ 5,795	\$ 127,979	\$ 76,826
Plus program funds available from prior year (committed to prior year)	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total program funds	-	110,756	147,967	49,984	65,591	157,996	5,400	5,795	127,979	76,826
Less funds applied to program costs	<u>-</u>	<u>22,697</u>	<u>177,457</u>	<u>49,984</u>	<u>21,534</u>	<u>158,722</u>	<u>11,210</u>	<u>-</u>	<u>204,995</u>	<u>78,339</u>
Total program funds available for disposition (committed)	<u>\$ -</u>	<u>\$ 88,059</u>	<u>\$ (29,490)</u>	<u>\$ -</u>	<u>\$ 44,057</u>	<u>\$ (726)</u>	<u>\$ (5,810)</u>	<u>\$ 5,795</u>	<u>\$ (77,016)</u>	<u>\$ (1,513)</u>

See independent auditor's report.

WASHINGTON COUNTY, ARKANSAS, FEDERAL PROGRAMS

Schedule of Sources and Status of Funds – Cash Basis (cont.)

For the Year Ended December 31, 2023

	ERA1- FY21	ERA2- FY21	HIDTA- FY21	HIDTA- FY22	SAMHSA- FY20	SAMHSA- FY21	SAMHSA- FY22	SAMHSA- FY23	DOJ- FY22	DHS- FY22
Total program funds allocated	\$ -	\$ -	\$ 298,796	\$ 261,742	\$ 399,996	\$ 399,996	\$ 399,996	\$ -	\$ -	\$ -
Less drawdowns in prior fiscal years	10,339,522	3,987,649	176,719	7744	277,857	399,824	72,723	-	187,602	17,536
Less drawdowns during current period	-	1,701,407	122,078	247,027	-	43,588	399,996	100,492	220,970	-
Less expired funds	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Program funds still available	<u>\$ (10,339,522)</u>	<u>\$ (5,689,056)</u>	<u>\$ (1)</u>	<u>\$ 14,715</u>	<u>\$ 122,139</u>	<u>\$ (43,416)</u>	<u>\$ (72,723)</u>	<u>\$ (100,492)</u>	<u>\$ (408,572)</u>	<u>\$ (17,536)</u>
Program funds drawn down by recipient	\$ -	\$ 1,701,407	\$ 122,078	\$ 247,027	\$ -	\$ 43,588	\$ 399,996	\$ 100,492	\$ 220,970	\$ -
Plus program funds available from prior year (committed to prior year)	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total program funds	-	1,701,407	122,078	247,027	-	43,588	399,996	100,492	220,970	-
Less funds applied to program costs	<u>-</u>	<u>300,000</u>	<u>122,078</u>	<u>247,027</u>	<u>-</u>	<u>-</u>	<u>273,359</u>	<u>219,782</u>	<u>220,970</u>	<u>-</u>
Total program funds available for disposition (committed)	<u>\$ -</u>	<u>\$ 1,401,407</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 43,588</u>	<u>\$ 126,637</u>	<u>\$ (119,290)</u>	<u>\$ -</u>	<u>\$ -</u>

See independent auditor's report.

WASHINGTON COUNTY, ARKANSAS, FEDERAL PROGRAMS

Schedule of Sources and Status of Funds – Cash Basis (cont.)

For the Year Ended December 31, 2023

	SCAAP- FY19	SCAAP- FY20	SCAAP- FY21	SCAAP- FY22	SCAAP- FY23	CYBER- FY21	JAG- FY22	JAG- FY23	BJA- FY23	ARPA- FY21	Total
Total program funds allocated	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 3,526,508
Less drawdowns in prior fiscal years	76,382	96,191	121,746	-	-	-	-	-	-	-	16,921,085
Less drawdowns during current period	-	-	121,746	101,820	117,953	24,691	14,804	13,506	2,879	-	3,981,251
Less expired funds	-	-	-	-	-	-	-	-	-	-	-
Program funds still available	<u>\$ (76,382)</u>	<u>\$ (96,191)</u>	<u>\$ (243,492)</u>	<u>\$ (101,820)</u>	<u>\$ (117,953)</u>	<u>\$ (24,691)</u>	<u>\$ (14,804)</u>	<u>\$ (13,506)</u>	<u>\$ (2,879)</u>	<u>\$ -</u>	<u>\$ (17,375,828)</u>
Program funds drawn down by recipient	\$ -	\$ -	\$ 121,746	\$ 101,820	\$ 117,953	\$ 24,691	\$ 14,804	\$ 13,506	\$ 2,879	\$ -	\$ 3,981,251
Plus program funds available from prior year (committed to prior year)	-	-	-	-	-	-	-	-	-	26,327,252	26,327,252
Total program funds	-	-	121,746	101,820	117,953	24,691	14,804	13,506	2,879	26,327,252	30,308,503
Less funds applied to program costs	-	96,191	65,439	16,689	-	24,691	14,804	13,506	2,879	1,832,874	4,175,227
Total program funds available for disposition (committed)	<u>\$ -</u>	<u>\$ (96,191)</u>	<u>\$ 56,307</u>	<u>\$ 85,131</u>	<u>\$ 117,953</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 24,494,378</u>	<u>\$ 26,133,276</u>

See independent auditor's report.

Supplementary Data

For the Year Ended December 31, 2023

Name and Address:	Washington County 280 North College, Suite 530 Fayetteville, Arkansas 72701
Employer Identification Number:	71-6003197
Telephone Number:	(479) 444-1708
Contacts:	Patrick Deakins, County Judge Bridgett Russell, Grant Administrator

Independent Auditor’s Report on Internal Control Over Financial Reporting and on Compliance and Other Matters Based on an Audit of the Schedule of Expenditures of Federal Awards Performed in Accordance With *Government Auditing Standards*

County Quorum Court
Washington County, Arkansas, Federal Programs
Washington County, Arkansas

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* (“GAS”) issued by the Comptroller General of the United States, the schedule of expenditures of federal awards – cash basis of Washington County, Arkansas, Federal Programs for the year ended December 31, 2023, and the related notes (the “schedule”), and have issued our report thereon dated June 16, 2025.

Report on Internal Control Over Financial Reporting

In planning and performing our audit of the schedule, we considered Washington County, Arkansas, Federal Programs’ 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 opinion on the schedule, but not for the purpose of expressing an opinion on the effectiveness of Washington County, Arkansas, Federal Programs’ internal control. Accordingly, we do not express an opinion on the effectiveness of Washington County, Arkansas, Federal Programs’ 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 Washington County, Arkansas, Federal Programs’ schedule 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 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 and therefore, material weaknesses or significant deficiencies may exist that were not identified. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. We identified a certain deficiency in internal control, described in the accompanying schedule of findings and questioned costs as item 2023-001, that we consider to be a significant deficiency.

Report on Compliance and Other Matters

As part of obtaining reasonable assurance about whether Washington County, Arkansas, Federal Programs' schedule is 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 schedule. 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 *GAS*.

Washington County, Arkansas, Federal Programs' Response to Findings

GAS requires the auditor to perform limited procedures on Washington County, Arkansas, Federal Programs' response to the findings identified in our audit and described in the accompanying schedule of findings and questioned cost. Washington County, Arkansas, Federal Programs' response was not subjected to the other auditing procedures applied in the audit of the financial statements and, accordingly, we express no opinion on the response.

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 Washington County, Arkansas, Federal Programs' internal control or on compliance. This report is an integral part of an audit performed in accordance with *GAS* in considering Washington County, Arkansas, Federal Programs' internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

Frost, PLLC

Certified Public Accountants

Little Rock, Arkansas
June 16, 2025

**Independent Auditor’s Report on Compliance for Each Major Federal Program
and Report on Internal Control Over Compliance in Accordance With the Uniform Guidance**

County Quorum Court
Washington County, Arkansas, Federal Programs
Washington County, Arkansas

Report on Compliance for Each Major Federal Program

Opinion on Each Major Federal Program

We have audited Washington County, Arkansas, Federal Programs’ compliance with the types of compliance requirements identified as subject to audit in the U.S. Office of Management and Budget *Compliance Supplement* that could have a direct and material effect on each of Washington County, Arkansas, Federal Programs’ major federal programs for the year ended December 31, 2023. Washington County, Arkansas, Federal Programs’ major federal programs are identified in the summary of auditor’s results section of the accompanying schedule of findings and questioned costs.

In our opinion, Washington County, Arkansas, Federal Programs 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 December 31, 2023.

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* (“GAS”) 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 Auditor’s Responsibilities for the Audit of Compliance section of our report.

We are required to be independent of Washington County, Arkansas, Federal Programs and to meet our other ethical responsibilities, in accordance with relevant ethical requirements relating to our audit. We believe 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 Washington County, Arkansas, Federal Programs’ compliance with the compliance requirements referred to above.

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 Washington County, Arkansas, Federal Programs' federal programs.

Auditor's 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 Washington County, Arkansas, Federal Programs' 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, GAS, 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 Washington County, Arkansas, Federal Programs' compliance with the requirements of each major federal program as a whole.

In performing an audit in accordance with GAAS, GAS, 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 Washington County, Arkansas, Federal Programs' compliance with the compliance requirements referred to above and performing such other procedures as we considered necessary in the circumstances.
- Obtain an understanding of Washington County, Arkansas, Federal Programs' 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 Washington County, Arkansas, Federal Programs' 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 requirement 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 Auditor's 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.

Frost, PLLC

Certified Public Accountants

Little Rock, Arkansas
June 16, 2025

Schedule of Findings and Questioned Costs

For the Year Ended December 31, 2023

Section I: Summary of Auditor’s Results

Schedule of Expenditures of Federal Awards

Type of auditor’s report issued: Unqualified

Internal control over financial reporting:

- Material weakness(es) identified? Yes No
- Significant deficiency(ies) identified? Yes None Reported

Noncompliance material to the schedule noted? Yes No

Federal Awards

Internal control over major federal programs:

- Material weakness(es) identified? Yes No
- Significant deficiency(ies) identified? Yes None Reported

Type of auditor’s report issued on compliance for major federal programs. Unqualified

Any audit findings disclosed that are required to be reported in accordance with 2 CFR 200.516(a)? Yes No

Identification of major federal programs:

Federal Assistance Listing (“FAL”) Number(s) and Name of Federal Program or Cluster

Emergency Rental Assistance #2	21.023
American Rescue Plan Act	21.027

Dollar threshold used to distinguish between type A and type B programs: \$ 750,000

Auditee qualified as a low-risk auditee? Yes No

Schedule of Findings and Questioned Costs (cont.)**For the Year Ended December 31, 2023****Section II: Federal Awards Findings****Significant Deficiency**

Identification of the Federal Program:	American Rescue Plan Act (“ARPA”) (21.027)
Finding:	2023-001
Criteria:	Title 2 U.S. <i>Code of Federal Regulations</i> Part 200, <i>Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards, Section (a)(1)</i> requires the audit, the data collection form, and the reporting package must be submitted within 30 calendar days after the auditee receives the auditor’s report(s) or nine months after the end of the audit period (whichever is earlier).
Condition:	Washington County, Arkansas, Federal Programs (the “County”) noted its 2022 and 2021 Schedule of Expenditures of Federal Awards (“SEFA”) omitted ARPA expenditures prior to the completion of the 2023 SEFA.
Cause:	The County did not have effective procedures to ensure all grant activity was included in the SEFA.
Effect or Potential Effect:	The submission of the 2023 SEFA was delayed to correct and resubmit the audits of the 2022 and 2021 SEFA reporting.
Recommendation:	We recommend the County establish a review process to identify and correct omissions related to its SEFA reporting and a reconciliation of all grant activity with the County’s general ledger. This process will address funds, such as the ARPA funds, that may not have been initially directed to the grant administrator.

Schedule of Findings and Questioned Costs (cont.)

For the Year Ended December 31, 2023

Views of Responsible Officials and Planned Corrective Actions:

Patrick W. Deakins
County Judge



280 North College Avenue
Fayetteville, AR 72701

WASHINGTON COUNTY ARKANSAS

05/27/2025

Frost Certified Public Accountants
4375 North Vantage Drive #403
Fayetteville, AR 72703

Regarding Audit for 2023

Upon assuming office, the current administration of Washington County discovered that American Rescue Plan Act (ARPA) funds received by the county had been inadvertently omitted from the Federal Single Audit for 2023, an issue that originated under the previous administration. We immediately took corrective actions to rectify this oversight and ensure that such an error does not occur again.

To prevent future omissions, the County has established a comprehensive review process to identify and correct any discrepancies in its Schedule of Expenditures and Federal Awards (SEFA) reporting. This process includes detailed reconciliations of all grant activity, ensuring that federal funds—such as ARPA funds—are accurately identified and included in the audit process.

Additionally, the County has enhanced its collaboration with external auditors and improved communication across all financially aligned departments. These steps strengthen our ability to thoroughly identify and report federal awards subject to the Federal Single Audit process.

The County takes its responsibility as a fiduciary custodian of public funds very seriously. We are confident that all ARPA funds have been expended efficiently and in full compliance with federal regulations. The omission was solely a reporting error, and no public funds are missing or unaccounted for. Since taking office, the current administration has made transparency and accountability top priorities, and we are committed to continuously improving our processes to uphold the public's trust.

Judge Patrick W. Deakins