

**COUNTY OF ROCKINGHAM, NEW HAMPSHIRE**

**INDEPENDENT AUDITORS' REPORTS REQUIRED BY *GOVERNMENT AUDITING STANDARDS*, TITLE 2 U.S. CODE OF FEDERAL REGULATIONS (CFR), PART 200, *UNIFORM ADMINISTRATIVE REQUIREMENTS, COST PRINCIPLES, AND AUDIT REQUIREMENTS FOR FEDERAL AWARDS* (UNIFORM GUIDANCE)**

**FOR THE YEAR ENDED JUNE 30, 2022**

# COUNTY OF ROCKINGHAM, NEW HAMPSHIRE

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## **Independent Auditors' Report on the Schedule of Expenditures of Federal Awards**

To the Board of Commissioners  
**County of Rockingham, New Hampshire**

### **Report on the Audit of the Schedule of Expenditures of Federal Awards**

#### ***Opinion***

We have audited the schedule of expenditures of federal awards of the County of Rockingham, New Hampshire (the "County") for the year ended June 30, 2022, and the related notes (the "schedule").

In our opinion, the accompanying schedule of expenditures of federal awards presents fairly, in all material respects, the expenditures of federal awards of the County for the year ended June 30, 2022, in accordance with accounting principles generally accepted in the United States of America.

#### ***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* issued by the Comptroller General of the United States (*Government Auditing Standards*); 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 the Schedule section of our report.

We are required to be independent of the County and to meet our other ethical responsibilities, in accordance with the 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 audit opinion.

#### ***Responsibilities of Management for the Schedule***

Management is responsible for the preparation and fair presentation of the schedule in accordance with accounting principles generally accepted in the United States of America 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.

### *Auditors' Responsibility 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 auditors' 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, *Government Auditing Standards*, 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 and *Government Auditing Standards*, 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 the Town's 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.

*CBIZ CPAs P.C.*

Merrimack, NH  
August 19, 2025

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

To the Board of Commissioners  
**County of Rockingham, New Hampshire**

**Report on Compliance for Each Major Federal Program**

***Qualified and Unmodified Opinions***

We have audited the County of Rockingham, New Hampshire’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, 2022. The County’s major federal programs are identified in the summary of auditors’ results section of the accompanying schedule of findings and questioned costs.

***Qualified Opinion on the Emergency Rental Assistance Program***

In our opinion, except for the noncompliance described in the Basis for Qualified and Unmodified Opinions section of our report, the County complied, in all material respects, with the compliance requirements referred to above that could have a direct and material effect on the Emergency Rental Assistance Program for the year ended June 30, 2022.

***Unmodified Opinion on Each of the Other Major Federal Programs***

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 other major federal programs identified in the summary of auditor’s results section of the accompanying schedule of findings and questioned costs for the year ended June 30, 2022.

***Basis for Qualified and Unmodified Opinions***

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 (*Government Auditing Standards*); 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 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 qualified and unmodified opinions 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.

#### *Matters Giving Rise to Qualified Opinion on the Emergency Rental Assistance Program*

As described in the accompanying schedule of findings and questioned costs, the County did not comply with requirements regarding the Emergency Rental Assistance Program as described in finding number 2022-002 for Activities Allowed or Unallowed, Allowable Costs/Cost Principles and Eligibility.

Compliance with such requirements is necessary, in our opinion, for the County to comply with the requirements applicable to that program.

#### ***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.

#### ***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 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 City'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.

#### ***Other Matters***

The results of our auditing procedures disclosed other instances of noncompliance which are required to be reported in accordance with the Uniform Guidance, and which are described in the accompanying schedule of findings and questioned costs as items 2022-001 and 2022-003.

Our opinion on each major federal program is not modified with respect to these matters.

*Government Auditing Standards* requires the auditor to perform limited procedures on the County's response to the noncompliance findings identified in our compliance audit described in the accompanying schedule of findings and questioned costs. The County's response was not subjected to the other auditing procedures applied in the audit of compliance and, accordingly, we express no opinion on the response.

### **Report on Internal Control Over Compliance**

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 and therefore, material weaknesses or significant deficiencies may exist that were not identified. However, as discussed below, we did identify certain deficiencies in internal control over compliance that we consider to be material weaknesses and significant deficiencies.

*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. We consider the deficiency in internal control over compliance described in the accompanying schedule of findings and questioned costs as item 2022-002 to be a material weakness.

*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. We consider the deficiencies in internal control over compliance described in the accompanying schedule of findings and questioned costs as items 2022-001 and 2022-003 to be significant deficiencies.

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.

*Government Auditing Standards* requires the auditor to perform limited procedures on the County's response to the internal control over compliance findings identified in our compliance audit described in the accompanying schedule of findings and questioned costs. The County's response was not subjected to the other auditing procedures applied in the audit of compliance and, accordingly, we express no opinion on the response.

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.

*CBIZ CPAs P.C.*

Merrimack, NH  
August 19, 2025

# COUNTY OF ROCKINGHAM, NEW HAMPSHIRE

## SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS

**FOR THE YEAR ENDED JUNE 30, 2022**

<i>Federal Agency</i>				
Cluster		Federal	Pass-Through	
Pass-Through Agency		AL	Identifying	Federal
Program Title		Number	Number	Expenditures
<b><i>U.S. Department of Housing and Urban Development</i></b>				
CDBG - Entitlement Grants Cluster				
Passed through the State of New Hampshire Office of Community Planning and Development				
Community Development Block Grants/States Program and Non-entitlement Grants in Hawaii		14.228	20-408-CDPS	\$ 177,542
Community Development Block Grants/States Program and Non-entitlement Grants in Hawaii		14.228	20-408-CDHS	73,016
Community Development Block Grants/States Program and Non-entitlement Grants in Hawaii		14.228	20-408-CDPF	<u>26,000</u>
Total Community Development Block Grants/States Program and Non-entitlement Grants in Hawaii				<u>276,558</u>
Total CDBG - Entitlement Grants Cluster				<u>276,558</u>
<b>Total U.S. Department of Housing and Urban Development</b>				<u>276,558</u>
<b><i>U.S. Department of Justice</i></b>				
Direct Federal Program				
COVID-19 - Coronavirus Emergency Supplemental Funding Program		16.034	N/A	10,030
Equitable Sharing Program		16.922	N/A	22,940
Passed through the State of New Hampshire Bureau of Justice Assistance				
Crime Victim Assistance		16.575	2019-V2-GX-0050	48,888
Residential Substance Abuse Treatment for State Prisoners		16.593	2020-J2-BX-0023	20,842
Edward Byrne Memorial Justice Assistance Grant Program		16.738	2019-DJ-BX-0296	<u>10,516</u>
<b>Total U.S. Department of Justice</b>				<u>113,216</u>
<b><i>U.S. Department of Transportation</i></b>				
Passed through the State of New Hampshire Department of Safety				
National Highway Traffic Safety Administration Discretionary Safety Grants and Cooperative Agreements		20.614	Unknown	<u>8,978</u>
<b>Total U.S. Department of Transportation</b>				<u>8,978</u>
<b><i>U.S. Department of the Treasury</i></b>				
Direct Federal Program				
COVID-19 Emergency Rental Assistance Program		21.023	N/A	3,626,490
COVID-19 Coronavirus State and Local Fiscal Recovery Funds		21.027	N/A	1,806,635
Passed through the State of New Hampshire GOFERR				
COVID-19 Coronavirus Relief Fund		21.019	Unknown	<u>260,000</u>
<b>Total U.S. Department of the Treasury</b>				<u>5,693,125</u>
<b><i>U.S. Department of Health and Human Services</i></b>				
Direct Federal Program				
COVID-19 Provider Relief Fund and American Rescue Plan Rural Distribution		93.498	N/A	1,031,492
Passed through State of New Hampshire Department of Health and Human Services				
COVID-19 Epidemiology and Laboratory Capacity for Infectious Diseases		93.323	NU-50-CK-000522	<u>395,230</u>
<b>Total U.S. Department of Health and Human Services</b>				<u>1,426,722</u>
<b><i>U.S. Department of Homeland Security</i></b>				
Passed through the State of New Hampshire Department of Safety				
Emergency Management Performance Grants		97.042	VC-177468-B007	6,327
Homeland Security Grant Program		97.067	EMW-2019-SS-00053	<u>2,650</u>
<b>Total U.S. Department of Homeland Security</b>				<u>8,977</u>
<b>Total Federal Expenditures</b>				<u>\$ 7,527,576</u>

*The accompanying notes are an integral part of this schedule.*

# COUNTY OF ROCKINGHAM, NEW HAMPSHIRE

## NOTES TO SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS

FOR THE YEAR ENDED JUNE 30, 2022

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### NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

- The accompanying Schedule of Expenditures of Federal Awards (the Schedule) includes the federal award activity of the County of Rockingham, New Hampshire (the County) under programs of the federal government for the year ended June 30, 2022. The information in the Schedule is presented in accordance with the requirements of Title 2 U.S. Code of Federal Regulations (CFR) Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance). 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 position, or cash flows of the County.
- Expenditures reported on the Schedule are reported on the accrual basis of accounting. Such expenditures are recognized following the cost principles contained in the Uniform Guidance, wherein certain types of expenditures are not allowable or are limited to reimbursement.
- Expenditures of Provider Relief Funds, AL 93.498, awarded from the U.S. Department of Health and Human Services (HHS) are presented on the Schedule in accordance with the reporting period established by the HHS reporting portal requirements.

### NOTE 2 - DE MINIMIS COST RATE

The County has elected not to use the 10-percent de minimis indirect cost rate as allowed under the Uniform Guidance.

### NOTE 3 - DONATED PERSONAL PROTECTIVE EQUIPMENT (PPE) (UNAUDITED)

During fiscal year 2022, the County did not receive donated PPE from federal sources.

### NOTE 4 - SUBRECIPIENTS

Of the federal expenditures presented in the Schedule, the County did not provide federal awards to subrecipients.

**COUNTY OF ROCKINGHAM, NEW HAMPSHIRE**

**SCHEDULE OF FINDINGS AND QUESTIONED COSTS**

**FOR THE YEAR ENDED JUNE 30, 2022**

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**SECTION I – SUMMARY OF AUDITORS’ RESULTS**

***FINANCIAL STATEMENTS***

***(INFORMATION OBTAINED FROM SEPARATE REPORT AUDITED BY OTHER AUDITORS)***

Type of auditors’ report issued on whether the Schedule of Expenditures of Federal Awards was prepared in accordance with GAAP: *Unmodified*

Internal control over financial reporting:

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

Noncompliance material to financial statements 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 auditors’ report issued on compliance for major federal programs:

COVID-19 Emergency Rental Assistance Program *Qualified*  
COVID-19 Coronavirus State and Local Fiscal Recovery Funds *Unmodified*  
COVID-19 Provider Relief Fund and American Rescue Plan Rural Distribution *Unmodified*

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:

<b><u>NAME OF FEDERAL PROGRAM OR CLUSTER</u></b>	<b><u>ASSISTANCE LISTING NUMBER(S)</u></b>
COVID-19 Emergency Rental Assistance Program	21.023
COVID-19 Coronavirus State and Local Fiscal Recovery Funds	21.027
COVID-19 Provider Relief Fund and American Rescue Plan Rural Distribution	93.498

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

Auditee qualified as low-risk auditee?  Yes  No

**COUNTY OF ROCKINGHAM, NEW HAMPSHIRE**

**SCHEDULE OF FINDINGS AND QUESTIONED COSTS (CONTINUED)**

**FOR THE YEAR ENDED JUNE 30, 2022**

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**SECTION II – FINANCIAL STATEMENT FINDINGS**

None noted in separate report audited by other auditors.

**SECTION III – FEDERAL AWARD FINDINGS AND QUESTIONED COSTS**

**2022-001      *Improve Internal Controls over the Preparation of the Schedule of Expenditures of Federal Awards (SEFA)***

***Federal Program(s) Information***

**Cluster/Program:** All federal programs

***Type of Finding***

Compliance

Internal Control over Compliance – Significant Deficiency

***Criteria or Specific Requirement***

The County is required to prepare a SEFA in accordance with the prescribed guidelines of the Uniform Guidance.

***Condition and Context***

The County did not properly report a net impact of \$580,474 in expenditures on the SEFA. As a result of the initial improper expenditure amounts included, the auditors' assessment over major program determination was impacted.

***Cause***

The County did not have adequate controls in place in order to properly report federal expenditures.

***Effect or Potential Effect***

Due to the weakness in internal controls noted above, there is a risk that amounts reported on the SEFA are not complete and accurate. The lack of a complete and accurate SEFA may impact the determination of if a single audit is required, as well as major program determination. Misstating expenditures on the SEFA results in the County being out of compliance with the requirements set forth in the underlying grant agreements and the Uniform Guidance.

***Recommendation***

The County should ensure that adequate procedures and controls are in place to ensure that the SEFA is complete and accurate. These controls should include controls requiring the reconciliation of federal expenditures to the appropriate supporting documentation (e.g., general ledger, grant reports, etc.).

**COUNTY OF ROCKINGHAM, NEW HAMPSHIRE**

**SCHEDULE OF FINDINGS AND QUESTIONED COSTS (CONTINUED)**

**FOR THE YEAR ENDED JUNE 30, 2021**

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**SECTION III – FEDERAL AWARD FINDINGS AND QUESTIONED COSTS (CONTINUED)**

**2022-001      *Improve Internal Controls over the Preparation of the Schedule of Expenditures of Federal Awards (SEFA) (Continued)***

***Views of Responsible Official and Planned Corrective Action***

Management’s corrective action plan is included at the end of this report after the Schedule of Prior Year Findings.

**2022-002      *Improve Internal Controls and Documentation over Allowable Costs and Eligibility Determinations***

***Federal Program Information***

**Federal Agency:** Department of the Treasury

**Award Name:** COVID-19 Emergency Rental Assistance Program

**Assistance Listing Number:** 21.023

**Award Year:** 2022

**Compliance Requirement:** Activities Allowed or Unallowed, Allowable Costs/Cost Principles, Eligibility

***Type of Finding***

Compliance

Internal Control over Compliance – Material Weakness

***Criteria or Specific Requirement***

Per 2 CFR 200.303, the County is required to establish and maintain effective internal controls over federal programs to provide reasonable assurance of compliance with federal statutes, regulations, and the terms and conditions of the award. Additionally, 2 CFR 200.334 requires the retention of records and supporting documentation to demonstrate eligibility determinations and allowability of expenditures under the program.

***Condition and Context***

During our audit, we tested a sample of 40 selections for allowable costs, as well as a sample of 40 for individual eligibility determinations under the program in which 35 selections were leveraged between the two tests. For 8 of the items selected for testing under allowable cost compliance and eligibility requirements, the County was unable to provide some or all of the required supporting documentation to demonstrate that individuals met the program’s eligibility requirements and that costs were allowable. The documentation was retained in an online portal to which the County no longer had access at the time of our audit procedures.

**COUNTY OF ROCKINGHAM, NEW HAMPSHIRE**

**SCHEDULE OF FINDINGS AND QUESTIONED COSTS (CONTINUED)**

**FOR THE YEAR ENDED JUNE 30, 2021**

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**SECTION III – FEDERAL AWARD FINDINGS AND QUESTIONED COSTS (CONTINUED)**

**2022-002      *Improve Internal Controls and Documentation over Allowable Costs and Eligibility Determinations (Continued)***

***Cause***

The County did not establish sufficient procedures or controls to ensure ongoing access to required supporting documentation maintained in the external portal used for program administration.

***Effect or Potential Effect***

Due to the weakness in internal controls noted above, the County could not demonstrate compliance with eligibility and allowable cost requirements for the sampled transactions. This also constitutes noncompliance with record retention requirements and impairs the ability for sufficient procedures to be performed over the program.

***Questioned Costs***

Due to the condition noted above, we were unable to determine if the costs charged to the applicable grant are allowable.

<u>AL Number(s)</u>	<u>Name of Federal Program or Cluster</u>	<u>Questioned Costs</u>
21.023	Emergency Rental Assistance Program	\$63,014

\*Note this includes \$59,580 leveraged between allowable cost and eligibility testing, and an additional amount from eligibility testing of \$3,164

***Recommendation***

The County should implement policies and procedures to ensure required documentation for the program is retained in a manner that ensures continued access, even if administration platforms change or external portals are no longer accessible. The County should also periodically verify that it retains all necessary support for program transactions as required under federal regulations.

***Views of Responsible Official and Planned Corrective Action***

Management’s corrective action plan is included at the end of this report after the Schedule of Prior Year Findings.

# COUNTY OF ROCKINGHAM, NEW HAMPSHIRE

## SCHEDULE OF FINDINGS AND QUESTIONED COSTS (CONTINUED)

FOR THE YEAR ENDED JUNE 30, 2021

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### SECTION III – FEDERAL AWARD FINDINGS AND QUESTIONED COSTS (CONTINUED)

#### **2022-003      *Improve Internal Controls over Reporting***

##### ***Federal Program Information***

**Federal Agency:** Department of the Treasury

**Award Name:** COVID-19 Emergency Rental Assistance Program

**Assistance Listing Number:** 21.023

**Award Year:** 2022

**Compliance Requirement:** Reporting

##### ***Type of Finding***

Compliance

Internal Control over Compliance – Significant Deficiency

##### ***Criteria or Specific Requirement***

Per 2 CFR 200.303, the County is required to establish and maintain effective internal controls over federal programs to provide reasonable assurance of compliance with federal statutes, regulations, and the terms and conditions of the award. Program guidance requires timely and accurate submission of quarterly financial and performance reports, as well as monthly performance reports, to the U.S. Department of the Treasury in accordance with established deadlines.

##### ***Condition and Context***

During our testing of the reporting compliance requirement for ERA 1 and ERA 2 awards over the quarterly financial reports, quarterly performance reports and monthly performance reports, we noted the following exceptions:

- Of the 2 quarterly financial reports (SF-425) tested, both the ERA 1 and ERA 2 reports for quarter end 9/30/2021 were submitted on 12/31/2021 after the required deadline of 10/29/2021. The County indicated the late submissions were due to the inability to retrieve the information required to compile the reports due to an ERAP system error.
- Of the 4 monthly performance reports tested, the County was unable to provide documentation showing the date of submission for the ERA 1 and ERA 2 reports for the month of October 2021. The remaining 2 monthly performance reports for the month of April 2022 were submitted in July 2022, and no approved extension was on file.
- Of the 2 quarterly performance reports tested, the ERA 1 report for quarter end 9/30/2021 was submitted on 12/31/2021 after the required deadline of 10/29/2021 due to the inability to retrieve the information required to compile the reports due to an ERA system error. The other quarterly performance report tested for ERA 2 for the quarter ending 6/30/2022 was not submitted on time as evidenced by a notification email from Treasury after the due date had passed.

# COUNTY OF ROCKINGHAM, NEW HAMPSHIRE

## SCHEDULE OF FINDINGS AND QUESTIONED COSTS (CONTINUED)

FOR THE YEAR ENDED JUNE 30, 2021

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### SECTION III – FEDERAL AWARD FINDINGS AND QUESTIONED COSTS (CONTINUED)

#### **2022-003      *Improve Internal Controls over Reporting (Continued)***

##### ***Cause***

The County did not establish sufficient procedures or controls to ensure timely submission of all required reports or retention of sufficient evidence to support timeliness of filing. In addition, the County did not have a contingency process in place to address system errors affecting timely reporting.

##### ***Effect or Potential Effect***

Due to the weakness in internal controls noted above, there is an increased risk that required program information may not be reported to the granting agency in a timely manner consistent with federal reporting requirements. Additionally, the lack of supporting documentation impedes the ability to verify compliance with reporting deadlines. No questioned costs are reported as the requirement is procedural in nature.

##### ***Recommendation***

The County should strengthen internal controls in place over the timely submission and documentation of required reports for the program. This should include maintaining sufficient evidence of the date and method of submission and considering the implementation of backup procedures in the event system issues affect timely reporting. The County should ensure any delays are documented and, if necessary, approved by the granting agency in writing.

##### ***Views of Responsible Official and Planned Corrective Action***

Management's corrective action plan is included at the end of this report after the Schedule of Prior Year Findings.

### SECTION IV – SCHEDULE OF PRIOR YEAR FINDINGS

#### **FINANCIAL STATEMENT FINDINGS**

See separate report audited by other auditors.

#### **FEDERAL AWARD FINDINGS AND QUESTIONED COSTS**

None reported in separate report audited by other auditors.



# Rockingham County Finance Office

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Brentwood, New Hampshire 03833

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## **Audit Finding Reference: 2022-001**

### **Corrective Action Taken or Planned:**

At the time of compiling the Schedule of Expenditures of Federal Awards (SEFA), the County was unaware that the totals reported in Reports 2 and 3 submitted to the Health Resources and Services Administration (HRSA) were required to be reported under Federal Assistance Listing Number (ALN) 93.498 – *COVID-19 – Provider Relief Fund*. This resulted in an incomplete reporting of federal expenditures under the appropriate ALN.

To address this issue, the County will implement the following corrective actions:

1. **Training and Guidance:** Staff responsible for SEFA preparation will receive additional training regarding federal reporting requirements, including how to align HRSA filings with SEFA reporting and the appropriate identification of Assistance Listing Numbers.
2. **Improved Coordination:** The County will establish closer coordination between the departments submitting reports to federal agencies (such as HRSA) and those compiling the SEFA to ensure consistency and completeness.
3. **Periodic Reconciliations:** The County will implement periodic reconciliations of its general ledger and departmental grant records against federal reporting requirements throughout the fiscal year, rather than waiting until year-end. This will support more timely and accurate SEFA preparation.

**Anticipated Completion Date:** October 15, 2025

### **Contact Person Responsible for Corrective Action:**

Charles Nickerson, Senior Director of Finance

Signature



# Rockingham County Finance Office

119 North Road  
Brentwood, New Hampshire 03833

Charles Nickerson, Senior Director of Finance  
Tel. 603-679-9341 Fax. 603-679-9346  
cnickerson@co.rockingham.nh.us

**Audit Finding Reference: 2022-002**

**Corrective Action Taken or Planned:**

1. **Formalized Record Retention Policies:** A formal record retention policy specific to federal grant programs will be implemented to ensure full compliance with 2 CFR 200.334. This policy will apply regardless of whether documentation is stored internally or by third-party systems. Any documentation downloaded or transferred from third-party systems will be subject to a review process to verify completeness and accuracy before being finalized for County retention. The County shall also take steps to ensure that information downloads and exports from third-party systems represent complete and accurate records.
2. **Audit Timing Advocacy and Preparedness:** The County will continue to maintain timely documentation and preparedness for audits and will also advocate for timely initiation and completion of future audits. Significant delays in the audit process, through no fault of the County, as observed during the FY2022 audit, substantially impacted the County's ability to access necessary documentation and demonstrate compliance. Although the County made every effort to retain records in accordance with federal requirements, the timing of the audit fieldwork occurred well after the program had concluded in May 2023. Had the audit been conducted in a timely manner, full access to the third-party platform used for program administration would have been available, along with all supporting documentation. However, by the time the audit took place, the program had been closed for over 18 months, and access to the external software system had lapsed in accordance with the expiration of the service agreement.
3. **Internal Audit Readiness Reviews:** Beginning with FY2025, the County will conduct internal audit readiness reviews shortly after fiscal year-end to ensure all documentation for closed federal programs is centralized, archived, and accessible for future audit purposes, even if conducted years later.

**Anticipated Completion Date:** October 15, 2025

**Contact Person Responsible for Corrective Action:**

Charles Nickerson, Senior Director of Finance

Signature



# Rockingham County Finance Office

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## **Audit Finding Reference: 2022-003**

### **Corrective Action Taken or Planned:**

1. Formal Documentation and Retention Procedures: Going forward, all report submissions will be accompanied by time and date-stamped confirmation of submission (e.g., email confirmations, screenshots from the federal submission portal, etc.). These confirmations will be retained in a designated compliance folder for each program.
2. Contingency Plan for System Errors: The County will develop a written contingency plan to address delays caused by system outages or data access issues. This plan will include communication protocols with software vendors, documentation of incidents, and immediate outreach to the granting agency when delays are anticipated.
3. Documenting Extensions and Agency Communication: In any case where a reporting deadline cannot be met, staff will immediately request written approval for extensions from the granting agency, and this correspondence will be retained as part of the official reporting record, as applicable and permitted.
4. Training for Program and Compliance Staff: Staff involved in federal reporting will receive training on reporting deadlines, documentation standards, and escalation protocols for delays. This training will be updated annually to reflect current guidance and program requirements.

**Anticipated Completion Date:** October 15, 2025

### **Contact Person Responsible for Corrective Action:**

Charles Nickerson, Senior Director of Finance

Signature