



Office of Inspector General

Appalachian Regional Commission

Audit of Grant Award to Town of Susan Moore Grant Number AL-22015

Report Prepared by Allmond & Company, LLC

Report Number 26-24

March 19, 2026

Appalachian Regional Commission
Office of Inspector General
1666 Connecticut Avenue, Suite 718
Washington, D.C. 20009



Office of Inspector General

Appalachian Regional Commission

March 19, 2026

TO: Brandon McBride, Executive Director

FROM: Clayton Fox, Inspector General

SUBJECT: Audit Report 26-24 – Town of Susan Moore

This memorandum transmits the Allmond & Company, LLC report for the audit of costs charged to grant number AL-22015 per its agreement with the Appalachian Regional Commission. The objective of the audit was to determine if costs claimed were allowable, allocable, reasonable, and in conformity with the Commission's award terms and conditions and Federal financial assistance requirements. In addition, the audit determined whether the performance measures were reasonable, supported, and fairly represented to the Commission.

Allmond & Company, LLC is responsible for the attached audit report and the conclusions expressed therein. The auditors issued no recommendations in the report. We do not express any opinion on the conclusions presented in the audit report. To fulfill our responsibilities, we:

- Reviewed the approach to and planning of the audit;
- Evaluated the qualifications and independence of the auditors;
- Monitored the progress of the audit at key points;
- Coordinated periodic meetings, as necessary;
- Reviewed the draft and final audit reports; and
- Coordinated the issuance of the audit report.

We thank your staff for the assistance extended to the auditors during this audit. Please contact me at 202-884-7675 if you have any questions regarding the report.

**Report on Performance Audit
of
Appalachian Regional Commission
Grant No. AL-22015
For The Period of August 1, 2024 to December 31, 2025**

**Awarded To
Town of Susan Moore**

**Prepared For The Appalachian Regional Commission
Office of Inspector General**

March 13, 2026

**ALLMOND & COMPANY, LLC
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Appalachian Regional Commission
Office of Inspector General
1666 Connecticut Avenue, NW; Suite 700
Washington, DC 20009

EXECUTIVE SUMMARY

The Appalachian Regional Commission (ARC) Office of Inspector General (OIG) has contracted with Allmond & Company, LLC (Allmond & Company) to perform a performance audit of grant number AL-22015 awarded to Town of Susan Moore. The scope of our audit is ARC Grant No. AL-22015 funds used during the period of August 1, 2024 through December 31, 2025.

The objectives of the grant performance audit will be to determine if Town of Susan Moore (1) Grant funds were managed in accordance with the ARC and Federal grant requirements; (2) Grant funds were expended, as provided for in the approved grant budget; (3) Internal guidelines, including program (internal) controls, were adequate and operating effectively; (4) Accounting and reporting requirements were implemented in accordance with accounting principles generally accepted in the United States of America (or other applicable accounting and reporting requirements); (5) Matching requirements were met; (6) The reported performance measures were fair and reasonable; (7) The single audit contained any findings or recommendations related to the management of federal assistant awards.

We conducted the performance audit in accordance with the standards applicable to performance audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, collectively referred to as generally accepted government auditing standards (GAGAS). Those standards require that we plan and perform the audit to obtain sufficient, appropriate evidence to provide a reasonable basis for our findings and conclusions in accordance with our audit objectives. We believe that the evidence obtained provides a reasonable basis for our findings and conclusions based on the audit objectives.

Based on the audit procedures performed, we concluded that Town of Susan Moore managed and expended grant funds in accordance with ARC and federal requirements, maintained adequate internal controls, met matching requirements, properly accounted for and controlled property, and reported performance measures fairly and accurately during the audit period.

Allmond & Company, LLC

Lanham, MD
March 13, 2026

BACKGROUND

The Appalachian Regional Commission (ARC) was established by the Appalachian Regional Development Act (ARDA) of 1965 to oversee economic development in the Region. It is the purpose of this subtitle to assist the region in meeting its special problems, to promote its economic development, and to establish a framework for joint federal and state efforts toward providing the basic facilities essential to its growth and attacking its common problems and meeting its common needs on a coordinated and concerted regional basis. The ARC is an economic development partnership entity of the federal government with thirteen (13) state governments focusing on four hundred and twenty-three (423) counties across the Appalachian Region. Its mission is to innovate, partner, and invest to build community capacity and strengthen economic growth in Appalachia. The thirteen states are Alabama, Georgia, Kentucky, Maryland, Mississippi, New York, North Carolina, Ohio, Pennsylvania, South Carolina, Tennessee, Virginia, and West Virginia.

ARC is a regional economic development agency, representing a unique partnership of Federal, state, and local governments. ARC-funded programs are used to support education and job training, healthcare, water and sewer systems, housing, highway construction, and other essentials of comprehensive economic development. ARC's staff is responsible for program development; policy analysis and review; grant development; technical assistance to states; and management and oversight. ARC grants are made to a wide range of entities, including; local development districts, state ARC Offices, state and local governments, educational establishments, nonprofit organizations, and for a variety of economic development projects.

The Grantee – Town of Susan Moore

The town of Susan Moore is located in the northeast Blount County in the north-central part of Alabama. Originally named Clarence, the town was officially renamed Susan Moore in 1982. The town encompasses 5.25 square miles situated along State Highway 75 and is home to 787 residents as of the 2020 U. S. Census.

ARC awarded Town of Susan Moore a grant number AL-22015 in the amount of \$200,000 for the period of August 1, 2024 to July 31, 2027 which required an additional \$489,448 in matching funding. The grant funds were to make roadway improvements by constructing turn lanes on the Alabama Highway 75 thereby providing safe and efficient access to a new business that was moving to the Town of Susan Moore. Specifically, the 0.3 miles of road improvements were successfully completed in February 2025. The new business opened in December 2024; however, it had not been able to fill all available positions but had created 8 new jobs of the 15 jobs committed for this project as of December 31, 2025. The Town will be ready to close the project once all 15 jobs have been filled.

OBJECTIVES, SCOPE, AND METHODOLOGY

The objectives of the grant performance audit were to determine if Town of Susan Moore:

1. Grant funds were managed in accordance with the ARC and Federal grant requirements.
2. Grant funds were expended, as provided for in the approved grant budget.
3. Internal guidelines, including program (internal) controls, were adequate and operating effectively.
4. Accounting and reporting requirements were implemented in accordance with accounting principles generally accepted in the United States of America (or other applicable accounting and reporting requirements).
5. Matching requirements were met.

6. The reported performance measures were fair and reasonable.
7. The single audit contained any findings or recommendations related to the management of federal assistant awards

The scope of our audit is ARC Grant No. AL-22015 funds issued during the period of August 1, 2024 through December 31, 2025.

Description	Amount
Federal Grant Amount	\$200,000.00
Required Matching Funds	\$489,448.00
Total	\$689,448.00

The following chart summarizes Town of Susan Moore’s approved budgeted amounts by budget category:

Budget Category	ARC Expenditures	Matching Expenditures	Total Expenditures
Construction	\$200,000.00	\$459,448.00	\$659,448.00
General Program Administration	--	\$30,000.00	\$30,000.00
Total	\$200,000.00	\$489,448.00	\$689,448.00

We conducted our audit in accordance with GAGAS applicable to performance audits. Those standards required that we plan and perform the audit to obtain sufficient, appropriate evidence to provide a reasonable basis for our findings and conclusions in accordance with our audit objectives. To accomplish our objectives, we:

- Obtained an understanding of any regulatory criteria related to the Town of Susan Moore’s responsibilities to administer grant funding awarded under ARC.
- Identified internal controls significant to our audit objectives for sample testing. Specifically, test internal controls in place in the areas of financial management, procurement, expense approval, and grant execution and reporting.
- Selected a representative sample of grant expenditures. These grant expenditures were tested for accuracy and program compliance by reviewing grant file documents, grant agreements, financial management system documentation, invoices, financial status reports, and requests for advance/reimbursement for grant payment forms.
- Reconciled and reviewed the financial reports for the ARC grants to Town of Susan Moore’s accounting records as of December 31, 2025.
- Verified that Town of Susan Moore’s matching expenses for the grant complied with the award requirements.

- Reviewed support for direct costs, including expenditures for General Program Administration and streets to determine whether the goods or services were allowable.
- Assessed whether Town of Susan Moore’s reported performance measures were submitted timely and if so, were they fair and reasonable.
- Reviewed Town of Susan Moore’s Grant Agreements, Request for Advance or Reimbursement Forms (SF-270), financial records, policies on cost allocation and allowability, budgets, financial statements and Single Audit reports, performance reports, and grant and program applications to determine if Town of Susan Moore is administering their grants in accordance with ARC and OMB requirements.

GRANTEE’S RESPONSE TO AUDIT RESULTS

We conducted an exit conference on March 18, 2026 with representatives of Town of Susan Moore, ARC OIG, and ARC representatives where we discussed the results of our audit. Town of Susan Moore concurred with our results.

AUDIT RESULTS

Based on the procedures performed, we found that the Town of Susan Moore managed and expended grant funds in accordance with ARC and federal requirements, maintained adequate internal controls, met matching requirements, properly accounted for and controlled property, reported performance measures fairly and accurately, and did not require a single audit during the audit period. For each of these objectives, we did not identify any deficiencies in internal control, instances of noncompliance, or other matters that are required to be reported under GAGAS.

Below, we have presented a Schedule of Claimed and Audit Recommended Cost as of December 31, 2025, which reflects the results of our audit.

Schedule of Claimed and Audit Recommended Costs							
Budget Category	Claimed Cost		Questioned Cost		Audit Recommended Costs		
	ARC	Matching	ARC	Matching	ARC	Matching	Total Expenditures
Construction	\$149,268.40	\$422,737.60	--	--	\$149,268.40	\$422,737.60	\$572,006.00
General Program Administration	--	\$22,250.00	--	--	--	\$22,250.00	\$22,250.00
Total	\$149,268.40	\$444,987.60	--	--	\$149,268.40	\$444,987.60	\$594,256.00