

COUNTY OF PLUMAS, CALIFORNIA



**SINGLE AUDIT ACT
REPORTS AND SCHEDULES
FOR THE YEAR ENDED
JUNE 30, 2018**

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COUNTY OF PLUMAS
Single Audit Act
For the Year Ended June 30, 2018

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**INDEPENDENT AUDITOR'S REPORT ON INTERNAL CONTROL OVER FINANCIAL
REPORTING AND ON COMPLIANCE AND OTHER MATTERS BASED ON AN AUDIT OF
FINANCIAL STATEMENTS PERFORMED IN ACCORDANCE WITH GOVERNMENT
AUDITING STANDARDS**

To the Board of Supervisors and the Grand Jury
County of Plumas
Quincy, California

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in Government Auditing Standards issued by the Comptroller General of the United States, the financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the County of Plumas, California, (County) as of and for the year ended June 30, 2018, and the related notes to the financial statements, which collectively comprise the County's basic financial statements and have issued our report thereon dated March 23, 2019.

Internal Control Over Financial Reporting

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

A deficiency in internal control exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, misstatements on a timely basis. A material weakness is a deficiency, or a combination of deficiencies, in internal control such that there is a reasonable possibility that a material misstatement of the entity's financial statements will not be prevented, or detected and corrected on a timely basis. A significant deficiency is a deficiency or a combination of deficiencies in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

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 have not been identified. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. We did identify certain deficiencies in internal control, described in the accompanying schedule of findings and questioned costs, that we consider to be a significant deficiency. (2018-002)

To the Board of Supervisors and the Grand Jury
County of Plumas
Quincy, California

Compliance and Other Matters

As part of obtaining reasonable assurance about whether the County's financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under Government Auditing Standards.

County's Responses to Findings

The County's responses to the findings identified in our audit are described in the accompanying management's corrective action plan. The County's responses were not subjected to the auditing procedures applied in the audit of the financial statements and, accordingly, we express no opinion on them.

Purpose of this Report

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

A handwritten signature in cursive script, appearing to read "Smith & Newell", written in dark ink.

Smith & Newell CPAs
Yuba City, California
March 23, 2019

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

To the Board of Supervisors and Grand Jury
County of Plumas
Quincy, California

Report on Compliance for Each Major Federal Program

We have audited the County of Plumas, California's (County) compliance with the types of compliance requirements described 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, 2018. The County's major federal programs are identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs.

Management's Responsibility

Management is responsible for compliance with federal statutes, regulations, and the terms and conditions of its federal awards applicable to its federal programs.

Auditor's Responsibility

Our responsibility is to express an opinion on compliance for each of the County's major federal programs based on our audit of the types of compliance requirements referred to above. We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in Government Auditing Standards, issued by the Comptroller General of the United States; and 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). Those standards and the Uniform Guidance require that we plan and perform the audit to obtain reasonable assurance about whether noncompliance with the types of compliance requirements referred to above that could have a direct and material effect on a major federal program occurred. An audit includes examining, on a test basis, evidence about the County's compliance with those requirements and performing such other procedures as we considered necessary in the circumstances.

We believe that our audit provides a reasonable basis for our opinion on compliance for each major federal program. However, our audit does not provide a legal determination of the County's compliance.

Opinion on Each Major Federal Program

In our opinion, the County complied, in all material respects, with the types of compliance requirements referred to above that could have a direct and material effect on each of its major federal programs for the year ended June 30, 2018.

To the Board of Supervisors and Grand Jury
County of Plumas
Quincy, California

Report on Internal Control Over Compliance

Management of the County, is responsible for establishing and maintaining effective internal control over compliance with the types of compliance requirements referred to above. In planning and performing our audit of compliance, we considered the County's internal control over compliance with the types of requirements that could have a direct and material effect on each major federal program to determine the auditing procedures that are appropriate in the circumstances for the purpose of expressing an opinion on compliance for each major federal program and to test and report on internal control over compliance in accordance with the Uniform Guidance, but not for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, we do not express an opinion on the effectiveness of the County's internal control over compliance.

A deficiency in internal control over compliance exists when the design or operation of a control over compliance does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, noncompliance with a type of compliance requirement of a federal program on a timely basis. A material weakness in internal control over compliance is a deficiency, or combination of deficiencies, in internal control over compliance, such that there is a reasonable possibility that material noncompliance with a 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 first paragraph of this section and was not designed to identify all deficiencies in internal control over compliance that might be material weaknesses or significant deficiencies and therefore, material weaknesses or significant deficiencies may exist that have not been identified. We identified certain deficiencies in internal control over compliance, as described in the accompanying schedule of findings and questioned costs as item 2018-001, that we consider to be a material weakness.

The County's response to the internal control over compliance finding identified in our audit is described in the accompanying schedule of findings and questioned costs. The County's response was not subjected to the 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.

To the Board of Supervisors and Grand Jury
County of Plumas
Quincy, California

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

We have audited the financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the County of Plumas, California, (County) as of and for the year ended June 30, 2018 and the related notes to the financial statements, which collectively comprise the County's basic financial statements. We issued our report thereon dated March 23, 2019, which contained unmodified opinions on those financial statements. Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the basic financial statements. The accompanying schedule of expenditures of federal awards is presented for purposes of additional analysis as required by the Uniform Guidance and is not a required part of the basic financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. The information has been subjected to the auditing procedures applied in the audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the schedule of expenditures of federal awards is fairly stated in all material respects in relation to the basic financial statements as a whole.

The supplemental schedules, as listed in the table of contents, have not been subjected to auditing procedures applied in the audit of the basic financial statements, and accordingly, we express no opinion on them.

A handwritten signature in cursive script, appearing to read "Smith & Newell", is written in dark ink.

Smith & Newell CPAs
Yuba City, California
March 23, 2019

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COUNTY OF PLUMAS
Schedule of Expenditures of Federal Awards
For the Year Ended June 30, 2018

Federal Program/Pass Through Grantor/Program Title	Federal CFDA Number	Pass-through Entity Identifying Number	Passed Through to Subrecipients	Total Federal Expenditures
U.S. Department of Agriculture				
State Department of Food and Agriculture:				
Plant and Animal Disease, Pest Control, and Animal Care	10.025	17-0138	\$ -	\$ 6,478
Forest Health Protection	10.680	14-DG-11052021-204	-	13,134
State Department of Public Health:				
Supplemental Nutrition Assistance Program	10.551	16-10128	-	256,626
State Department of Social Services:				
State Administrative Matching Grants for the Supplemental Nutrition Assistance Program	10.561	10-Unknown	-	321,623
Total SNAP Cluster			-	578,249
National Forest Service:				
Cooperative Forestry Assistance	10.664	16-LE-11051360-008	-	5,000
Cooperative Forestry Assistance	10.664	16-LE-11051360-023	-	38,240
Subtotal 10.664			-	43,240
State Controller's Office:				
Schools and Roads - Grants to States	10.665	10-Unknown	-	272,908
Total U.S. Department of Agriculture			-	914,009
U.S. Department of Housing and Urban Development				
State Department of Health Services:				
Housing Opportunities for Persons with AIDS	14.241	16-10305	-	34,280
Total U.S. Department of Housing and Urban Development			-	34,280
U.S. Department of the Interior				
Direct Program:				
Payments in Lieu of Taxes	15.226	-	-	1,708,368
Total U.S. Department of the Interior			-	1,708,368

See accompanying Notes to Schedule of Expenditures of Federal Awards

COUNTY OF PLUMAS
Schedule of Expenditures of Federal Awards
For the Year Ended June 30, 2018

Federal Program/Pass Through Grantor/Program Title	Federal CFDA Number	Pass-through Entity Identifying Number	Passed Through to Subrecipients	Total Federal Expenditures
U.S. Department of Justice				
Direct Program:				
Equitable Sharing Program	16.922	-	\$ -	\$ 1,479
Drug Court Discretionary Grant Program	16.585	-	-	44,540
State Criminal Alien Assistance Program	16.606	-	-	94
Board of State and Community Corrections:				
Edward Byrne Memorial Justice Assistance Grant Program	16.738	BSCC 600-17	-	91,941
State Emergency Management Agency:				
Crime Victim Assistance	16.575	VW 1624 0320	-	27,417
Crime Victim Assistance	16.575	VW 1725 0320	-	53,468
Subtotal 16.575			-	80,885
Total U.S. Department of Justice			-	218,939
U.S. Department of Transportation				
Federal Aviation Administration:				
Airport Improvement Program	20.106	AIP 3-06-0040-017	-	13,482
Airport Improvement Program	20.106	AIP 3-06-0191-013	-	38,171
Airport Improvement Program	20.106	AIP 3-06-0191-014	-	1,811,978
Subtotal 20.106			-	1,863,631
State Department of Transportation:				
Highway Planning and Construction	20.205	BRLO-5909(029)	-	23,839
Highway Planning and Construction	20.205	BRLO-5909(079)	-	22,537
Highway Planning and Construction	20.205	BRLO-5909(080)	-	10,974
Highway Planning and Construction	20.205	BRLO-5909(081)	-	107,067
Highway Planning and Construction	20.205	BRLO-5909(083)	-	34,238
Highway Planning and Construction	20.205	BRLO-5909(092)	-	6,820
Highway Planning and Construction	20.205	BRLO-5909(093)	-	3,049
Highway Planning and Construction	20.205	BRLO-5909(094)	-	5,231
Highway Planning and Construction	20.205	BRLO-5909(095)	-	9,450
Highway Planning and Construction	20.205	BRLO-5909(096)	-	4,038
Highway Planning and Construction	20.205	BRLO-5909(097)	-	1,371
Highway Planning and Construction	20.205	BRLO-5909(101)	-	3,170
Highway Planning and Construction	20.205	ER-32LO (403)	-	10,192
Highway Planning and Construction	20.205	ER-32LO (410)	-	24,485
Highway Planning and Construction	20.205	HRRRL-5909(113)	-	5,667
Subtotal 20.205			-	272,128
Total U.S. Department of Transportation			-	2,135,759

See accompanying Notes to Schedule of Expenditures of Federal Awards

COUNTY OF PLUMAS
Schedule of Expenditures of Federal Awards
For the Year Ended June 30, 2018

Federal Program/Pass Through Grantor/Program Title	Federal CFDA Number	Pass-through Entity Identifying Number	Passed Through to Subrecipients	Total Federal Expenditures
U.S. Department of Health and Human Services				
Direct Program:				
Grants to Provide Outpatient Early Intervention Services with Respect to HIV Disease	93.918	-	\$ -	\$ 260,436
State Department of Social Services:				
Guardianship Assistance	93.090	93-Unknown	-	67,923
Promoting Safe and Stable Families	93.556	93-Unknown	-	29,686
Temporary Assistance for Needy Families	93.558	93-Unknown	-	454,619
Adoption Incentive Payments	93.603	93-Unknown	-	1,253
Stephanie Tubbs Jones Child Welfare Services Program	93.645	93-Unknown	-	114,803
Foster Care - Title IV-E	93.658	93-Unknown	-	722,130
Adoption Assistance	93.659	93-Unknown	-	270,878
Social Services Block Grant	93.667	93-Unknown	-	40,941
Chafee Foster Care Independence Program	93.674	93-Unknown	-	48,614
State Department of Child Support Services:				
Child Support Enforcement	93.563	93-Unknown	-	442,708
State Department of Aging:				
Special Programs for the Aging - Title III, Part B - Grants for Supportive Services and Senior Centers	93.044	IIIB-0412-18	-	30,000
Special Programs for the Aging - Title III, Part C - Nutrition Services	93.045	IIIC-045-18	-	152,787
Nutrition Services Incentive Program	93.053	IIIC-045-18	-	18,320
Total Aging Cluster			-	201,107
State Department of Health Services:				
Injury Prevention and Control Research and State and Community Based Programs	93.136	93-Unknown		39,947
Injury Prevention and Control Research and State and Community Based Programs	93.136	93-Unknown		15,576
Subtotal 93.136			-	55,523
HIV Care Formula Grants	93.917	15-11068	-	269,167
HIV Care Formula Grants	93.917	HCP X08	-	62,899
Subtotal 93.917			-	332,066

See accompanying Notes to Schedule of Expenditures of Federal Awards

COUNTY OF PLUMAS
Schedule of Expenditures of Federal Awards
For the Year Ended June 30, 2018

Federal Program/Pass Through Grantor/Program Title	Federal CFDA Number	Pass-through Entity Identifying Number	Passed Through to Subrecipients	Total Federal Expenditures
U.S. Department of Health and Human Services (Continued)				
State Department of Health Services (Continued):				
AIDS Education and Training Centers	93.145	17183201	\$ -	\$ 5,240
Childhood Lead Poisoning Prevention Projects - State and Local Childhood Lead Poisoning Prevention and Surveillance of Blood Lead Levels in Children	93.197	17-10228	-	46,108
Substance Abuse and Mental Health Services - Projects of Regional and National Significance	93.243	17-94298	-	87,710
Children's Health Insurance Program	93.767	93-Unknown	-	7,575
Medical Assistance Program	93.778	93-Unknown	-	895,020
Human Immunodeficiency Virus (HIV)/Acquired Immunodeficiency Virus Syndrome (AIDS) Surveillance	93.944	93-Unknown	-	3,000
Maternal and Child Health Services Block Grant to the States	93.994	93-Unknown	-	81,551
State Department of Emergency Services:				
Hospital Preparedness Program (HPP) and Public Health Emergency Preparedness (PHEP) Aligned Cooperative Agreements	93.074	93-Unknown	-	217,246
State Department of Mental Health:				
Block Grants for Community Mental Health Services	93.958	32	-	157,701
State Department of Alcohol and Drug Abuse Programs:				
Block Grants for Prevention and Treatment of Substance Abuse	93.959	10-NNA32	-	444,108
Total U.S. Department of Health & Human Services			-	4,987,946
Social Security Administration				
Direct Program:				
Supplemental Security Income	96.006	-	-	2,800
Total Social Security Administration			-	2,800

See accompanying Notes to Schedule of Expenditures of Federal Awards

COUNTY OF PLUMAS
Schedule of Expenditures of Federal Awards
For the Year Ended June 30, 2018

Federal Program/Pass Through Grantor/Program Title	Federal CFDA Number	Pass-through Entity Identifying Number	Passed Through to Subrecipients	Total Federal Expenditures
Department of Homeland Security				
State Emergency Management Agency:				
Disaster Grants - Public Assistance (Presidentially Declared Disasters)	97.036	FEMA-4301-DR-CA	\$ -	\$ 163,163
Disaster Grants - Public Assistance (Presidentially Declared Disasters)	97.036	FEMA-4308-DR-CA	-	460,659
Subtotal 97.036			-	623,822
Emergency Management Performance Grants	97.042	2017-0007	-	129,058
Homeland Security Grant Program	97.067	2015-00078	-	48,245
Homeland Security Grant Program	97.067	2016-00102	-	18,394
Subtotal 97.067			-	66,639
Total Department of Homeland Security			-	819,519
Total			\$ -	\$ 10,821,620

See accompanying Notes to Schedule of Expenditures of Federal Awards

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COUNTY OF PLUMAS
Notes to Schedule of Expenditures of Federal Awards
For the Year Ended June 30, 2018

1. REPORTING ENTITY

The accompanying Schedule of Expenditures of Federal Awards presents the activity of all federal financial assistance programs of the County of Plumas. The County of Plumas reporting entity is defined in Note 1 to the County's basic financial statements. All federal awards received directly from federal agencies as well as federal awards passed through other government agencies are included in the Schedule of Expenditures of Federal Awards. The information in this schedule 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 (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.

2. BASIS OF ACCOUNTING

Basis of accounting refers to when revenues and expenditures or expenses are recognized in the accounts and reported in the financial statements, regardless of the measurement focus applied. The accompanying Schedule of Expenditures of Federal Awards, is presented using the modified accrual basis of accounting for grants accounted for in the governmental fund types and the accrual basis of accounting for grants accounted for in the proprietary fund types, as described in the notes to the County financial statements. Such expenditures are recognized following the cost principles contained in the Uniform Guidance, wherein certain types of expenditures are not allowed or are limited as to reimbursements.

3. INDIRECT COST RATE

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

4. RELATIONSHIP TO FEDERAL FINANCIAL REPORTS

The amounts reported in the accompanying Schedule of Expenditures of Federal Awards agree or can be reconciled with amounts reported in the related federal financial assistance reports.

5. RELATIONSHIP TO BASIC FINANCIAL STATEMENTS

The amounts reported in the accompanying Schedule of Expenditures of Federal Awards agree or can be reconciled with amounts reported in the County's basic financial statements.

6. PASS -THROUGH ENTITIES' IDENTIFYING NUMBER

When federal awards were received from a pass-through entity, the Schedule of Expenditures of Federal Awards shows, if available, the identifying number assigned by the pass-through entity. When no identifying number is shown, the County determined that no identifying number is assigned for the program or the County was unable to obtain an identifying number from the pass-through entity and the identifying number is shown as unknown.

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COUNTY OF PLUMAS
Schedule of Findings and Questioned Costs
For the Year Ended June 30, 2018

SECTION I - SUMMARY OF AUDITOR'S RESULTS

Financial Statements

	<u>Status</u>
1. Type of auditor's report issued	Unmodified
2. Internal controls over financial reporting:	
a. Material weaknesses identified?	No
b. Significant deficiencies identified not considered to be material weaknesses?	Yes
3. Noncompliance material to financial statements noted?	No

Federal Awards

1. Internal control over major programs:	
a. Material weaknesses identified?	Yes
b. Significant deficiencies identified not considered to be material weaknesses?	No
2. Type of auditor's report issued on compliance for major programs:	Unmodified
3. Any audit findings disclosed that are required to be reported in accordance with 2 CFR Section 200.516(a)?	Yes
4. Identification of major programs:	
10.551 Supplemental Nutrition Assistance Program	
10.561 State Administrative Matching Grants for the Supplemental Nutrition Assistance Program	
10.665 Schools and Roads - Grants to States	
15.226 Payments in Lieu of Taxes	
20.106 Airport Improvement Program	
5. Dollar threshold used to distinguish between Type A and Type B programs?	\$750,000
6. Auditee qualified as a low-risk auditee under 2 CFR 200.520?	No

SECTION II - FINANCIAL STATEMENT FINDINGS

Year-End Closing Process	2018-002
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SECTION III - FEDERAL AWARDS FINDINGS AND QUESTIONED COSTS

20.106 Airport Improvement Program	2018-001
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COUNTY OF PLUMAS
Schedule of Findings and Questioned Costs
For the Year Ended June 30, 2018

2018-001

Name:	Airport Improvement Program
CFDA #:	20.106
Federal Grantor:	U.S. Department of Transportation
Pass Through Entity:	Federal Aviation Administration
Award No.:	AIP 3-06-0191-014
Year:	2017-18

Condition

During our testing of AIP 3-06-0191-014 we noted the County requested and received reimbursement twice for the same expenditure.

Cause

The County was not monitoring amounts claimed for reimbursement.

Criteria

Good internal control over the program expenditures requires that the County only request reimbursement for expenditures actually incurred.

Effect of Condition

The County requested and received reimbursement for amounts in excess of actual expenditures incurred.

Questioned Cost

Approximately \$153,131 of expenditures were claimed in excess of actual expenses.

Recommendation

We recommend that the County monitor expenditures and reimbursement requests and only claim reimbursement for actual expenditures incurred.

Views of Responsible Officials and Planned Corrective Actions

The County concurs. Refer to separate Management's Corrective Action Plan for views of responsible officials and management's responses.

COUNTY OF PLUMAS
Schedule of Findings and Questioned Costs
For the Year Ended June 30, 2018

2018-002 Year-End Closing Process (Significant Deficiency)

Condition

At the time of our audit we noted the financial statements presented to us for audit contained misstatements that required adjustment. Many of these adjustments were noted as a part of the audit process. This is a repeat of prior year finding 2017-003.

Cause

The process to close the County's accounting records and produce the annual financial report is labor intensive and the reports produced by the accounting system can require additional analysis and reconciliation.

Criteria

Government auditing standards require independent auditors to evaluate all unadjusted misstatements of financial statements. Also producing timely audited financial statements is more difficult when adjustments are not recorded prior to the start of the annual audit.

Effect of Condition

The financial statements as presented to us for audit contained misstatements and required adjustment.

Recommendation

We recommend that the County strive to record all adjustments in a timely manner so that required adjustments can be recorded prior to the start of the annual audit.

Views of Responsible Officials and Planned Corrective Actions

The County concurs. Refer to separate Management's Corrective Action Plan for views of responsible officials and management's responses.

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PLUMAS COUNTY AUDITOR / CONTROLLER

520 MAIN STREET • ROOM 205 • QUINCY, CA 95971-4111 • (530) 283-6246 • FAX (530) 283-6442



Roberta M. Allen, CPA AUDITOR / CONTROLLER

Bianca Harrison, CMA ASSISTANT AUDITOR / CONTROLLER

Status of Prior Year Recommendations For the Year Ended June 30, 2018

STATUS OF PRIOR YEAR RECOMMENDATIONS

Prior Period Adjustments

Prior Year Recommendation

We recommend that the County review the capital assets schedule at least annually and ensure that all capital assets are correctly stated. We further recommend that the County properly classify all funds by fund type.

Status

Implemented

Schedule of Expenditures of Federal Awards

Prior Year Recommendation

We recommend that the County review the requirements of the Uniform Guidance to ensure that the expenditures reported on the SEFA are correctly stated.

Status

Implemented

Year-End Closing Process

Prior Year Recommendation

We recommend that the County strive to record all adjustments in a timely manner so that required adjustments can be recorded prior to the start of the annual audit.

Status

In process

Plumas County Transit Activity

Prior Year Recommendation

We recommend that the Plumas County Transit Fund properly record the receipt of monies from the Local Transportation Commission and record payments to the transit provider.

Status

Implemented

PLUMAS COUNTY AUDITOR / CONTROLLER

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Roberta M. Allen, CPA AUDITOR / CONTROLLER

Bianca Harrison, CMA ASSISTANT AUDITOR / CONTROLLER

Management's Corrective Action Plan For the Year Ended June 30, 2018

2018-001 Airport Improvement Program (Material Weakness)

We recommend that the County monitor expenditures and reimbursement requests and only claim reimbursement for actual expenditures incurred.

Responsible Individual: Kevin Correira, Director
Plumas County Facility Services and Airports

Corrective Action Plan: To have an overlapping of County Employees who are familiar with FAA draw downs. This happened because there was a request for a draw down when I and my fiscal officer started with the county. We submitted it to the FAA for drawdown payment, this request then goes to the powers that be at the FAA and it is then paid. The problem was that not only I and my fiscal officer new so were the FAA folks that said it so it got by both of us and was paid in error. The overpayment was repaid after the error was discovered during the audit.

Anticipated Completion Date: March 19, 2019

2018-002 Year-End Closing Process (Significant Deficiency)

We recommend that the County strive to record all adjustments in a timely manner so that required adjustments can be recorded prior to the start of the annual audit.

Responsible Individual: Roberta Allen, Auditor/Controller

Corrective Action Plan: During fiscal year 2018/19, staff changes have impacted the Auditor's department that has made it impossible to train staff members on the closing procedures. Consequently, the Auditor does most of the year end reconciling and adjustments and also picked up work that was previously completed by a former staff member that retired unexpectedly. As of December, 2018, the Auditor's Department is fully staffed and mostly trained in the day-to day duties. The Auditor will continue to train staff on the closing process. We look forward to the closing process to be finished earlier going forward.

Another reason that the closing process was delayed for 2018/19 is the software conversion that began in July, 2018. The County is replacing an antiquated legacy system for the general ledger accounting system. The go-live date is July 1, 2019. The Auditor's Department is primarily responsible for the implementation of this project, which is very time consuming.

Anticipated Completion Date: December 31, 2019

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SUPPLEMENTAL SCHEDULES

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COUNTY OF PLUMAS
Supplemental Schedule
California Department of Aging (CDA)
For the Year Ended June 30, 2018

A reconciliation of accrual basis expenditures as reported on the Financial Closeout Report to cash basis expenditures confirmed as of June 30, 2018 follows:

<u>Program</u>		<u>Federal CFDA Number</u>	<u>Total Expenditures</u>	<u>Accrual Adjustments</u>	<u>Confirmed Amount</u>
IIIB	Transportation	93.044	\$ 30,000	\$ -	\$ 30,000
IIIC-1	Congregate	93.045	82,822	-	82,822
IIIC-1	Congregate One Time Only	93.045	7,909	-	7,909
IIIC-1	Congregate Nutrition Services Incentive Program	93.053	8,947	-	8,947
IIIC-2	Home Delivered Meals	93.045	55,522	-	55,522
IIIC-2	Home Delivered Meals One Time Only	93.045	6,534	-	6,534
IIIC-2	Home Delivered Meals Nutrition Services Incentive	93.053	<u>9,373</u>	<u>-</u>	<u>9,373</u>
Total Expenditures of CDA Federal Awards			<u>\$ 201,107</u>	<u>\$ -</u>	<u>\$ 201,107</u>

The terms and conditions of contracts with CDA require agencies to display state-funded expenditures discretely along with the related federal expenditures. The following schedule is presented to comply with these requirements.

<u>CFDA</u>	<u>Federal Expenditures</u>	<u>State Expenditures</u>
93.044	\$ 30,000	\$ -
93.045	152,787	-
93.053	<u>18,320</u>	<u>-</u>
Total	<u>\$ 201,107</u>	<u>\$ -</u>

COUNTY OF PLUMAS
Supplemental Schedule
California Emergency Management Agency
For the Year Ended June 30, 2018

The following schedule represents expenditures for U.S. Department of Justice grants passed through the State of California, Emergency Management Agency (CalEMA), as well as CalEMA funded grant expenditures for the year ended June 30, 2018. This information is included in the County's single audit report at the request of CalEMA.

Program	Expenditures Claimed			Share of Expenditures Current Year		
	For the Period Through June 30, 2017	For the Year Through June 30, 2018	Cumulative As of June 30, 2018	Federal Share	State Share	County Share
<u>VW16240320 - Violence Against Women</u>						
Personal services	\$ 52,220	\$ 18,300	\$ 70,520	\$ 18,300	\$ -	\$ -
Operating expenses	6,557	14,432	20,989	9,117	5,315	-
Equipment	-	-	-	-	-	-
Totals	<u>\$ 58,777</u>	<u>\$ 32,732</u>	<u>\$ 91,509</u>	<u>\$ 27,417</u>	<u>\$ 5,315</u>	<u>\$ -</u>
<u>VW17250320 - Violence Against Women</u>						
Personal services	\$ -	\$ 69,291	\$ 69,291	\$ 52,756	\$ 16,535	\$ -
Operating expenses	-	2,958	2,958	712	2,246	-
Equipment	-	-	-	-	-	-
Totals	<u>\$ -</u>	<u>\$ 72,249</u>	<u>\$ 72,249</u>	<u>\$ 53,468</u>	<u>\$ 18,781</u>	<u>\$ -</u>