

**COUNTY OF PLUMAS,
CALIFORNIA**



**SINGLE AUDIT ACT
REPORTS AND SCHEDULES
FOR THE YEAR ENDED
JUNE 30, 2019**

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COUNTY OF PLUMAS
Single Audit Act
For the Year Ended June 30, 2019

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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 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, 2019, 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 27, 2020.

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 a certain deficiency in internal control, described in the accompanying schedule of findings and questioned costs, that we consider to be a significant deficiency. (2019-003)

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

Compliance and Other Matters

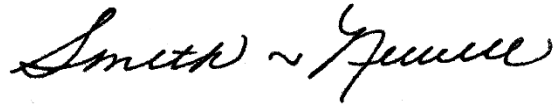
As part of obtaining reasonable assurance about whether the County's financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material 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 Response to Finding

The County's response to the finding identified in our audit is described in the accompanying management's corrective action plan. The County's response was not subjected to the auditing procedures applied in the audit of the financial statements and, accordingly, we express no opinion on it.

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.



Smith & Newell CPAs
Yuba City, California
March 27, 2020

**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, 2019. 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, 2019.

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

Other Matters

The results of our auditing procedures disclosed 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 item 2019-002. Our opinion on each major federal program is not modified with respect to this matter.

The County's response to the noncompliance finding identified in our audit is described in the accompanying management's corrective action plan. 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.

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 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 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 weakness or significant deficiencies may exist that have not been identified. We did identify a certain deficiency in internal control over compliance described in the accompanying schedule of findings and questioned costs as item 2019-001 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 management's corrective action plan. 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.

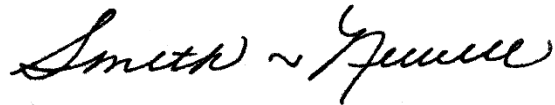
The purpose of this report on internal control over compliance is solely to describe the scope of our testing of internal control over compliance and the results of that testing based on the requirements of the Uniform Guidance. Accordingly, this report is not suitable for any other purpose.

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, 2019 and the related notes to the financial statements, which collectively comprise the County's basic financial statements. We issued our report thereon dated March 27, 2020, 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 have not been subjected to auditing procedures applied in the audit of the basic financial statements, and accordingly, we express no opinion on them.



Smith & Newell CPAs
Yuba City, California
March 27, 2020

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COUNTY OF PLUMAS
Schedule of Expenditures of Federal Awards
For the Year Ended June 30, 2019

<u>Federal Program/Pass-Through Grantor/Program Title</u>	<u>Federal CFDA Number</u>	<u>Pass-Through Entity Identifying Number</u>	<u>Passed Through to Subrecipients</u>	<u>Total Federal Expenditures</u>
U.S. Department of Agriculture				
State Department of Food and Agriculture:				
Plant and Animal Disease, Pest Control, and Animal Care	10.025	18-0277	\$ -	\$ 6,154
Forest Health Protection	10.680	14-DG-11052021-204	-	15,271
Forest Health Protection	10.680	18-DG-11051700-033	-	35,604
Subtotal 10.680			-	50,875
State Department of Public Health:				
Supplemental Nutrition Assistance Program	10.551	16-10128	-	151,040
State Department of Social Services:				
State Administrative Matching Grants for the Supplemental Nutrition Assistance Program	10.561	10-Unknown	-	405,618
Total SNAP Cluster			-	556,658
National Forest Service:				
Cooperative Forestry Assistance	10.664	16-LE-11051360-008	-	5,000
Cooperative Forestry Assistance	10.664	16-LE-11051360-023	-	33,000
Subtotal 10.664			-	38,000
State Controller's Office:				
Schools and Roads - Grants to States	10.665	10-Unknown	-	1,249,224
Total U.S. Department of Agriculture			-	1,900,911
U.S. Department of Housing and Urban Development				
State Department of Health Services:				
Housing Opportunities for Persons with AIDS	14.241	16-10305	-	42,041
Total U.S. Department of Housing and Urban Development			-	42,041
U.S. Department of the Interior				
Direct Program:				
Payments in Lieu of Taxes	15.226	-	-	566,739
Total U.S. Department of the Interior			-	566,739

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, 2019

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	-	\$ -	\$ 3,479
Drug Court Discretionary Grant Program	16.585	-	-	43,908
State Criminal Alien Assistance Program	16.606	-	-	241
State Emergency Management Agency:				
Crime Victim Assistance	16.575	VW 1725 0320	-	32,252
Crime Victim Assistance	16.575	VW 1826 0320	-	78,204
Subtotal 16.575			-	110,456
Total U.S. Department of Justice			-	158,084
U.S. Department of Transportation				
Federal Aviation Administration:				
Airport Improvement Program	20.106	AIP 3-06-0191-011	-	2,439
Airport Improvement Program	20.106	AIP 3-06-0191-012	-	1,733
Airport Improvement Program	20.106	AIP 3-06-0191-015	-	2,621
Airport Improvement Program	20.106	AIP 3-06-0191-018	-	655
Subtotal 20.106			-	7,448
State Department of Transportation:				
Highway Planning and Construction	20.205	BRLO-5909(029)	-	63,748
Highway Planning and Construction	20.205	BRLO-5909(080)	-	58,486
Highway Planning and Construction	20.205	BRLO-5909(082)	-	19,812
Highway Planning and Construction	20.205	BRLO-5909(083)	-	82,999
Highway Planning and Construction	20.205	BRLO-5909(092)	-	12,752
Highway Planning and Construction	20.205	BRLO-5909(093)	-	3,704
Highway Planning and Construction	20.205	BRLO-5909(095)	-	11,278
Highway Planning and Construction	20.205	BRLO-5909(096)	-	13,831
Highway Planning and Construction	20.205	BRLO-5909(097)	-	14,334
Highway Planning and Construction	20.205	BRLO-5909(100)	-	4,571
Highway Planning and Construction	20.205	BRLO-5909(101)	-	1,893
Highway Planning and Construction	20.205	ER-32L0 (401)	-	90,429
Highway Planning and Construction	20.205	ER-32L0 (402)	-	8,343
Highway Planning and Construction	20.205	ER-32L0 (403)	-	569
Highway Planning and Construction	20.205	ER-32L0 (404)	-	48,184
Highway Planning and Construction	20.205	ER-32L0 (406)	-	65,410
Highway Planning and Construction	20.205	ER-32L0 (408)	-	10,219
Highway Planning and Construction	20.205	ER-32L0 (409)	-	48,727
Highway Planning and Construction	20.205	HRRRL-5909(113)	-	7,302
Subtotal 20.205			-	566,591
Total U.S. Department of Transportation			-	574,039

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, 2019

<u>Federal Program/Pass-Through Grantor/Program Title</u>	<u>Federal CFDA Number</u>	<u>Pass-Through Entity Identifying Number</u>	<u>Passed Through to Subrecipients</u>	<u>Total Federal Expenditures</u>
U.S. Department of Health and Human Services				
Direct Program:				
Grants to Provide Outpatient Early Intervention Services with Respect to HIV Disease	93.918	-	\$ -	\$ 243,376
State Department of Social Services:				
Guardianship Assistance	93.090	93-Unknown	-	53,739
Promoting Safe and Stable Families	93.556	93-Unknown	-	19,066
Temporary Assistance for Needy Families	93.558	93-Unknown	-	453,890
Adoption Incentive Payments	93.603	93-Unknown	-	7,892
Stephanie Tubbs Jones Child Welfare Services Program	93.645	93-Unknown	-	23,059
Foster Care - Title IV-E	93.658	93-Unknown	-	1,049,331
Adoption Assistance	93.659	93-Unknown	-	270,241
Social Services Block Grant	93.667	93-Unknown	-	54,588
Chafee Foster Care Independence Program	93.674	93-Unknown	-	268
State Department of Child Support Services:				
Child Support Enforcement	93.563	93-Unknown	-	377,914
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	-	167,999
Nutrition Services Incentive Program	93.053	IIIC-045-18	-	21,838
Total Aging Cluster			-	219,837
State Department of Health Services:				
Injury Prevention and Control Research and State and Community Based Programs	93.136	17-10996		83,641
HIV Care Formula Grants	93.917	13-20065	-	128,637
HIV Care Formula Grants	93.917	15-11068	-	35,329
HIV Care Formula Grants	93.917	16-10853	-	25,998
HIV Care Formula Grants	93.917	18-10881	-	31,157
HIV Care Formula Grants	93.917	HCP X08	-	35,620
Subtotal 93.917			-	256,741
Telehealth Programs	93.211	G25RH32463	-	62,123
AIDS Education and Training Centers	93.145	17183201	-	5,130
Childhood Lead Poisoning Prevention Projects - State and Local Childhood Lead Poisoning Prevention and Surveillance of Blood Lead Levels in Children	93.197	17-10228	-	66,322
Substance Abuse and Mental Health Services - Projects of Regional and National Significance	93.243	17-94298	-	75,722
Children's Health Insurance Program	93.767	93-Unknown	-	6,006
Medical Assistance Program	93.778	93-Unknown	-	881,629

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, 2019

<u>Federal Program/Pass-Through Grantor/Program Title</u>	<u>Federal CFDA Number</u>	<u>Pass-Through Entity Identifying Number</u>	<u>Passed Through to Subrecipients</u>	<u>Total Federal Expenditures</u>
U.S. Department of Health and Human Services (Continued)				
State Department of Health Services (Continued):				
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	-	76,140
State Department of Emergency Services:				
Hospital Preparedness Program (HPP) and Public Health Emergency Preparedness (PHEP) Aligned Cooperative Agreements	93.074	93-Unknown	-	237,376
State Department of Mental Health:				
Block Grants for Community Mental Health Services	93.958	93-Unknown	-	151,415
State Department of Alcohol and Drug Abuse Programs:				
Block Grants for Prevention and Treatment of Substance Abuse	93.959	10-NNA32	-	291,448
Total U.S. Department of Health and Human Services			-	4,969,894
Social Security Administration				
Direct Program:				
Supplemental Security Income	96.006	-	-	1,400
Total Social Security Administration			-	1,400
Department of Homeland Security				
State Emergency Management Agency:				
Emergency Management Performance Grants	97.042	2018-0008	-	128,990
Homeland Security Grant Program	97.067	2016-0102	-	55,401
Homeland Security Grant Program	97.067	2017-0083	-	32,367
Subtotal 97.067			-	87,768
Total Department of Homeland Security			-	216,758
Total			\$ -	\$ 8,429,866

See accompanying Notes to Schedule of Expenditures of Federal Awards

COUNTY OF PLUMAS
Notes to Schedule of Expenditures of Federal Awards
For the Year Ended June 30, 2019

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, 2019

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 and 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 and 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:	
10.665 Schools and Roads – Grants to States	
93.658 Foster Care – Title IV-E	
93.778 Medical Assistance Program	
93.959 Block Grants for Prevention and Treatment of Substance Abuse	
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 Section 200.520?	No

SECTION II - FINANCIAL STATEMENT FINDINGS

Audit Adjustments	2019-003
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SECTION III - FEDERAL AWARDS FINDINGS AND QUESTIONED COSTS

10.665 Schools and Roads – Grants to States	2019-001
93.658 Foster Care – Title IV-E	2019-001
93.778 Medical Assistance Program	2019-001
93.658 Foster Care – Title IV-E	2019-002

COUNTY OF PLUMAS
Schedule of Findings and Questioned Costs
For the Year Ended June 30, 2019

2019-001 (Material Weakness)

Name: Schools and Roads – Grants to States
Foster Care – Title IV-E
Medical Assistance Program

CFDA#: 10.665
93.658
93.778

Federal Grantor: U.S. Department of Agriculture
U.S. Department of Health and Human Services

Pass-Through Entity: State Controller’s Office
State Department of Social Services
State Department of Health Services

Award No.: Various

Year: 2018-19

Compliance Requirement: Other

Criteria

Good internal control over the Schedule of Expenditures of Federal Awards (SEFA) requires that individual County departments provide accurate Federal expenditure information to the County Auditor in a timely manner.

Condition

During our testing of major programs we noted that the SEFA provided by the County at the beginning of audit fieldwork contained errors in the federal expenditures. Expenditures included on the SEFA provided at the beginning of the audit were less than actual expenditures by \$2,142,729 in the major programs listed above.

Cause

The County departments did not provide accurate information to include on the SEFA that was provided to us at the beginning of the audit.

Effect

The SEFA provided at the beginning of fieldwork was not materially correct and adjustments were needed to accurately reflect all Federal expenditures.

Questioned Cost

No questioned costs were identified as a result of our procedures.

Context

The condition noted above was identified during our procedures related to reporting over the programs.

Repeat Finding

Not a repeat finding.

COUNTY OF PLUMAS
Schedule of Findings and Questioned Costs
For the Year Ended June 30, 2019

2019-001 (Material Weakness) (Continued)

Recommendation

We recommend that the County departments provide the County Auditor with accurate federal expenditure information prior to the beginning of audit fieldwork.

Views of Responsible Officials and Planned Corrective Action

Refer to separate Managements' 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, 2019

2019-002

Name: Foster Care – Title IV-E
CFDA#: 93.658
Federal Grantor: U.S. Department of Health and Human Services
Pass Through Entity: State Department of Social Services
Year: 2018-19
Compliance Requirement: Eligibility

Criteria

Good internal control over eligibility requires that the required Determination of Federal AFDC-FC Eligibility (FC 3) be signed by the Eligibility Worker and the appropriate box noting Federal AFDC-FC eligibility be checked.

Condition

Federal eligibility requires that the determination of the recipient's eligibility for Foster Care be documented in the case record on the FC 3. The County does document eligibility on the FC 3 by the completion of the form, however, a signature is required on the FC3. The Eligibility Worker must sign the FC 3 and check the appropriate box, which indicates the recipients eligibility or non-eligibility.

On 1 of the 10 cases tested, the FC 3 was completed but not signed by the Eligibility Worker.

Cause

Appropriate training or review procedures concerning the completion of required forms was inadequate.

Effect

When the FC 3 is not available for review or signed by the Eligibility Worker and/or the Federal eligibility on non-eligibility box is not marked, the likelihood of errors in eligibility determination increases.

Questioned Cost

No questioned costs were identified as a result of our procedures.

Context

We randomly selected 10 case files from the Integrated Payroll Foster Care Issuance Detail Claiming Report to test eligibility documentation. Sampling was a statistically valid sample. This is an isolated finding.

Repeat Finding

Not a repeat finding.

COUNTY OF PLUMAS
Schedule of Findings and Questioned Costs
For the Year Ended June 30, 2019

2019-002 (Continued)

Recommendation

We recommend that the County require that the FC 3 be signed by the Eligibility Worker and that this individual check the appropriate box showing determination of the recipient eligibility on the bottom of this form. We also recommend that the County incorporate into their review process procedures to ensure that the FC 3 is properly completed.

Views of Responsible Officials and Planned Corrective Action

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

2019-003 Audit Adjustments (Significant Deficiency)

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.

Condition

At the time of our audit, we noted that the financial statements as presented to us for audit contained misstatements in cash, accounts receivable, capital assets, accounts payable, unavailable revenues, and revenues/expenditures/expenses that required adjustment.

Cause

The County had not reconciled and adjusted all accounts on the general ledger prior to the start of the annual audit.

Effect

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

Questioned Cost

No questioned costs were identified as a result of our procedures.

Context

Not applicable.

Repeat Finding

Not a repeat finding.

COUNTY OF PLUMAS
Schedule of Findings and Questioned Costs
For the Year Ended June 30, 2019

2019-003 Audit Adjustments (Significant Deficiency) (Continued)

Recommendation

We recommend that the County reconcile all accounts 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 Action

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

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

COUNTY OF PLUMAS, CALIFORNIA

Status of Prior Year Findings and Questioned Costs

And

Corrective Action Plan

For the Year Ended June 30, 2019

**Compiled by: Roberta M. Allen
Plumas County Auditor/Controller**

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COUNTY OF PLUMAS
Schedule of Prior Year Findings and Questioned Costs
For the Year Ended June 30, 2019

<u>Audit Reference</u>	<u>Status of Prior Year Recommendations</u>
2018-001	<p>Airport Improvement Program</p> <p>Recommendation</p> <p>We recommend that the County monitor expenditures and reimbursement requests and only claim reimbursement for actual expenditures incurred.</p> <p>Status</p> <p>Implemented</p>
2018-002	<p>Year-End Closing Process</p> <p>Recommendation</p> <p>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.</p> <p>Status</p> <p>In Progress</p>

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COUNTY OF PLUMAS
Management's Corrective Action Plan
For the Year Ended June 30, 2019

2019-001 Schools and Roads – Grants to States, Foster Care – Title IV-E, Medical Assistance Program (Material Weakness)

We recommend that the County departments provide the County Auditor with accurate federal expenditure information prior to the beginning of audit fieldwork.

Management's Response: We will strive to include all federal expenditure information prior to the beginning of fieldwork.

Responsible Individual: Roberta Allen, Auditor-Controller

Corrective Action Plan: Auditor's department will work with departments to encourage them to send all federal expenditure information so it can be tabulated prior to fieldwork.

Anticipated Completion Date: June 30, 2020

2019-002 Foster Care – Title IV-E

We recommend that the County require that the FC 3 be signed by the Eligibility Worker and that this individual check the appropriate box showing determination of the recipient eligibility on the bottom of this form. We also recommend that the County incorporate into their review process procedures to ensure that the FC 3 is properly completed.

Management's Response: We agree with the finding and have implemented the Corrective Action Plan as described below.

Responsible Individual: Neal Caiazzo, Director of Social Services

Corrective Action Plan: To ensure that FC 3 is signed by the Eligibility Worker, the County Welfare Department will provide training to the Eligibility Workers on completion of the FC 3. To ensure that Eligibility Workers are applying what they learned in training, the Eligibility Supervisor will review all Foster Care approvals to ensure that the FC 3 is completed correctly.

Anticipated Completion Date: June 30, 2020

COUNTY OF PLUMAS
Management's Corrective Action Plan
For the Year Ended June 30, 2019

2019-003 Audit Adjustments (Significant Deficiency)

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

Management's Response: The Auditor's department will continue to strive to complete the audit adjustments in a timely manner. The County converted to a new financial accounting system on July 1, 2019. This caused the Auditor to divert time and resources to the conversion process and to resolving issues that arose daily while adapting to the new system. Calculations necessary for the year-end adjustments needed to be made using reports run from the new system, which caused delays. The department suffered staff shortages of two key members in December and January, due to illness and a death in the family.

Responsible Individual: Roberta Allen, Auditor-Controller

Corrective Action Plan: Auditor will continue to strive to delegate duties and train staff to assist in the year-end closing adjustments. One significant challenge for this department is being fully staffed so that the work can be shared.

Anticipated Completion Date: June 30, 2020

Supplemental Schedules

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COUNTY OF PLUMAS
Supplemental Schedule
California Department of Aging (CDA)
For the Year Ended June 30, 2019

A reconciliation of accrual basis expenditures as reported on the Financial Closeout Report to cash basis expenditures confirmed as of June 30, 2019 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	73,153	-	73,153
IIIC-1 Congregate One Time Only	93.045	20,386	-	20,386
IIIC-1 Congregate Nutrition Services Incentive Program	93.053	9,597	-	9,597
IIIC-2 Home Delivered Meals	93.045	64,128	-	64,128
IIIC-2 Home Delivered Meals One Time Only	93.045	10,332	-	10,332
IIIC-2 Home Delivered Meals, Nutrition Services Incentive	93.053	<u>12,241</u>	<u>-</u>	<u>12,241</u>
Total Expenditures of CDA Federal Awards		<u>\$ 219,837</u>	<u>\$ -</u>	<u>\$ 219,837</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 No.</u>	<u>Federal Expenditures</u>	<u>State Expenditures</u>
93.044	\$ 30,000	\$ -
93.045	167,999	-
93.053	<u>21,838</u>	<u>-</u>
Total	<u>\$ 219,837</u>	<u>\$ -</u>

COUNTY OF PLUMAS
Supplemental Schedule
California Emergency Management Agency (CalEMA)
For the Year Ended June 30, 2019

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, 2019. 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, 2018	For the Year Through June 30, 2019	Cumulative As of June 30, 2019	Federal Share	State Share	County Share
<u>VW 1725 0320 – Violence Against Women</u>						
Personal Services	\$ 69,291	\$ 19,096	\$ 88,387	\$ 19,096	\$ -	\$ -
Operating expenses	2,958	13,156	16,114	13,156	-	-
Equipment	-	-	-	-	-	-
Totals	<u>\$ 72,249</u>	<u>\$ 32,252</u>	<u>\$ 104,501</u>	<u>\$ 32,252</u>	<u>\$ -</u>	<u>\$ -</u>
<u>VW 1826 0320 – Violence Against Women</u>						
Personal Services	\$ -	\$ 85,939	\$ 85,939	\$ 77,396	\$ 8,543	\$ -
Operating expenses	-	3,606	3,606	808	2,798	-
Equipment	-	-	-	-	-	-
Totals	<u>\$ -</u>	<u>\$ 89,545</u>	<u>\$ 89,545</u>	<u>\$ 78,204</u>	<u>\$ 11,341</u>	<u>\$ -</u>