



# COUNTY OF SUTTER, CALIFORNIA

JUNE 30, 2020

SINGLE AUDIT REPORT

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on YOU



COUNTY OF SUTTER, CALIFORNIA

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JUNE 30, 2020

COUNTY OF SUTTER, CALIFORNIA

SINGLE AUDIT REPORT

JUNE 30, 2020

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INDEPENDENT AUDITORS' 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 Grandy Jury  
County of Sutter, 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 Sutter, California, (the County) as of and for the year ended June 30, 2020, and the related notes to the financial statements, which collectively comprise the County's basic financial statements, and have issued our report thereon dated December 23, 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) as a basis for designing 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 were not identified. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. We did identify the following deficiencies in internal control, described in the accompanying schedule of findings and questioned costs, that we consider to be significant deficiencies: 2020-001.





To the Board of Supervisors and Grand Jury  
County of Sutter, 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 financial statements. 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 the no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

### **County's Response to Findings**

The County's response to the findings identified in our audit 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 County'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 County's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

A handwritten signature in cursive script that reads "Lance, Soll &amp; Lughard, LLP".

Sacramento, California  
December 23, 2020



INDEPENDENT AUDITORS' REPORT ON COMPLIANCE FOR EACH MAJOR PROGRAM  
AND ON INTERNAL CONTROL OVER COMPLIANCE AND REPORT ON SCHEDULE OF  
EXPENDITURES OF FEDERAL AWARDS REQUIRED BY THE UNIFORM GUIDANCE

To the Board of Supervisors and Grand Jury  
County of Sutter, California

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

We have audited the County of Sutter (the County), California's 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, 2020. 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, 2020.





To the Board of Supervisors and Grand Jury  
County of Sutter, 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 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. We did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

### **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, as of and for the year ended June 30, 2020, and the related notes to the financial statements, which collectively comprise the County's basic financial statements. We issued our report thereon dated December 23, 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.



To the Board of Supervisors and Grand Jury  
County of Sutter, California

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.

*Lance, Soll & Lingham, LLP*

Sacramento, California

March 29, 2021, (Except for the Report on Schedule of Expenditures of Federal Awards required by Uniform Guidance dated December 23, 2020)



COUNTY OF SUTTER

SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2020

<i>Federal Grantor/Pass-Through Grantor/Program or Cluster Title</i>	<i>Federal CFDA Number</i>	<i>Grant Identifying Number</i>	<i>Pass-Through Entity Identifying Number</i>	<i>Total Federal Expenditures</i>
<b>SNAP Cluster</b>				
Department of Agriculture Pass-Through Programs from:				
State of California Department of Public Health				
Special Supplemental Nutrition Programs for Women, Infants, & Children	10.557	15-10121	79-915-0615	\$ 875,180
Supplemental Nutrition Assistance Program Administrative Match	10.561	16-10172	79-915-0615	135,848
Nutrition Assistance Program	10.561	Not Available	79-915-0615	<u>1,766,782</u>
Subtotal - CFDA 10.557 and 10.561				<u>2,777,810</u>
Total Department of Agriculture Programs				<u>2,777,810</u>
<b>Total SNAP Cluster</b>				<u><b>2,777,810</b></u>
<b>CDBG - Entitlement Grants Cluster</b>				
Department of Housing and Urban Development Direct Programs:				
Community Development Block Grants/Entitlement Grants	14.218	Not Applicable	Not Applicable	<u>48,578</u>
<b>Total CDBG - Entitlement Grants Cluster</b>				<u><b>48,578</b></u>
<b>Highway Planning and Construction Cluster</b>				
Federal Highway Administration Pass-Through Programs from:				
State of California Department of Transportation				
Highway Planning and Construction Cluster- Larkin Rd Bridge at Sutter Buttes Bridge	20.205	St & Hiway Code Sec 1	84-088-1648	13,174
Highway Planning and Construction Cluster- Nicolaus Ave at Coon Creek Bridge	20.205	St & Hiway Code Sec 1	84-088-1648	13,077
Highway Planning and Construction Cluster- Tisdale Rd Bridge 57 Replacement	20.205	St & Hiway Code Sec 1	84-088-1648	83,501
Highway Planning and Construction Cluster- Howsley Rd Bridge Replacement	20.205	St & Hiway Code Sec 1	84-088-1648	306,700
Highway Planning and Construction Cluster- Kent Ave Bridge Replacement	20.205	St & Hiway Code Sec 1	84-088-1648	81,922
Highway Planning and Construction Cluster- Pavement Marking HSIP Cycle 7	20.205	St & Hiway Code Sec 1	84-088-1648	3,513
Highway Planning and Construction Cluster- Bridge Preventative Maintenance 2013	20.205	St & Hiway Code Sec 1	84-088-1648	105,855
Highway Planning and Construction Cluster- Federal Exchange	20.205	St & Hiway Code Sec 1	84-088-1648	<u>185,383</u>
Subtotal 20.205				<u>793,124</u>
Total Federal Highway Administration Programs				<u>793,124</u>
<b>Total Highway Planning and Construction Cluster</b>				<u><b>793,124</b></u>
<b>Highway Safety Cluster</b>				
Department of Transportation Pass-Through Programs from:				
Office of Traffic Safety				
Federal Grant - OTS	20.600	Not Available	96-505-3908	<u>111,012</u>
Total Department of Transportation Programs				<u>111,012</u>
<b>Total Highway Safety Cluster</b>				<u><b>111,012</b></u>
<b>477 Cluster *</b>				
Department of Health and Human Services Pass-Through Programs from:				
California Work Opportunity and Responsibility to Kids				
CalWORKs Home Visiting Program	93.558	Not Applicable	Not Applicable	123,300
State of California Department of Social Services				
Temporary Assistance for Needy Families	93.558	Not Available	61-367-3185	1,511,249
Temporary Assistance for Needy Families	93.558	Not Available	61-367-3185	3,474,682
Temporary Assistance for Needy Families	93.558	Not Available	61-367-3185	173,314
Temporary Assistance for Needy Families	93.558	Not Available	61-367-3185	1,653,609
Temporary Assistance for Needy Families	93.558	Not Available	61-367-3185	584,840
Temporary Assistance for Needy Families	93.558	Not Available	61-367-3185	<u>121,197</u>
Subtotal 93.558				<u>7,642,191</u>
Total Department of Health and Human Services Programs				<u>7,642,191</u>
<b>Total 477 Cluster</b>				<u><b>7,642,191</b></u>
<b>Medicaid Cluster *</b>				
Department of Health and Human Services Pass-Through Programs from:				
State of California Department of Health Care Services				
Medical Assistance Program/ Children's Health Insurance Program (Medi-Cal/TLICP/CCS)	93.778	Not Applicable	79-652-8263	282,834
Medical Assistance Program-Foster Care (Health)	93.778	Not Applicable	79-652-8263	109,344
Medical Assistance Program-CHDP	93.778	Not Applicable	79-652-8263	48,459
Medical-Cal Health Enrollment Navigators Project	93.778	Not Available	79-652-8263	31,176
Medical Assistance Program	93.778	Not Available	79-652-8263	575,188
State of California Department of Social Services				
Medical Assistance Program	93.778	Not Available	61-367-3185	<u>165,981</u>
Subtotal 93.778				<u>5,845,280</u>
Total Department of Health and Human Services Programs				<u>5,845,280</u>
<b>Total Medicaid Cluster</b>				<u><b>5,845,280</b></u>

The notes to the schedule of expenditures of federal awards are an integral part of this schedule.

COUNTY OF SUTTER

SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2020

<i>Federal Grantor/Pass-Through Grantor/Program or Cluster Title</i>	<i>Federal CFDA Number</i>	<i>Grant Identifying Number</i>	<i>Pass-Through Entity Identifying Number</i>	<i>Total Federal Expenditures</i>
<b>Other Programs</b>				
Department of Agriculture Pass-Through Programs from:				
State of California Department of Food and Agriculture				
Plant and Animal Disease, Pest Control, and Animal Care	10.025	AP19PPQFO000C009	80-748-7665	6,916
Plant and Animal Disease, Pest Control, and Animal Care	10.025	AP18PPQFO000C500	80-748-7665	994
Plant and Animal Disease, Pest Control, and Animal Care	10.025	AP19PPQFO000C447	80-748-7665	1,599
Plant and Animal Disease, Pest Control, and Animal Care	10.025	AP19PPQFO000C546	80-748-7665	2,341
Plant and Animal Disease, Pest Control, and Animal Care	10.025	AP19PPQFO000C001	80-748-7665	7,323
Plant and Animal Disease, Pest Control, and Animal Care	10.025	AP19PPQFO000C001	80-748-7665	8,136
Plant and Animal Disease, Pest Control, and Animal Care	10.025	AP20PPQFO000C001	80-748-7665	<u>6,284</u>
Subtotal CFDA 10.025				<u>33,594</u>
Department of Housing and Urban Development Pass-Through Programs from:				
State of California Department of Housing and Community Development				
Community Development Block Grants	14.228	Program Income	02-122-5490	572,603
Community Development Block Grants (Beginning Loans Balance)	14.228	EDGB	02-122-5490	271,254
Community Development Block Grants (Beginning Loans Balance)	14.228	CDBG	02-122-5490	<u>974,773</u>
Subtotal CFDA 14.228				<u>1,818,630</u>
Home Investments Partnerships Program				
2010 HOME Program (Beginning Loans Balance)	14.239	Not Available	02-122-5490	<u>47,775</u>
Total Department of Housing and Urban Development Programs				<u>1,866,405</u>
Department of Justice Direct Programs:				
Coronavirus Emergency Supplemental Funding Program (CESF)	16.034	Not Applicable	N/A	57,807
Federal Asset Forfeitures	16.922	Not Applicable	N/A	100,000
Bulletproof Vest Partnership	16.607	Not Applicable	N/A	1,877
Patrick Leahy Bulletproof Vest Partnership	16.607	Not Applicable	N/A	<u>1,023</u>
Subtotal - CFDA 16.607				<u>160,707</u>
Department of Justice Pass-Through Programs from:				
State of California's Office of Emergency Services				
Crime Victim Assistance *	16.575	Not Available	94-743-6176	108,744
Crime Victim Assistance *	16.575	Not Available	94-743-6176	251,220
Crime Victim Assistance *	16.575	Not Available	94-743-6176	40,780
Crime Victim Assistance *	16.575	Not Available	94-743-6176	62,434
Crime Victim Assistance *	16.575	Not Available	94-743-6176	123,652
Crime Victim Assistance *	16.575	Not Available	94-743-6176	<u>31,260</u>
Subtotal - CFDA 16.575				<u>618,090</u>
City of Yuba				
Edward Byrne Justice Assistance Grant Program	16.738	Not Applicable	Not Applicable	822
Edward Byrne Justice Assistance Grant Program	16.738	Not Applicable	Not Applicable	2,269
Edward Byrne Justice Assistance Grant Program	16.738	Not Applicable	Not Applicable	<u>6,903</u>
Subtotal - CFDA 16.738				<u>9,994</u>
Total Department of Justice Programs				<u>788,791</u>
Department of Treasury Direct Programs				
CARES Act- Services & Supplies	21.019	Not Applicable	Not Applicable	11,215
CARES Act- Salaries & Benefits	21.019	Not Applicable	Not Applicable	<u>35,445</u>
Subtotal - CFDA 21.019				<u>46,660</u>
Total Department of Treasury				<u>46,660</u>
Department of Education Pass-Through Programs from:				
State of California Department of Education				
Ca Dept Ed-Citizenship	84.002A	Not Available	80-748-0843	56,944
Ca Dept Ed-ABE/ESL	84.002A	Not Available	80-748-0843	<u>89,869</u>
Subtotal - CFDA 84.002A				<u>146,813</u>
Total Department of Education Programs				<u>146,813</u>
Department of Health and Human Services Pass-Through Programs from:				
State of California Department of Public Health				
Public Health Emergency Preparedness	93.069	17-10204	79-915-0615	158,014
Project Grants and Cooperative Agreements for Tuberculosis Control programs	93.116	Not Applicable	79-915-0615	9,365
Childhood Lead Poisoning Prevention Projects State and Local Childhood Lead Poisoning Prevention and Surveillance of Blood Lead Levels in Children	93.197	17-10235	79-915-0615	5,219
Immunization Grants	93.268	17-10357	79-915-0615	31,729
COVID-19 Crisis Response Funding	93.354	Not Applicable	79-915-0615	61,650

The notes to the schedule of expenditures of federal awards are an integral part of this schedule.

COUNTY OF SUTTER

SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2020

<i>Federal Grantor/Pass-Through Grantor/Program or Cluster Title</i>	<i>Federal CFDA Number</i>	<i>Grant Identifying Number</i>	<i>Pass-Through Entity Identifying Number</i>	<i>Total Federal Expenditures</i>
State of California Department of Social Services				
Guardianship Assistance	93.090	Not Available	61-367-3185	13,203
Promoting Safe and Stable Families	93.556	Not Available	61-367-3185	71,954
Refugee Cash Assistance	93.566	Not Available	61-367-3185	13,809
Stephanie Tubbs Jones Child Welfare Services Program	93.645	Not Available	61-367-3185	55,164
Foster Care Title IV-E	93.658	Not Available	61-367-3185	84,804
Foster Care Title IV-E	93.658	Not Available	61-367-3185	14,590
Foster Care Title IV-E	93.658	Not Available	61-367-3185	2,954
Foster Care Title IV-E	93.658	Not Available	61-367-3185	742
Foster Care Title IV-E	93.658	Not Available	61-367-3185	78,492
Foster Care Title IV-E	93.658	Not Available	61-367-3185	669
Foster Care Title IV-E	93.658	Not Available	61-367-3185	1,195,683
Foster Care Title IV-E	93.658	Not Available	61-367-3185	52,167
Foster Care Title IV-E	93.658	Not Available	61-367-3185	116,139
Foster Care Title IV-E	93.658	Not Available	61-367-3185	868
Foster Care Title IV-E	93.658	Not Available	61-367-3185	<u>1,265,874</u>
Subtotal - CFDA 93.658				<u>2,812,982</u>
Adoption Assistance	93.659	Not Available	61-367-3185	25,247
Adoption Assistance	93.659	Not Available	61-367-3185	<u>2,482,508</u>
Subtotal - CFDA 93.659				<u>2,507,755</u>
Social Services Block Grant	93.667	Not Available	61-367-3185	88,494
Social Services Block Grant	93.667	Not Available	61-367-3185	<u>128,060</u>
Subtotal - CFDA 93.667				<u>216,554</u>
Chafee Foster Care Independence Program	93.674	Not Available	61-367-3185	31,654
State of California Department of Health Care Services				
Project for Assistance in Transition for Homelessness	93.150	Not Available	79-915-0615	60,442
Block Grants for Community Mental Health Services	93.958	Not Available	79-915-0615	244,788
Maternal and Child Health Services Block Grant to the States (MCH)	93.994	2018-51	79-915-0615	153,111
State of California Department of Child Support Services				
Child Support Enforcement	93.563	Not Available	19-674-9068	1,644,319
State of California Department of Alcohol and Drug Program				
Block Grants for Prevention and Treatment of Substance Abuse	93.959	Not Available	94-908-8447	<u>793,327</u>
Total Department of Health and Human Services Programs				<u>8,885,039</u>
Department of Homeland Security Direct Programs:				
Disaster Grants - Public Assistance (Presidentially Declared Disasters)	97.036	Not Applicable	Not Applicable	12,611
Staffing for Adequate Fire and Emergency Response (SAFER)	97.083	Not Applicable	Not Applicable	70,203
Department of Homeland Security Pass-Through Programs from: California Governor's Office of Emergency Services				
Emergency Management Performance Grant	97.042	#2018-0008, Cal OES ID: 101-00000	94-743-6176	136,678
Homeland Security Grant Program	97.067	#2017-0083, CalOES ID: 101-00000	94-743-6176	92,736
Homeland Security Grant Program	97.067	#2017-0083, CalOES ID: 101-00000	94-743-6176	63,212
Homeland Security Grant Program	97.067	#2018-0054, CalOES ID: 101-00000	94-743-6176	22,584
Homeland Security Grant Program	97.067	#2018-0054, CalOES ID: 101-00000	94-743-6176	17,388
Homeland Security Grant Program	97.067	#2019-0035, CalOES ID: 101-00000	94-743-6176	<u>119,152</u>
Subtotal - CFDA 93.667				<u>315,072</u>
Total Department of Homeland Security Programs				<u>534,564</u>
Total Other Programs				<u>12,301,866</u>
Total Expenditures of Federal Awards				<u>\$ 29,519,861</u>

The notes to the schedule of expenditures of federal awards are an integral part of this schedule.

COUNTY OF SUTTER

SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2020

<i>Federal Grantor/Pass-Through Grantor/Program or Cluster Title</i>	<i>Federal CFDA Number</i>	<i>Grant Identifying Number</i>	<i>Pass-Through Entity Identifying Number</i>	<i>Total Federal Expenditures</i>
<b>CORONAVIRUS EMERGENCY ACTS FUNDING RECONCILIATION</b>				
<b>Department of Justice Direct Programs:</b>				
Coronavirus Emergency Supplemental Funding Program (CESF)	16.034	Not Applicable	Not Applicable	\$ 57,807
Total Department of Justice Programs				<u>57,807</u>
<b>Department of Treasury Direct Programs:</b>				
CARES Act- Services & Supplies	21.019	Not Applicable	Not Applicable	\$ 11,215
CARES Act- Salaries & Benefits	21.019	Not Applicable	Not Applicable	35,445
Total Department of Treasury Programs				<u>46,660</u>
<b>Department of Health and Human Services Pass-Through Programs from:</b>				
State of California Department of Public Health				
COVID-19 Crisis Response Funding	93.354	Not Applicable	79-915-0615	61,650
Total Department of Health and Human Services Programs				<u>61,650</u>
<b>Total Coronavirus Emergency Acts Funding</b>				<u><b>\$ 166,117</b></u>

\* Major Program

<sup>1</sup> There was no federal awards expended in the form of noncash assistance and insurance in effect during the year.

<sup>2</sup> There was no federal awards passed through to subrecipients for fiscal year 2019-20.

COUNTY OF SUTTER

NOTES TO THE SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS  
FOR THE YEAR ENDED JUNE 30, 2020

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**Note 1: Basis of Presentation**

The accompanying schedule of expenditures of federal awards (the "Schedule") includes the federal award activity of the County of Sutter, California (the "County") under programs of the federal government for the year ended June 30, 2020. 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.

**Note 2: Summary of Significant Accounting Policies**

Expenditures reported on the Schedule are reported on the modified accrual basis of accounting. Such expenditures are recognized, as applicable, under the cost principles in contained in the Uniform Guidance, wherein certain types of expenditures are not allowable or are limited as to reimbursement. Negative amounts shown on the Schedule represent adjustments or credits made in the normal course of business to amounts reported as expenditures in prior years.

**Note 3: Indirect Cost Election**

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

**Note 4: Medicaid Cluster**

Except for Medi-Cal administrative expenditures, Medicaid (Medi-Cal) and Medicare program expenditures are excluded from the Schedule. These expenditures represent fees for services; therefore, neither is considered a federal award program of the County for purposes of the Schedule or in determining major programs. The County assists the State of California in determining eligibility and provides Medi-Cal and Medicare services through County-owned health facilities. Medi-Cal administrative expenditures are included in the Schedule as they do not represent fees for services.

**Note 5: Loan Programs with Continuing Compliance Requirements**

The following schedule presents the amount of outstanding loans receivable by CFDA number. All loans with continuing compliance requirements are included on the accompanying Schedule. Loans outstanding at the beginning of the year and loans made during the year are included in the federal expenditures presented in the Schedule.

The balance of loans outstanding at June 30, 2020, consists of:

CFDA No.	Federal Program	Outstanding Loans at June 30, 2020
14.228	Community Development Block Grants	\$ 966,747
14.228	Economic Development Block Grant	468,904
14.239	2010 Home Program	47,775
	Total	<u>\$ 1,483,426</u>

COUNTY OF SUTTER

SCHEDULE OF FINDINGS AND QUESTIONED COSTS (CONTINUED)  
FOR THE FISCAL YEAR ENDED JUNE 30, 2020

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SECTION I - SUMMARY OF AUDITORS' RESULTS

Financial Statements

Type of auditors' report issued: Unmodified Opinion

Internal control over financial reporting:

- Significant deficiencies identified?  yes  none reported
  - Material weaknesses identified?  yes  no
- Noncompliance material to financial statements noted?  yes  no

Federal Awards

Internal control over major programs:

- Significant deficiencies identified?  yes  none reported
- Material weaknesses identified?  yes  no

Type of auditors' report issued on compliance for major programs: Unmodified Opinion

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

Identification of major programs:

<u>CFDA Number(s)</u>	<u>Name of Federal Program or Cluster</u>
16.575	Victim Crime Assistance
93.558	477 Cluster
93.778	Medicaid Cluster

Dollar threshold used to distinguish between type A and type B program \$885,596

Auditee qualified as low-risk auditee?  yes  no

COUNTY OF SUTTER

SCHEDULE OF FINDINGS AND QUESTIONED COSTS (CONTINUED)  
FOR THE FISCAL YEAR ENDED JUNE 30, 2020

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SECTION II - FINANCIAL STATEMENT FINDINGS

Accounts Payable Accrual

Reference Number: 2020-001

**Evaluation of Finding:**  
Significant Deficiency

**Condition:**

The County did not accrue two checks relating to services performed in fiscal year 2019-2020 as of June 30, 2020.

**Criteria:**

Generally Accepted Accounting Principles

**Cause of Condition:**

Error due to oversight during the AP review process at year end.

**Effect or Potential Effect of Condition:**

The misstatement resulted in understated expenditures and accounts payable at year end.

**Recommendation:**

LSL recommends that the County perform a thorough review over the AP accrual, beyond the County's AP cutoff period to ensure any late invoices are properly accrued, if necessary.

**Management's Response and Corrective Action:**

The County agrees with the finding. Health and Human Services will train their fiscal staff on identifying expenditures that require accrual to the prior fiscal period. The training will include reviewing open purchase orders, invoices and claims to determine if the expenditures require accruing. Additionally, management will perform analytical procedures in order to aid in finding any unrecorded liabilities.

SECTION III - FEDERAL AWARD FINDINGS AND QUESTIONED COSTS

No matters were reported.

COUNTY OF SUTTER

SCHEDULE OF PRIOR YEAR FINDINGS AND QUESTIONED COSTS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2019

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**SECTION II - FINANCIAL STATEMENT FINDINGS**

No matters were reported.

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

No matters were reported.