

**COUNTY OF STANISLAUS**  
**SINGLE AUDIT REPORT**  
**YEAR ENDED JUNE 30, 2020**



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**COUNTY OF STANISLAUS  
TABLE OF CONTENTS  
YEAR ENDED JUNE 30, 2020**

<b>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 <i>GOVERNMENT AUDITING STANDARDS</i></b>	<b>1</b>
<b>INDEPENDENT AUDITORS' REPORT ON COMPLIANCE FOR EACH MAJOR FEDERAL PROGRAM, REPORT ON INTERNAL CONTROL OVER COMPLIANCE, AND REPORT ON THE SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS REQUIRED BY THE UNIFORM GUIDANCE</b>	<b>3</b>
<b>SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS</b>	<b>6</b>
<b>NOTES TO SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS</b>	<b>11</b>
<b>SCHEDULE OF FINDINGS AND QUESTIONED COSTS</b>	<b>13</b>
<b>SUPPLEMENTARY SCHEDULES OF THE CALIFORNIA OFFICE OF EMERGENCY SERVICES (CALOES) GRANTS</b>	<b>17</b>



**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**

The Honorable Grand Jury and Board of Supervisors  
County of Stanislaus  
Modesto, 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, the discretely presented component unit, each major fund, and the aggregate remaining fund information of the County of Stanislaus (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. We did not audit the financial statements of the First 5 Stanislaus and the Employees’ Retirement Trust, which represent the following percentages of assets and revenues/additions as of and for the fiscal year ended June 30, 2020.

<u>Opinion Unit</u>	<u>Assets</u>	<u>Revenues/ Additions</u>
Discretely Presented Component Unit	100.0%	100.0%
Aggregate Remaining Fund Information	62.9	2.4

Those financial statements were audited by other auditors whose reports thereon have been furnished to us. This report does not include the results of the other auditors’ testing of internal control over financial reporting or compliance and other matters that are reported on separately by those auditors.

**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 have not been identified. We did identify certain deficiencies in internal control, described in the accompanying Schedule of Findings and Questioned Costs as items 2020-001, that we considered to be a material weakness.

### **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 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 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 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 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.



**CliftonLarsonAllen LLP**

Roseville, California  
December 23, 2020



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

The Honorable Board of Supervisors  
County of Stanislaus  
Modesto, California

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

We have audited County of Stanislaus' compliance with the types of compliance requirements described in the *OMB Compliance Supplement* that could have a direct and material effect on each of County of Stanislaus' major federal programs for the year ended June 30, 2020. County of Stanislaus' (the County) major federal programs are identified in the summary of auditors' 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.

***Auditors' 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 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.

**Other Matters**

The results of our auditing procedures disclosed an instance of noncompliance, which is required to be reported in accordance with the Uniform Guidance and which is described in the accompanying schedule of findings and questioned costs as item 2020-002. Our opinion on each major federal program is not modified with respect to these matters.

The County's response to the noncompliance findings 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.

**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, we did identify a certain deficiency in internal control over compliance, described in the accompanying schedule of findings and questioned costs as item 2020-002, that we consider to be a significant deficiency.

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.

### 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, the discretely presented component unit, each major fund, and the aggregate remaining fund information of the County, as of and for the year ended June 30, 2020, and have issued our report thereon dated December 23, 2020, that contained an unmodified opinion on those financial statements. We did not audit the financial statements of the First 5 Stanislaus and the Employees' Retirement Trust, which represent the following percentages of assets and revenues/additions as of and for the year ended June 30, 2020.

<u>Opinion Unit</u>	<u>Assets</u>	<u>Revenues/ Additions</u>
Discretely Presented Component Unit	100.0%	100.0%
Aggregate Remaining Fund Information	62.9	2.4

Those financial statements were audited by other auditors, whose reports thereon have been furnished to us, and our opinions, insofar as they relate to the amounts included for the County are based solely on the reports of the other auditors. Our audit was conducted for the purpose of forming an opinion on the financial statements as a whole. 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 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 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 financial statements or to the financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, based on our audit and the reports of other auditors, the schedule of expenditure of federal awards is fairly stated in all material respects in relation to the financial statements as a whole.

### Supplementary Schedules

The supplementary schedules of the California Governor's Office of Emergency Services have not been subjected to auditing procedures applied in the audit of the basic financial statements and, accordingly, we express no opinion on them.



**CliftonLarsonAllen LLP**

**COUNTY OF STANISLAUS  
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS  
YEAR ENDED JUNE 30, 2020**

Federal Grantor/Pass-through Grantor/Program or Cluster Title	Federal CFDA Number	Pass-through Entity Identifying Number	Passed Through to Subrecipients	Federal Expenditures
<b>U.S. DEPARTMENT OF AGRICULTURE</b>				
Passed through California Department of Food and Agriculture:				
Plant and Animal Disease, Pest Control, and Animal Care	10.025	AP19PPQFO000C009	\$ -	\$ 131,048
Plant and Animal Disease, Pest Control, and Animal Care	10.025	AP19PPQFO000C443	-	39,611
Plant and Animal Disease, Pest Control, and Animal Care	10.025	AP19PPQFO000C001	-	200,135
Plant and Animal Disease, Pest Control, and Animal Care	10.025	AP19PPQFO000C546	-	25,101
Plant and Animal Disease, Pest Control, and Animal Care	10.025	AP18PPQFO000C522	-	1,042
Subtotal CFDA 10.025			-	396,937
Direct Federal Program:				
National School Lunch Program	10.555		-	154,403
Subtotal Child Nutrition Cluster			-	154,403
Passed through California Department of Public Health:				
WIC Special Supplemental Nutrition Program for Women, Infants, and Children	10.557		-	3,281,106
Supplemental Nutrition Assistance Program	10.551		135,502	652,835
Passed through California Department of Aging:				
State Administrative Matching Grants for the Supplemental Nutrition Assistance Program	10.561	207CA CA 5Q3903	70,000	134,473
Passed through California Department of Social Services:				
State Administrative Matching Grants for the Supplemental Nutrition Assistance Program	10.561		-	11,006,728
Subtotal CFDA 10.561			70,000	11,141,201
Subtotal Supplemental Nutrition Assistance Program Cluster			205,502	11,794,036
<b>TOTAL U.S. DEPARTMENT OF AGRICULTURE</b>			<b>205,502</b>	<b>15,626,482</b>
<b>U.S. DEPARTMENT OF HOUSING &amp; URBAN DEVELOPMENT (HUD)</b>				
Direct Federal Program:				
Community Development Block Grants/Entitlement Grants	14.218		1,284,538	2,079,407
Community Development Block Grants/Entitlement Grants	14.218	Outstanding Loans	-	483,449
Subtotal CDBG - Entitlement Grant Cluster CFDA 14.218			1,284,538	2,562,856
Community Development Block Grants/State's Program and Non-Entitlement Grants in Haw aii	14.228		-	2,264,152
Community Development Block Grants/State's Program and Non-Entitlement Grants in Haw aii	14.228	Outstanding Loans	-	178,848
Subtotal CFDA 14.228			-	2,443,000
Emergency Solutions Grant Program	14.231		314,975	337,494
Home Investment Partnerships Program	14.239	Outstanding Loans	-	916,697
<b>TOTAL U.S. DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT</b>			<b>1,599,513</b>	<b>6,260,047</b>
<b>U.S. DEPARTMENT OF JUSTICE</b>				
Passed through California Board of State and Community Corrections :				
Edward Byrne Memorial Justice Assistance Grant Program	16.738	BSCC-0072-18-MH	-	22,225
Direct Federal Program:				
Edward Byrne Memorial Justice Assistance Grant Program	16.738	2017-DJ-BX-0939	-	21,546
Subtotal CFDA 16.738			-	43,771
Passed through California Governor's Office of Emergency Services:				
Crime Victim Assistance	16.575	KC17010500	-	160,252
Crime Victim Assistance	16.575	99.00000.16	265,811	1,199,923
Subtotal CFDA 16.575			265,811	1,360,175
Violence Against Women Formula Grants	16.588	LE18 02 0500	-	94,888
Violence Against Women Formula Grants	16.588	LE19 03 0500	-	92,009
Violence Against Women Formula Grants	16.588	99.00000.16	-	202,545
Subtotal CFDA 16.588			-	389,442

See accompanying Notes to Schedule of Expenditures of Federal Awards.

**COUNTY OF STANISLAUS  
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS (CONTINUED)  
YEAR ENDED JUNE 30, 2020**

Federal Grantor/Pass-through Grantor/Program or Cluster Title	Federal CFDA Number	Pass-through Entity Identifying Number	Passed Through to Subrecipients	Federal Expenditures
Direct Federal Program:				
Grants to Encourage Arrest Policies and Enforcement of Protection Orders Program	16.590	2016-WE-AX-0045	259,180	263,845
Equitable Sharing Program	16.922		-	383,199
<b>TOTAL U.S. DEPARTMENT OF JUSTICE</b>			<b>524,991</b>	<b>2,440,432</b>
<b>U.S. DEPARTMENT OF LABOR</b>				
Passed through California Employment Development Department:				
WIOA Adult Program	17.258	K9110074	61,730	1,121,753
WIOA Adult Program	17.258	AA011041	138,604	1,665,965
Subtotal CFDA 17.258			200,334	2,787,718
WIOA Youth Activities	17.259	K9110074	102,460	284,516
WIOA Youth Activities	17.259	AA011041	1,337,203	2,351,995
Subtotal CFDA 17.259			1,439,663	2,636,511
WIOA Dislocated Worker Formula Grants	17.278	K9110074	-	524,125
WIOA Dislocated Worker Formula Grants	17.278	AA011041	319,989	1,770,503
Subtotal CFDA 17.278			319,989	2,294,628
Subtotal WIOA Cluster			1,959,986	7,718,857
<b>TOTAL U.S. DEPARTMENT OF LABOR</b>			<b>1,959,986</b>	<b>7,718,857</b>
<b>U.S. DEPARTMENT OF TRANSPORTATION</b>				
Passed through California Department of Transportation:				
Highway Planning and Construction	20.205	BRLSZ-5938(176)	-	369,195
Highway Planning and Construction	20.205	BRLO-5938(157)	-	79,351
Highway Planning and Construction	20.205	BRLS-5938(188)	-	5,621,314
Highway Planning and Construction	20.205	BRLS-5938(200)	-	77,867
Highway Planning and Construction	20.205	BRLO-5938(203)	-	107,462
Highway Planning and Construction	20.205	BRLO-5938(190)	-	40,242
Highway Planning and Construction	20.205	BRLO-5938(196)	-	43,035
Highway Planning and Construction	20.205	HRRRL-5938(212)	-	735,461
Highway Planning and Construction	20.205	HRRRL-5938(213)	-	539,000
Highway Planning and Construction	20.205	HRRRL-5938(211)	-	418,888
Highway Planning and Construction	20.205	BRLO-5938(226)	-	106,176
Highway Planning and Construction	20.205	BRLO-5938(227)	-	96,699
Highway Planning and Construction	20.205	BRLO-5938(189)	-	74,485
Highway Planning and Construction	20.205	STPLZ-5938(076)	-	134,887
Highway Planning and Construction	20.205	BRLO-5938(193)	-	19,883
Highway Planning and Construction	20.205	BRLS-5938(201)	-	82,375
Highway Planning and Construction	20.205	BRLS-5938(167)	-	557,395
Highway Planning and Construction	20.205	CML-5938(183)	-	105,612
Highway Planning and Construction	20.205	CML-5938(181)	-	51,668
Highway Planning and Construction	20.205	BRLO-5938(191)	-	103,958
Highway Planning and Construction	20.205	BRLO-5938(194)	-	182,810
Highway Planning and Construction	20.205	BRLS-5938(199)	-	288,253
Highway Planning and Construction	20.205	BPMPL-5938(230)	-	5,024
Highway Planning and Construction	20.205	HSIFL-5938(238)	-	1,000
Highway Planning and Construction	20.205	HRRRL-5938(246)	-	235,590
Highway Planning and Construction	20.205	HRRRL-5938(245)	-	237,371
Highway Planning and Construction	20.205	CML-5938(250)	-	15,238
Highway Planning and Construction	20.205	CML-5938(253)	-	3,519
Highway Planning and Construction	20.205	CML-5938(224)	-	22,745
Highway Planning and Construction	20.205	CML-5938(222)	-	16,600
Highway Planning and Construction	20.205	CML-5938(223)	-	249,382
Highway Planning and Construction	20.205	CML-5938(254)	-	166
Highway Planning and Construction	20.205	CML-5938(225)	-	217,757
Highway Planning and Construction	20.205	BRLO-5938(260)	-	11,059
Highway Planning and Construction	20.205	BRLO-5938(259)	-	11,613
Highway Planning and Construction	20.205	BRLO-5938(262)	-	18,034
Highway Planning and Construction	20.205	BRLO-5938(261)	-	13,799
Highway Planning and Construction	20.205		-	590,422
Subtotal Highway Planning & Construction Cluster CFDA 20.205			-	11,485,335

See accompanying Notes to Schedule of Expenditures of Federal Awards.

**COUNTY OF STANISLAUS  
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS (CONTINUED)  
YEAR ENDED JUNE 30, 2020**

Federal Grantor/Pass-through Grantor/Program or Cluster Title	Federal CFDA Number	Pass-through Entity Identifying Number	Passed Through to Subrecipients	Federal Expenditures
Formula Grants for Rural Areas	20.509	CA-18-X059	-	491,357
Passed through California Office of Traffic Safety National Priority Safety Programs	20.616		11,712	81,965
<b>TOTAL U.S. DEPARTMENT OF TRANSPORTATION</b>			<b>11,712</b>	<b>12,058,657</b>
<b>U.S. DEPARTMENT OF THE TREASURY</b>				
Passed through California Department of Public Health COVID-19 Coronavirus Relief Fund	21.019		-	511,888
Direct Federal Program: COVID-19 Coronavirus Relief Fund	21.019		-	10,696,650
Subtotal CFDA 21.019			-	11,208,538
Equitable Sharing	21.016		-	104,840
<b>TOTAL U.S. DEPARTMENT OF THE TREASURY</b>			<b>-</b>	<b>11,313,378</b>
<b>NATIONAL SCIENCE FOUNDATION</b>				
Passed through Califa Group Education and Human Resources	47.076	R795	-	1,057
<b>TOTAL NATIONAL SCIENCE FOUNDATION</b>			<b>-</b>	<b>1,057</b>
<b>U.S. ENVIRONMENTAL PROTECTION AGENCY</b>				
Passed through California Department of Public Health Capitalization Grants for Drinking Water State Revolving Funds	66.468		-	282,061
Subtotal Drinking Water State Revolving Fund Cluster			-	282,061
<b>TOTAL U.S. ENVIRONMENTAL PROTECTION AGENCY</b>			<b>-</b>	<b>282,061</b>
<b>U.S. DEPARTMENT OF EDUCATION</b>				
Passed through California Department of Rehabilitation Rehabilitation Services Vocational Rehabilitation Grants to States	84.126	28295	-	85,423
<b>TOTAL U.S. DEPARTMENT OF EDUCATION</b>			<b>-</b>	<b>85,423</b>
<b>U.S. ELECTION ASSISTANCE COMMISSION</b>				
Passed through California Secretary of State HAVA Polling Place Accessibility Training Program	39.011	18G26150	-	25,000
Help America Vote Act Requirements Payments	90.401	16G30126	-	599,746
<b>TOTAL U.S. ELECTION ASSISTANCE COMMISSION</b>			<b>-</b>	<b>624,746</b>
<b>U.S. DEPARTMENT OF HEALTH AND HUMAN SERVICES</b>				
Passed through California Department of Aging:				
Special Programs for the Aging, Title VII, Chapter 3, Programs for Prevention of Elder Abuse, Neglect, and Exploitation	93.041	1901CAOAEA-01 and 2001CAOAEA-00	6,116	6,116
Special Programs for the Aging, Title VII, Chapter 2, Long Term Care Ombudsman Services for Older Individuals	93.042	1901CAOAOAOM-01 and 2001CAOAOAOM-00	37,769	37,769
Special Programs for the Aging, Title III, Part D, Disease Prevention and Health Promotion Services	93.043	1901CAOAPH-01 and 2001CAOAPH-00	37,629	37,629
Special Programs for the Aging, Title III, Part B, Grants for Supportive Services and Senior Centers	93.044	1901CAOASS-01 and 2001CAOASS-00	183,461	479,476
Nutrition Services Incentive Program	93.053	1901CAOANS-00 and 2001CAOANS-00	15,313	115,618
Special Programs for the Aging, Title III, Part C, Nutrition Services	93.045	1901CAOACM-01 and 2001CAOACM-00	34,540	429,192
Special Programs for the Aging, Title III, Part C, Nutrition Services	93.045	1901CAOAH-01 and 2001CAOAH-00	-	480,588
Special Programs for the Aging, Title III, Part C, Nutrition Services	93.045	2001CACMC2-00 and 2001CAHDC2-00	-	250,048
Subtotal CFDA 93.045			34,540	1,159,828
Subtotal Aging Cluster			233,314	1,754,922

See accompanying Notes to Schedule of Expenditures of Federal Awards.

**COUNTY OF STANISLAUS  
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS (CONTINUED)  
YEAR ENDED JUNE 30, 2020**

Federal Grantor/Pass-through Grantor/Program or Cluster Title	Federal CFDA Number	Pass-through Entity Identifying Number	Passed Through to Subrecipients	Federal Expenditures
National Family Caregiver Support, Title III, Part E	93.052	1901CAO AFC-01 and 2001CAO AFC-00	-	244,157
Medicare Enrollment Assistance Program	93.071	1701CAMSHI	-	21,194
Centers for Medicare and Medicaid Services (CMS) Research, Demonstrations and Evaluations	93.779	90SAPG0052-02-01	-	94,344
Passed through California Department of Public Health				
Public Health Emergency Preparedness	93.069		-	449,072
Immunization Cooperative Agreements	93.268		-	174,700
National Bioterrorism Hospital Preparedness Program	93.889		-	244,514
HIV Care Formula Grants	93.917		-	230,171
HIV Prevention Activities Health Department Based	93.940		-	71,111
Human Immunodeficiency Virus (HIV)/Acquired Immunodeficiency Virus Syndrome (AIDS) Surveillance	93.944		-	30,410
Tuberculosis Demonstration, Research, Public and Professional Education	93.947		-	38,760
Sexually Transmitted Diseases (STD) Provider Education Grants	93.978		-	84,395
Maternal and Child Health Services Block Grant to the States	93.994		-	912,989
Passed through California Department of Social Services:				
Guardianship Assistance:	93.090		-	391,976
MaryLee Allen Promoting Safe and Stable Families	93.556		378,266	509,063
Temporary Assistance for Needy Families	93.558		872,923	44,085,297
Refugee and Entrant Assistance Targeted Assistance Grants	93.584	TAFO1708/REFS1808	-	48,684
Stephanie Tubbs Jones Child Welfare Services Program	93.645		-	352,811
Foster Care Title IV-E	93.658		-	14,845,236
Adoption Assistance	93.659		-	10,108,616
Social Services Block Grant	93.667		-	488,914
John H. Chafee Foster Care Program for Successful Transition to Adulthood	93.674		117,926	117,926
Refugee and Entrant Assistance State/Replacement Designee Administered Programs	93.566		-	244,293
Refugee and Entrant Assistance State/Replacement Designee Administered Programs	93.566	RESS1708/RESS1810	295,580	351,563
Passed through California Department of Public Health				
Refugee & Entrant Assistance State/Replacement Designee Administered Programs	93.566		-	116,295
Subtotal CFDA 93.566			295,580	712,151
Passed through California Department of Health Care Services:				
Projects for Assistance in Transition from Homelessness (PATH)	93.150		-	146,078
Block Grants for Community Mental Health Services	93.958		319,198	3,198,929
Block Grants for Prevention and Treatment of Substance Abuse	93.959		573,305	3,470,904
Medical Assistance Program	93.778		79,894	27,785,660
Passed through California Department of Aging:				
Medical Assistance Program	93.778	MS-1920-14	-	852,231
Passed through California Department of Public Health				
Medical Assistance Program	93.778		-	375,118
Subtotal Medicaid Cluster CFDA 93.778			79,894	29,013,009
Passed through California Department of Child Support Services:				
Child Support Enforcement	93.563	1804CACSES and 1901 CASES	-	10,340,606
Community-Based Child Abuse Prevention Grants	93.590		-	26,267
Passed through California Department of Education:				
Child Care and Development Block Grant	93.575	C3AP-8061	-	1,531,600
Child Care Mandatory and Matching Funds of the Child Care and Development Fund	93.596	C2AP-8063	-	554,579
Subtotal Child Care Development Cluster			-	2,086,179
<b>TOTAL U.S. DEPARTMENT OF HUMAN AND HEALTH SERVICES:</b>			<b>2,951,920</b>	<b>124,374,899</b>

See accompanying Notes to Schedule of Expenditures of Federal Awards.

**COUNTY OF STANISLAUS  
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS (CONTINUED)  
YEAR ENDED JUNE 30, 2020**

Federal Grantor/Pass-through Grantor/Program or Cluster Title	Federal CFDA Number	Pass-through Entity Identifying Number	Passed Through to Subrecipients	Federal Expenditures
<b>U.S. EXECUTIVE OFFICE OF THE PRESIDENT</b>				
Direct Federal Program:				
High Intensity Drug Trafficking Areas Program	95.001	G18CV002A	-	80,598
High Intensity Drug Trafficking Areas Program	95.001	G19CV002A	-	58,065
Subtotal CFDA 95.001			-	138,663
<b>TOTAL U.S. EXECUTIVE OFFICE OF THE PRESIDENT</b>			-	<b>138,663</b>
<b>U.S. DEPARTMENT OF HOMELAND SECURITY</b>				
Passed through California Governor's Office of Emergency Services:				
Emergency Management Performance Grants	97.042	099-00000	-	237,122
Homeland Security Grant Program	97.067	099-00000	-	443,760
<b>TOTAL U.S. DEPARTMENT OF HOMELAND SECURITY</b>			-	<b>680,882</b>
<b>GRAND TOTAL EXPENDITURES OF FEDERAL AWARDS</b>			<b>\$ 7,253,624</b>	<b>\$ 181,605,584</b>

See accompanying Notes to Schedule of Expenditures of Federal Awards.

**COUNTY OF STANISLAUS  
NOTES TO SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS  
YEAR ENDED JUNE 30, 2020**

**NOTE 1 BASIS OF PRESENTATION**

The accompanying schedule of expenditures of federal awards presents the activity of all federal awards programs of the County of Stanislaus 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 (CFR) Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance).

**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 following the cost principles contained in the Uniform Guidance, for all awards with the exception of CFDA 21.019, which follows criteria determined by the Department of Treasury for allowability of costs. Therefore, some amounts presented in the schedule may differ from amounts presented in, or used in the preparation of, the financial statements.

**NOTE 3 CATALOG OF FEDERAL DOMESTIC (CFDA) NUMBERS**

The program titles and CFDA numbers were obtained from the federal or pass-through grantor or the 2020 *Catalog of Federal Domestic Assistance*. When no CFDA number had been assigned to a program, the two-digit federal agency identifier and the federal contract number were used. When there was no federal contract number, the two-digit federal agency identifier and the word “unknown” were used.

**NOTE 4 INDIRECT COST RATE**

The County did not elect to use the 10 percent de minimis indirect cost rate as covered in 2 CFR §200.414.

**NOTE 5 LOANS WITH CONTINUING COMPLIANCE REQUIREMENTS**

Outstanding federally-funded program loans, with a continuing compliance requirement, carried balances as of June 30, 2020 as follows:

<u>CFDA</u>	<u>Federal Program</u>	<u>Outstanding Loans</u>	<u>Loans with Continuing Compliance Requirements</u>
14.218	Community Development Block Grant / Entitlement Grants	\$ 491,168	\$ 483,449
14.228	Community Development Block Grant/States Program	167,073	178,848
14.239	Home Investment Partnership Program	808,715	916,697

**COUNTY OF STANISLAUS  
NOTES TO SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS (CONTINUED)  
YEAR ENDED JUNE 30, 2020**

**NOTE 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.

**NOTE 7 DEPARTMENT OF AGING FEDERAL/STATE SHARE**

The California Department of Aging (CDA) requires agencies that receive CDA funding to display state-funded expenditures discretely along with federal expenditures. The County expended the following state and federal amounts under these grants:

CFDA	Contract No.	Programs		Administration		Total	
		Federal Expenditures	State Expenditures	Federal Expenditures	State Expenditures	Federal Expenditures	State Expenditures
10.561	SP-1819-30(July 19 to Sept 19)	\$ 23,900	\$ -	\$ 1,200	\$ -	\$ 25,100	\$ -
10.561	SP-1920-30(Oct 19 to June 20)	62,835	-	7,044	-	69,879	-
10.561	CF-1920-30	39,494	-	-	-	39,494	-
93.041	AP-1920-30	6,116	-	-	-	6,116	-
93.042	AP-1920-30	37,769	-	-	-	37,769	-
93.043	AP-1920-30	37,629	-	-	-	37,629	-
93.044	AP-1920-30	420,698	102,713	58,778	-	479,476	102,713
93.045	AP-1920-30	360,959	50,452	68,233	294	429,192	50,746
93.045	AP-1920-30	437,878	51,692	42,710	78	480,588	51,770
93.045	H.R 6201	244,341	-	5,707	-	250,048	-
93.052	AP-1920-30	218,577	-	25,580	-	244,157	-
93.053	AP-1920-30	115,618	-	-	-	115,618	-
93.071	MI -1718-30 and MI-1819-30	21,194	5,571	-	-	21,194	5,571
93.778	MS-1920-30	852,231	-	-	-	852,231	-
93.779	HI-1718-30	84,909	171,958	9,435	19,106	94,344	191,064
	AP-1920-30 Ombudsman Initiative	-	54,402	-	-	-	54,402
	<b>TOTAL</b>	<b>\$ 2,964,148</b>	<b>\$ 436,788</b>	<b>\$ 218,687</b>	<b>\$ 19,478</b>	<b>\$ 3,182,835</b>	<b>\$ 456,266</b>

**COUNTY OF STANISLAUS  
SCHEDULE OF FINDINGS AND QUESTIONED COSTS  
YEAR ENDED JUNE 30, 2020**

**Section I – Summary of Auditors’ Results**

**Financial Statements**

1. Type of auditors’ report issued: Unmodified
2. Internal control over financial reporting:
- Material weakness(es) identified?     x     yes            no
  - Significant deficiency(ies) identified?            yes     x     none reported
3. Noncompliance material to financial statements noted?            yes     x     no

**Federal Awards**

1. Internal control over major federal programs:
- Material weakness(es) identified?            yes     x     no
  - Significant deficiency(ies) identified?     x     yes            none reported
2. Type of auditors’ report issued on compliance for major federal programs: Unmodified
3. Any audit findings disclosed that are required to be reported in accordance with 2 CFR 200.516(a)?     x     yes            no

**Identification of Major Federal Programs**

CFDA Number(s)	Name of Federal Program or Cluster
10.557	WIC Special Supplemental Nutrition Program
20.205	Highway Planning and Construction
21.019	COVID-19 Coronavirus Relief Fund
93.558	Temporary Assistance for Needy Families
93.778	Medical Assistance Program

Dollar threshold used to distinguish between Type A and Type B programs: \$   3,000,000  

Auditee qualified as low-risk auditee?            yes     x     no

**COUNTY OF STANISLAUS  
SCHEDULE OF FINDINGS AND QUESTIONED COSTS (CONTINUED)  
YEAR ENDED JUNE 30, 2020**

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***Section II – Financial Statement Findings***

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**2020 – 001 Statement of Expenditures of Federal Awards**

Type of Finding: Material Weakness in Internal Control over Financial Reporting

**Condition:** The County included IHSS provider administration costs in the SEFA when they should be excluded.

**Criteria or specific requirement:** The Auditee's responsibility per the Uniform Guidance, Section 200.508 Part B, is to "prepare appropriate financial statements, including the Schedule of Expenditures of Awards". This includes determining when the County is considered a subrecipient of a federal award and when they are considered a contractor. As a subrecipient the County would be required to include these federal expenditures within their SEFA, but as a contractor, federal reimbursements are not considered federal expenditures and would be excluded from the SEFA.

The SEFA, while not part of the Basic Financial Statements, is audited in relation to the basic financial statements, in accordance with the requirements of the Uniform Guidance. The Uniform Guidance requires auditors to determine major programs and perform risk assessments based on information reported on the SEFA.

**Context:** In the process of reconciling the County's federal expenditures reported on the Schedule of Expenditures of Federal Awards (SEFA) to claims submitted to the State of California, we noted that the County incorrectly calculated the federal share of expenditures for the Medical Assistance Program, CFDA No. 93.778. Per Uniform Guidance, Section 200.502, *Basis for determining Federal awards expended*, payments to a non-Federal entity for providing patient care services are not considered Federal awards expended.

**Effect:** Including IHSS provider costs in the SEFA overstated program expenditures by approximately \$59 million for CFDA #93.778. This impacted the major program determination process and could lead to programs not being audited in accordance with Uniform Guidance.

**Cause:** The County was not aware the IHSS provider costs should be excluded from the SEFA. While these are federally funded expenditures, they should be excluded from the SEFA because they are considered patient care services under Uniform Guidance, Section 200.502.

**Repeat Finding:** This is not a repeat finding.

**Recommendation:** We recommend that during the compilation of the SEFA the County review the nature of expenditures to determine if these costs, reimbursed by Federal dollars, are for patient care services, or if the County is considered a contractor under Uniform Guidance. The documentation of which can be used in the preparation of final amounts to be included properly in the SEFA.

**Views of responsible officials and planned corrective actions:** There is no disagreement with the audit finding. Staff will review IHSS expenditures at year-end to determine if the County is considered a contractor for any amounts recorded. Any identified amounts will be excluded from the SEFA. Staff will review how our peer agencies record IHSS amounts and consider changing how we record IHSS amounts.

**COUNTY OF STANISLAUS  
SCHEDULE OF FINDINGS AND QUESTIONED COSTS (CONTINUED)  
YEAR ENDED JUNE 30, 2020**

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***Section III – Findings and Questioned Costs – Major Federal Programs***

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**2020 – 002**

Federal agency: U.S Department of Agriculture

Federal program title: WIC Special Supplemental Nutrition Program for Women, Infants, and Children

CFDA Number: 10.557

Pass-Through Agency: California Department of Food and Agriculture

Award Period: July 1, 2019 – June 30, 2020

Type of Finding:

- Significant deficiency in internal control over compliance.
- Other instance of noncompliance.

**Criteria or specific requirement:** Per the 2020 OMB Compliance Supplement 'I. Procurement and Suspension and Debarment 2. Compliance Requirements - Suspension and Debarment' non-federal entities are prohibited from contracting with or making subawards under covered transactions to parties that are suspended or debarred.

**Condition:** The County did not complete the Suspension and Debarment requirement for leases used for the WIC program.

**Questioned costs:** None noted.

**Context:** In the process of auditing WIC's Procurement Suspension and Debarment requirement, we noted the County did not properly satisfy whether landlords for leases were suspended or debarred from federally funded contracts.

**Cause:** The County's purchasing policy did not have the requirement for suspension and debarment testing for leases.

**Effect:** The County may improperly enter into an agreement with a company that has been debarred from contracts due to allegations of fraud, mismanagement and similar improprieties which could result in a forfeit of federal funds.

**Repeat Finding:** No

**Recommendation:** CLA recommend the County updates its purchasing policy to include completing the suspension and debarment requirement for vendors that are awarded federally funded contracts.

**Views of responsible officials:** We agree that the suspension and debarment test for this vendor was not performed. To prevent future instances of noncompliance, the HSA Contracts and Finance departments will be meeting to implement new procedures and update existing contract request forms to ensure that all vendors with agreements of \$25k or more are researched and appropriately tested for allegations of fraud, mismanagement and other improprieties prior to entering any contract agreements. The planned changes to the existing department Contract Request Forms include but are not limited to:

**COUNTY OF STANISLAUS  
SCHEDULE OF FINDINGS AND QUESTIONED COSTS (CONTINUED)  
YEAR ENDED JUNE 30, 2020**

1. Added section for the vendor DUNS # (required if agreement is \$25k or more).
2. Added checkbox indicating if the suspension and debarment test is required.
3. Added signature line indicating that the suspension and debarment test was performed.
4. Attachments of search engine results as support documentation for the performed test.

The purpose of these changes will be shared with all existing HSA Finance and Contract staff members and this finding will be saved electronically for future reference. Any further revisions or updates regarding this process will be shared with staff as needed to ensure the department meets this compliance requirement.

**COUNTY OF STANISLAUS  
SUPPLEMENTARY SCHEDULES OF THE CALIFORNIA OFFICE OF  
EMERGENCY SERVICES (CaIOES) GRANTS  
YEAR ENDED JUNE 30, 2020**

Program	Expenditures Claimed			Share of Expenditures Current Year		
	For the Period through June 30, 2019	For the Year Ended June 30, 2020	Cumulative as of June 30, 2020	Federal Share	State Share	County Share
<b><u>Crime Victim Assistance</u></b>						
Personnel services	\$ 3,347,574	\$ 1,009,611	\$ 4,357,185	\$ 920,060	\$ 53,690	\$ 35,861
Operating expenses	1,430,619	559,118	1,989,737	440,115	78,940	40,063
Equipment	75,672	-	75,672	-	-	-
Totals	<u>\$ 4,853,865</u>	<u>\$ 1,568,729</u>	<u>\$ 6,422,594</u>	<u>\$ 1,360,175</u>	<u>\$ 132,630</u>	<u>\$ 75,924</u>
<b><u>Violence Against Women Formula Grants</u></b>						
Personnel services	\$ 705,818	\$ 402,953	\$ 1,108,771	\$ 336,266	\$ -	\$ 66,687
Operating expenses	247,769	53,176	300,945	53,176	-	-
Totals	<u>\$ 953,587</u>	<u>\$ 456,129</u>	<u>\$ 1,409,716</u>	<u>\$ 389,442</u>	<u>\$ -</u>	<u>\$ 66,687</u>
<b><u>Interagency Hazardous Materials Public Sector Training and Planning Grants</u></b>						
Personnel services	\$ 49,916	\$ -	\$ 49,916	\$ -	\$ -	\$ -
Totals	<u>\$ 49,916</u>	<u>\$ -</u>	<u>\$ 49,916</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
<b><u>Disaster Grants - Public Assistance (Presidentially Declared Disasters)</u></b>						
Personnel services	\$ 147,528	\$ -	\$ 147,528	\$ -	\$ -	\$ -
Operating expenses	243,578	-	243,578	-	-	-
Totals	<u>\$ 391,106</u>	<u>\$ -</u>	<u>\$ 391,106</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
<b><u>Emergency Management Performance Grants</u></b>						
Personnel services	\$ 165,704	\$ 130,000	\$ 295,704	\$ 130,000	\$ -	\$ -
Operating expenses	71,418	107,122	178,540	107,122	-	-
Totals	<u>\$ 237,122</u>	<u>\$ 237,122</u>	<u>\$ 474,244</u>	<u>\$ 237,122</u>	<u>\$ -</u>	<u>\$ -</u>
<b><u>Homeland Security Grant Program</u></b>						
Personnel services	\$ 78,486	\$ 41,512	\$ 119,998	\$ 41,512	\$ -	\$ -
Operating expenses	204,565	218,438	423,003	218,438	-	-
Equipment	611,524	183,810	795,334	183,810	-	-
Totals	<u>\$ 894,575</u>	<u>\$ 443,760</u>	<u>\$ 1,338,335</u>	<u>\$ 443,760</u>	<u>\$ -</u>	<u>\$ -</u>