

**COUNTY OF SHASTA
SINGLE AUDIT REPORT
YEAR ENDED JUNE 30, 2019**



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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

Board of Supervisors
County of Shasta
Redding, 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 Shasta (the 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 November 26, 2019. Our report includes a reference to other auditors who audited the the financial statements of the Children and Families First Commission (Commission), as described in our report on the County of Shasta's financial statements. This report does not include the result 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) to determine 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 entity'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. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

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*.

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
November 26, 2019



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

Board of Supervisors
County of Shasta
Redding, California

Report on Compliance for Each Major Federal Program

We have audited the County of Shasta's (the County) compliance with the types of compliance requirements described in the *U.S. Office of Management and Budget (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 (CFR) 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.

Report on Internal Control Over Compliance

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

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

Our consideration of internal control over compliance was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control over compliance that might be material weaknesses or significant deficiencies. 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.

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, 2019, and have issued our report thereon dated November 26, 2019, that contained an unmodified opinion on those financial statements. We did not audit the financial statements of the Children and Families First Commission (Commission), which represents 100% of the assets, net position, and revenue of the County's discretely presented component unit. Those statements were audited by other auditors whose report has been furnished to us, and our opinion, insofar as it relates to the amounts included for the Commission, is based solely on the report 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, the schedule of expenditure of federal awards is fairly stated in all material respects in relation to the financial statements as a whole.

Other Matters

The supplementary schedules of the Department of Community Services and Development 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

Roseville, California
November 26, 2019

**COUNTY OF SHASTA
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
YEAR ENDED JUNE 30, 2019**

Federal Grantor/Pass-through Grantor/Program Title	Federal CFDA Number	Pass-Through Entity Identifying Number	Federal Expenditures	Expenditures to Subrecipients
<u>U.S. Department of Agriculture</u>				
Passed through State Department of Food and Agriculture:				
Plant and Animal Disease, Pest Control, and Animal Care				
Glassy-Winged Sharpshooter-GWSS	10.025	AP18PPQFO000C002 AP19PPQFO000C001	\$ 70,759	\$ --
Light Brown Apple Moth Program (LBAM)	10.025	17-8506-1164-CA AP18PPQO000C500	5,282	--
Phytophthora Ramorum (Sudden Oak Death)	10.025	17-8506-0572-CA AP18PPFO000C522	1,251	--
Integrated Pest Control/Exotic Fruit Fly	10.025		1,781	--
European Grapevine Moth (EGVM)	10.025		11,421	--
Subtotal CFDA 10.025			90,494	--
USFS State & Private Forestry Weed Control	10.680		19,575	--
Passed through State Department of Education:				
School Breakfast Program	10.553		18,505	--
National School Lunch Program	10.555		36,246	--
Total Child Nutrition Cluster			54,751	--
Passed through the State Department of Forestry and Fire				
Cooperative Forestry Assistance:				
Volunteer Fire Assistance	10.664	7FG17131	19,919	--
Passed through State Department of Public Health:				
Special Supplemental Nutrition Program for Women, Infants, and Children - Administrative	10.557		1,950,727	--
Passed through State Department of Health Services:				
State Administrative Matching Grants for the Supplemental Assistance Program				
California Nutrition Network	10.561		294,732	--
Passed through State Department of Social Services:				
State Administrative Matching Grants for the Supplemental Nutrition Assistance Program				
Food Stamp Program	10.561		5,157,040	--
Total SNAP Cluster			5,451,772	--
Passed through the State of California:				
Schools and Roads - Grants to States	10.665		763,288	--
Total U.S. Department of Agriculture			\$ 8,350,526	\$ --

See accompanying Notes to Schedule of Expenditures of Federal Awards.

**COUNTY OF SHASTA
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
YEAR ENDED JUNE 30, 2019**

Federal Grantor/Pass-through Grantor/Program Title	Federal CFDA Number	Pass-Through Entity Identifying Number	Federal Expenditures	Expenditures to Subrecipients
<u>U.S. Department of Housing and Urban Development</u>				
Direct Programs:				
Section 8 Housing Choice Vouchers	14.871	CA096	\$ 4,728,406	\$ --
Family Self-Sufficiency Program	14.896	CA096FSS17CA0454	3,745	--
Family Self-Sufficiency Program	14.896	CA0096FSH082A016	21,643	--
Subtotal CFDA 14.896			<u>25,388</u>	--
Continuum of Care Program	14.267		21,335	--
Continuum of Care Program	14.267		29,960	--
Subtotal CFDA 14.267			<u>51,295</u>	--
Passed through the State Department of Housing and Community Development:				
Community Development Block Grant/State's Program	14.228		142,527	--
CDBG - Outstanding Loans	14.228		2,791,885	--
Total - CDBG Cluster			<u>2,934,412</u>	--
State Emergency Solutions Grant	14.231		149,263	--
HOME Investment Partnerships Program	14.239		59,848	--
HOME Investment Partnerships Program - Outstanding Loans	14.239		3,475,668	--
Subtotal CFDA 14.239			<u>3,535,516</u>	--
Total U.S. Department of Housing and Urban Development			<u>\$ 11,424,280</u>	<u>\$ --</u>
<u>U.S. Department of Justice</u>				
Direct Programs:				
Equitable Sharing Agreement - Asset Forfeiture	16.922		53,528	--
Passed through Board of State and Community Corrections:				
Edward Byrne Memorial Justice Assistance Grant Program	16.738		13,314	--
Edward Byrne Memorial Justice Assistance Grant Program	16.738	BSCC607-17	10,000	--
Subtotal CFDA 16.738			<u>23,314</u>	--
Title II Formula Grants-Prevention and Intervention	16.540	BSCC412-16	130,892	--
Passed through California Emergency Management Agency:				
Crime Victim Assistance				
County Victim Services Program XC	16.575	XC16010450	165,437	--
Victim Witness Assistance Program VOCA	16.575	VW13320450	237,989	--
Subtotal CFDA 16.575			<u>403,426</u>	--
Total U.S. Department of Justice			<u>\$ 611,160</u>	<u>\$ --</u>

See accompanying Notes to Schedule of Expenditures of Federal Awards.

**COUNTY OF SHASTA
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
YEAR ENDED JUNE 30, 2019**

Federal Grantor/Pass-through Grantor/Program Title	Federal CFDA Number	Pass-Through Entity Identifying Number	Federal Expenditures	Expenditures to Subrecipients
<u>U.S. Department of Transportation</u>				
Passed through State Department of Transportation:				
Highway Planning and Construction	20.205	ATPL-5906(130)	\$ 33,240	\$ --
Highway Planning and Construction	20.205	ATPL-5906(131)	378,401	--
Highway Planning and Construction	20.205	BRLO-5906(087)	254,828	--
Highway Planning and Construction	20.205	BRLO-5906(104)	31,022	--
Highway Planning and Construction	20.205	BRLO-5906(106)	118,072	--
Highway Planning and Construction	20.205	BRLO-5906(117)	18,750	--
Highway Planning and Construction	20.205	BRLS-5906(105)	38,825	--
Highway Planning and Construction	20.205	BRLS-5906(107)	1,396,734	--
Highway Planning and Construction	20.205	BRLS-5906(111)	4,178	--
Highway Planning and Construction	20.205	BRLS-5906(119)	198,298	--
Highway Planning and Construction	20.205	BRLS-5906(123)	65,649	--
Highway Planning and Construction	20.205	BRLS-5906(124)	18,535	--
Highway Planning and Construction	20.205	BRLS-5906(129)	70,107	--
Highway Planning and Construction	20.205	HRRRL-5906(115)	10,359	--
Highway Planning and Construction	20.205	HSIPL-5906(118)	1,050,887	--
Highway Planning and Construction	20.205	HSIPL-5906(128)	606	--
Highway Planning and Construction	20.205	HSIPL-5906(120)	1,119,100	--
Highway Planning and Construction	20.205	HSIPL-5906(122)	5,725	--
Total Highway Planning and Construction Cluster			4,813,316	--
Passed through State Department of Transportation:				
Formula Grants for Other Than Urbanized Areas	20.509		622,627	--
Passed through State Office of Traffic Safety:				
Alcohol Impaired Driving Countermeasures Incentive Grant I Drive Safe and Sober Education Program	20.616	AL1603	188,133	--
Total U.S. Department of Transportation			\$ 5,624,076	\$ --
<u>U.S. Environmental Protection Agency</u>				
Passed through Air Pollution Control Officers Association:				
Surveys, Studies, Research, Investigations, Demonstrations, and Special Purpose Activities Relating to the Clean Air Act	66.034	AQS060890004	21,626	--
Total U.S. Environmental Protection Agency			\$ 21,626	\$ --
<u>U.S. Department of Education</u>				
Passed through State Department of Rehabilitation:				
Rehabilitation Services-Vocational Rehabilitation Grants to States	84.126		215,335	--
Total U.S. Department of Education			\$ 215,335	\$ --

See accompanying Notes to Schedule of Expenditures of Federal Awards.

**COUNTY OF SHASTA
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
YEAR ENDED JUNE 30, 2019**

Federal Grantor/Pass-through Grantor/Program Title	Federal CFDA Number	Pass-Through Entity Identifying Number	Federal Expenditures	Expenditures to Subrecipients
<u>U.S. Department of Health and Human Services</u>				
Passed through State Department of Health Care Services:				
Block Grants for Prevention & Treatment of Substance Abuse	93.959		\$ 2,043,933	\$ 297,660
Projects for Assistance in Transition from Homelessness	93.150		39,580	--
Childhood Lead Poisoning Prevention Projects	93.197		353	--
Childhood Lead Poisoning Prevention Projects	93.197		12,844	--
Childhood Lead Poisoning Prevention Projects	93.197		13,820	--
Subtotal CFDA 93.197			27,017	--
Immunization Grants	93.268		76,520	--
HIV / AIDS Surveillance	93.944		6,455	--
Centers for Disease Control and Prevention (HPP & PHEP)				
Bioterrorism Preparedness	93.074	14-10544	613,139	--
Block Grants for Community Mental Health Services	93.958		359,630	--
Medical Assistance Program:				
Children's Medical Services	93.778		592,283	--
Child Health and Disability Program (CHDP)	93.778		366,143	--
Medi-Cal Administrative Activities (MAA)	93.778		1,805,248	--
Targeted Case Management (TCM)	93.778	95922	22,331	--
Health Care and Other Facilities				
Medi-Cal Administrative Activities (MAA)	93.778	95918	315,240	--
Passed through State Department of Social Services:				
Medical Assistance Program Administration	93.778		9,061,622	--
IHSS Public Authority	93.778		195,401	--
Passed through Far Northern Regional Services				
Home and Community Based Services Grant to States	93.778		144,638	--
Total - Medical Assistance Program Cluster			12,502,906	--
Passed through State Department of Social Services:				
CDCB/Prevention Forward	93.426		18,675	--
CDCB/Lifetime of Wellness	93.757		212,453	--
Preventive Health Services-Sexually Transmitted Diseases				
Research, Demonstrations, and Public Information and Education	93.978	53117	10,552	--

See accompanying Notes to Schedule of Expenditures of Federal Awards.

**COUNTY OF SHASTA
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
YEAR ENDED JUNE 30, 2019**

Federal Grantor/Pass-through Grantor/Program Title	Federal CFDA Number	Pass-Through Entity Identifying Number	Federal Expenditures	Expenditures to Subrecipients
Preventive Health And Health Services Block Grant:				
Maternal and Child Health Services Block Grant to the States	93.994	53107	\$ 110,426	\$ --
Maternal and Child Health Services Block Grant to the States	93.994	53112	3,000	--
Maternal and Child Health Services Block Grant to the States	93.994	53117	63,045	--
Maternal and Child Health Services Block Grant to the States	93.994	53118	123,858	--
Maternal and Child Health Services Block Grant to the States	93.994	53128	673,225	--
Subtotal CFDA 93.994			<u>973,554</u>	--
 Kin-Gap IVE	 93.090		 493,036	 --
CalWORKS Assitance / ARC	93.558		1,654,365	--
CalWORKS, Child Welfare Services TANF	93.558		<u>11,515,605</u>	<u>1,328,680</u>
Total - TANF Cluster			13,169,970	1,328,680
 Commercially Sexually Exploited Children	 93.598		 53,041	 --
Foster Care - Title IV-E:				
CWS - Title IV-E, Foster Care, State Automated Child Welfare Information System, Non-CWS Programs, Licensing	93.658		3,569,534	66,079
Foster Care - Title IV-E - AFDC Foster Care, Wraparound				
Foster Care Placement	93.658		2,755,320	459,848
Foster Care - Title IV-E (Probation)	93.658		116,823	--
Subtotal CFDA 93.658			<u>6,441,677</u>	<u>525,927</u>
 Promoting Safe and Stable Families (PSSF)	 93.556		 162,625	 133,140
Child Welfare Services State Grants	93.645		691,922	--
Community Based Child Abuse Prevention	93.590		25,337	14,864
Adoption Assistance	93.659		8,387,803	84,767
 Social Services Block Grant				
Child Welfare Services (CWS) Title XX - Calworks Single Title XX	93.667		546,363	--
Foster Care Assistance Title XX	93.667		353,515	--
Subtotal CFDA 93.667			<u>899,878</u>	--
 Chafee Foster Care Independence Program	 93.674		 107,550	 --
Passed through State Department of Child Support Services:				
Child Support Enforcement	93.563		4,611,018	--
Passed through State Department of Community Services and Development:				
Community Services Block Grant	93.569	18F-5044	280,178	--
Community Services Block Grant	93.569	19F-4044	86,441	--
Subtotal CFDA 93.569			<u>366,619</u>	--
 Total U.S. Department of Health and Human Services			 <u>\$ 52,294,890</u>	 <u>\$ 2,385,038</u>

See accompanying Notes to Schedule of Expenditures of Federal Awards.

**COUNTY OF SHASTA
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
YEAR ENDED JUNE 30, 2019**

Federal Grantor/Pass-through Grantor/Program Title	Federal CFDA Number	Pass-Through Entity Identifying Number	Federal Expenditures	Expenditures to Subrecipients
<u>Executive Office of the President</u>				
Passed through Central Valley California HIDTA High Intensity Drug Trafficking Areas Program	95.001		\$ 26,113	\$ --
Total Executive Office of the President			<u>\$ 26,113</u>	<u>\$ --</u>
<u>U.S. Department of Homeland Security</u>				
Direct Programs:				
Emergency Food and Shelter National Board Program	97.024		1,846	--
Passed through California Division of Boating and Waterways Boating Safety Financial Assistance	97.012		9,582	--
Passed through State Department of Health Care Services: Crisis Counseling Program (CCP)	97.032		544,678	521,985
Passed through California Emergency Management Agency:				
Disaster Grants - Public Assistance	97.036		829,751	--
Emergency Management Performance Grants	97.042		160,974	--
Homeland Security Grant 2018	97.067		72,313	--
Homeland Security Grant 2017	97.067		125,375	--
Homeland Security Grant 2016	97.067		201,995	--
Subtotal CFDA 97.067			<u>399,683</u>	<u>--</u>
Total U.S. Department of Homeland Security			<u>\$ 1,946,514</u>	<u>\$ 521,985</u>
Total Expenditures of Federal Awards			<u>\$ 80,777,752</u>	<u>\$ 2,907,023</u>

See accompanying Notes to Schedule of Expenditures of Federal Awards.

**COUNTY OF SHASTA
NOTES TO SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
YEAR ENDED JUNE 30, 2019**

NOTE 1 REPORTING ENTITY

The accompanying schedule of expenditures of federal awards presents the activity of all federal awards programs of the County of Shasta (County) for the year ended June 30, 2019. The County of Shasta's 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.

NOTE 2 BASIS OF ACCOUNTING

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).

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, wherein certain types of expenditures are not allowable or are limited as to reimbursement. 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 2019 *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. Uniform Guidance §200.510(6) requires the County to disclose whether or not it elected to use the 10 percent de minimis cost rate that §200.414(f) allows for nonfederal entities that have never received a negotiated indirect cost rate.

NOTE 5 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.

**COUNTY OF SHASTA
NOTES TO SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS (CONTINUED)
YEAR ENDED JUNE 30, 2019**

NOTE 6 LOANS WITH CONTINUING COMPLIANCE REQUIREMENT

Outstanding federally-funded program loans, with a continuing compliance requirement, carried balances as of June 30, 2019 as follows:

Federal CFDA No.	Program Title	SEFA June 30, 2019	FY 18/19 Paydowns	County Balance June 30, 2019
14.228	Community Development Block Grants/ States Program	\$ 2,791,885	\$ 274,758	\$ 2,517,127
14.239	HOME Investment Partnerships Program	\$ 3,475,668	\$ 358,553	\$ 3,117,115

NOTE 7 OTHER LOANS

Outstanding federally-funded program loans, carried balances as of June 30, 2019 as follows:

Federal CFDA No.	Program Title	Amount Outstanding	
		July 1, 2018	June 30, 2019
10.760	Water and Waste Disposal Systems for Rural Counties	\$ 666,500	\$ 648,800
66.468	Capitalization Grants for Drinking Water State Revolving Funds	\$ 3,273,419	\$ 2,969,683
81.041	State Energy Program	\$ 303,721	\$ 260,731

**COUNTY OF SHASTA
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
YEAR ENDED JUNE 30, 2019**

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? _____ yes x 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? _____ yes x 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)? _____ yes x no

Identification of Major Federal Programs

CFDA Number(s)	Name of Federal Program or Cluster
10.561	Supplemental Nutrition Assistance Program Cluster
93.563	Child Support Enforcement
93.778	Medical Assistance Program Cluster

Dollar threshold used to distinguish between Type A and Type B programs: \$ 2,423,333

Auditee qualified as low-risk auditee? x yes _____ no

**COUNTY OF SHASTA
SCHEDULE OF FINDINGS AND QUESTIONED COSTS (CONTINUED)
YEAR ENDED JUNE 30, 2019**

Section II – Financial Statement Findings

Our audit did not disclose any matters required to be reported in accordance with *Government Auditing Standards*.

Section III – Findings and Questioned Costs – Major Federal Programs

Our audit did not disclose any matters required to be reported in accordance with 2 CFR 200.516(a).

**COUNTY OF SHASTA
SUPPLEMENTARY SCHEDULE OF THE DEPARTMENT OF
COMMUNITY SERVICES AND DEVELOPMENT
STATEMENT OF REVENUES AND EXPENDITURES
(SEE INDEPENDENT AUDITORS' REPORT, PAGES 1 AND 2)
YEAR ENDED JUNE 30, 2019**

**CSD Contract No. 18F-5044 (CSBG - \$302,945)
For the Period January 1, 2018 through December 31, 2018**

	January 1, 2018 through June 30, 2018	July 1, 2018 through December 31, 2018	Total Reported	Total Budget
<u>Revenue</u>				
Grant revenue	\$ 97,767	\$ 205,178	\$ 302,945	\$ 302,945
Total Revenue	<u>\$ 97,767</u>	<u>\$ 205,178</u>	<u>\$ 302,945</u>	<u>\$ 302,945</u>
<u>Expenditures</u>				
Administration:				
Salaries and wages	\$ 53,173	\$ 35,013	\$ 88,186	\$ 85,004
Fringe benefits	17,748	24,120	41,868	39,731
Operating expenses	12,134	70,897	83,031	77,039
Subtotal Administrative Costs	<u>83,055</u>	<u>130,030</u>	<u>213,085</u>	<u>201,774</u>
Program Costs:				
Salaries and wages	26,292	39,362	65,654	55,047
Fringe benefits	12,517	21,331	33,848	25,730
Operating expenses	6,232	14,455	20,687	20,394
Subtotal Program Costs	<u>45,041</u>	<u>75,148</u>	<u>120,189</u>	<u>101,171</u>
Total Costs	<u>128,096</u>	<u>205,178</u>	<u>333,274</u>	<u>302,945</u>
Revenue over (under) costs	<u>\$ (30,329)</u>	<u>\$ --</u>	<u>\$ (30,329)</u>	<u>\$ --</u>

**COUNTY OF SHASTA
SUPPLEMENTARY SCHEDULE OF THE DEPARTMENT OF
COMMUNITY SERVICES AND DEVELOPMENT
STATEMENT OF REVENUES AND EXPENDITURES
(SEE INDEPENDENT AUDITORS' REPORT, PAGES 1 AND 2)
YEAR ENDED JUNE 30, 2019**

**CSD Contract No. 19F-4044 (CSBG - \$299,498)
For the Period January 1, 2019 through December 31, 2019**

	January 1, 2019 through June 30, 2019	Total Reported	Total Budget
<u>Revenue</u>			
Grant revenue	\$ 54,124	\$ 54,124	\$ 299,498
Total Revenue	<u>\$ 54,124</u>	<u>\$ 54,124</u>	<u>\$ 299,498</u>
<u>Expenditures</u>			
Administration:			
Salaries and wages	\$ 17,913	\$ 17,913	\$ 92,148
Fringe benefits	11,883	11,883	55,536
Operating expenses	34,457	34,457	56,764
Subtotal Administrative Costs	<u>64,253</u>	<u>64,253</u>	<u>204,448</u>
Program Costs:			
Salaries and wages	11,895	11,895	51,379
Fringe benefits	7,549	7,549	33,095
Operating expenses	2,744	2,744	10,576
Subtotal Program Costs	<u>22,188</u>	<u>22,188</u>	<u>95,050</u>
Total Costs	<u>86,441</u>	<u>86,441</u>	<u>299,498</u>
Revenue over (under) costs	<u>\$ (32,317)</u>	<u>\$ (32,317)</u>	<u>\$ --</u>

**COUNTY OF SHASTA
 SUPPLEMENTARY SCHEDULE OF THE DEPARTMENT OF
 COMMUNITY SERVICES AND DEVELOPMENT
 STATEMENT OF REVENUES AND EXPENDITURES
 (SEE INDEPENDENT AUDITORS' REPORT, PAGES 1 AND 2)
 YEAR ENDED JUNE 30, 2019**

**CSD Contract No. 18F-5044 (CSBG Discretionary - \$35,000)
 For the Period January 1, 2019 through March 31, 2019**

	January 1, 2019 through June 30, 2019	Total Reported	Total Budget
<u>Revenue</u>			
Grant revenue	\$ 35,000	\$ 35,000	\$ 35,000
Total Revenue	<u>\$ 35,000</u>	<u>\$ 35,000</u>	<u>\$ 35,000</u>
<u>Expenditures</u>			
Administration:			
Salaries and wages	\$ 2,797	\$ 2,797	\$ 2,804
Fringe benefits	1,903	1,903	1,904
Subtotal Administrative Costs	<u>4,700</u>	<u>4,700</u>	<u>4,708</u>
Program Costs:			
Salaries and wages	9,113	9,113	9,103
Fringe benefits	8,988	8,988	8,989
Operating expenses	12,199	12,199	12,200
Subtotal Program Costs	<u>30,300</u>	<u>30,300</u>	<u>30,292</u>
Total Costs	<u>35,000</u>	<u>35,000</u>	<u>35,000</u>
Revenue over (under) costs	<u>\$ --</u>	<u>\$ --</u>	<u>\$ --</u>

**COUNTY OF SHASTA
 SUPPLEMENTARY SCHEDULE OF THE DEPARTMENT OF
 COMMUNITY SERVICES AND DEVELOPMENT
 STATEMENT OF REVENUES AND EXPENDITURES
 (SEE INDEPENDENT AUDITORS' REPORT, PAGES 1 AND 2)
 YEAR ENDED JUNE 30, 2019**

**CSD Contract No. 18F-5044 (CSBG Disaster Recovery -
 \$40,000) For the Period January 1, 2019 through March 31, 2019**

	January 1, 2019 through June 30, 2019	Total Reported	Total Budget
<u>Revenue</u>			
Grant revenue	\$ 40,000	\$ 40,000	\$ 40,000
Total Revenue	<u>\$ 40,000</u>	<u>\$ 40,000</u>	<u>\$ 40,000</u>
<u>Expenditures</u>			
Program Costs:			
Subcontractor services	\$ 40,000	\$ 40,000	\$ 40,000
Subtotal Program Costs	<u>40,000</u>	<u>40,000</u>	<u>40,000</u>
Total Costs	<u>40,000</u>	<u>40,000</u>	<u>40,000</u>
Revenue over (under) costs	<u>\$ --</u>	<u>\$ --</u>	<u>\$ --</u>