

COUNTY OF PLUMAS, CALIFORNIA



**SINGLE AUDIT ACT
REPORTS AND SCHEDULES
FOR THE YEAR ENDED
JUNE 30, 2021**

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COUNTY OF PLUMAS
Single Audit Act
For the Year Ended June 30, 2021

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

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

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in Government Auditing Standards issued by the Comptroller General of the United States, the financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the County of Plumas, California, (County) as of and for the year ended June 30, 2021, 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 4, 2022.

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.

Our consideration of internal control was for the limited purpose described in the preceding paragraph 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. However, as described in the accompanying schedule of findings and questioned costs, we did identify certain deficiencies in internal control that we consider to be material weaknesses and significant deficiencies.

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. We consider the deficiencies described in the accompanying schedule of findings and questioned costs to be material weaknesses. (2021-001 and 2021-002)

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. We consider the deficiencies described in the accompanying schedule of findings and questioned costs to be significant deficiencies. (2021-003 through 2021-005)

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

Compliance and Other Matters

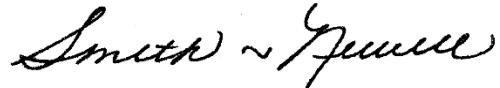
As part of obtaining reasonable assurance about whether the County's financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material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

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

Purpose of this Report

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



Smith & Newell CPAs
Yuba City, California
November 4, 2022

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

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

Report on Compliance for Each Major Federal Program

We have audited the County of Plumas, California's (County) compliance with the types of compliance requirements described in the OMB Compliance Supplement that could have a direct and material effect on each of the County's major federal programs for the year ended June 30, 2021. 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, 2021.

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

Report on Internal Control Over Compliance

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

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

Our consideration of internal control over compliance was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control over compliance that might be material weaknesses or significant deficiencies and therefore, material weaknesses or significant deficiencies may exist that have not been identified. We did identify a certain deficiency in internal control over compliance described in the accompanying schedule of findings and questioned costs as item 2021-001 that we consider to be a material weakness.

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

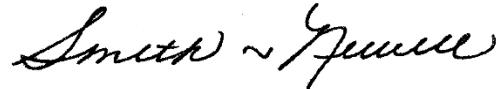
The purpose of this report on internal control over compliance is solely to describe the scope of our testing of internal control over compliance and the results of that testing based on the requirements of the Uniform Guidance. Accordingly, this report is not suitable for any other purpose.

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

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

We have audited the financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the County of Plumas, California, (County) as of and for the year ended June 30, 2021 and the related notes to the financial statements, which collectively comprise the County's basic financial statements. We issued our report thereon dated November 4, 2022, which contained unmodified opinions on those financial statements. Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the basic financial statements. The accompanying schedule of expenditures of federal awards is presented for purposes of additional analysis as required by the Uniform Guidance and is not a required part of the basic financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. The information has been subjected to the auditing procedures applied in the audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the schedule of expenditures of federal awards is fairly stated in all material respects in relation to the basic financial statements as a whole.

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



Smith & Newell CPAs
Yuba City, California
November 4, 2022

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COUNTY OF PLUMAS
Schedule of Expenditures of Federal Awards
For the Year Ended June 30, 2021

Federal Program/Pass-Through Grantor/Program Title	Federal Assistance Listing Number	Pass-Through Entity Identifying Number	Passed Through to Subrecipients	Total Federal Expenditures
U.S. Department of Agriculture				
State Department of Food and Agriculture:				
Plant and Animal Disease, Pest Control, and Animal Care	10.025	20-0199	\$ -	\$ 2,663
Forest Health Protection	10.680	20-PA-11051100-006	-	21,328
State Department of Public Health:				
Supplemental Nutrition Assistance Program	10.551	19-10363	-	131,420
State Department of Social Services:				
State Administrative Matching Grants for the Supplemental Nutrition Assistance Program	10.561	10-Unknown	-	458,396
State Administrative Matching Grants for the Supplemental Nutrition Assistance Program - COVID	10.561	10-Unknown	-	6,976
SNAP Cluster (10.551 and 10.561)			-	596,792
National Forest Service:				
Cooperative Forestry Assistance	10.664	16-LE-11051360-008	-	3,010
Cooperative Forestry Assistance	10.664	16-LE-11051360-023	-	39,207
Subtotal 10.664			-	42,217
State Controller's Office:				
Schools and Roads - Grants to States	10.665	10-Unknown	-	1,099,138
Forest Service Schools and Roads Cluster (10.665)			-	1,099,138
Total U.S. Department of Agriculture			-	1,762,138
U.S. Department of Housing and Urban Development				
State Department of Health Services:				
Housing Opportunities for Persons with AIDS	14.241	19-10520	-	38,528
Housing Opportunities for Persons with AIDS - COVID	14.241	19-11132	-	11,464
Subtotal 14.241			-	49,992
Total U.S. Department of Housing and Urban Development			-	49,992
U.S. Department of the Interior				
Direct Program:				
Payments in Lieu of Taxes	15.226	-	-	748,870
Total U.S. Department of the Interior			-	748,870

See accompanying Notes to Schedule of Expenditures of Federal Awards

COUNTY OF PLUMAS
Schedule of Expenditures of Federal Awards
For the Year Ended June 30, 2021

Federal Program/Pass-Through Grantor/Program Title	Federal Assistance Listing Number	Pass-Through Entity Identifying Number	Passed Through to Subrecipients	Total Federal Expenditures
U.S. Department of Justice				
Direct Program:				
Equitable Sharing Program	16.922	-	\$	\$ 2,043
Bulletproof Vest Partnership Program	16.607	-	-	6,825
Drug Court Discretionary Grant Program	16.585	-	-	86,899
Board of State and Community Corrections:				
Edward Byrne Memorial Justice Assistance Grant Program	16.738	BSCC-1117-18 MH	-	190
State Emergency Management Agency:				
Crime Victim Assistance	16.575	VW 1927 0320	-	34,188
Crime Victim Assistance	16.575	VW 2028 0320	-	81,287
Crime Victim Assistance	16.575	XC 1901 0320	-	34,148
Crime Victim Assistance	16.575	XC 2103 0320	-	32,370
Subtotal 16.575			-	181,993
Total U.S. Department of Justice			-	277,950
U.S. Department of Transportation				
Federal Aviation Administration:				
Airport Improvement Program	20.106	3-06-0020-011-2019	-	92,804
Airport Improvement Program	20.106	3-06-0020-012-2019	-	30,496
Airport Improvement Program	20.106	3-06-0020-013-2020	-	7,474
Airport Improvement Program	20.106	3-06-0040-018-2019	-	321,067
Airport Improvement Program	20.106	3-06-0040-019-2020	-	32,343
Airport Improvement Program	20.106	3-06-0040-020-2020	-	20,000
Airport Improvement Program	20.106	3-06-0191-015-2019	-	93,555
Airport Improvement Program	20.106	3-06-0191-017-2020	-	6,192
Subtotal 20.106			-	603,931
State Department of Transportation:				
Highway Planning and Construction	20.205	BRLO-5909(029)	-	48,971
Highway Planning and Construction	20.205	BRLO-5909(079)	-	379
Highway Planning and Construction	20.205	BRLO-5909(080)	-	2,394,748
Highway Planning and Construction	20.205	BRLO-5909(082)	-	18,383
Highway Planning and Construction	20.205	BRLO-5909(083)	-	3,851
Highway Planning and Construction	20.205	BRLO-5909(092)	-	3,927
Highway Planning and Construction	20.205	BRLO-5909(093)	-	9,162
Highway Planning and Construction	20.205	BRLO-5909(094)	-	3,943
Highway Planning and Construction	20.205	BRLO-5909(095)	-	28,649
Highway Planning and Construction	20.205	BRLO-5909(096)	-	5,260
Highway Planning and Construction	20.205	BRLO-5909(100)	-	39,092
Highway Planning and Construction	20.205	BRLO-5909(101)	-	32,253
Highway Planning and Construction	20.205	RPSTPL-5909(116)	-	143,576
Highway Planning and Construction	20.205	HSIPL-5909(113)	-	927,066
Highway Planning and Construction	20.205	ER-32L0 (409)	-	297,709
Highway Planning and Construction Cluster (20.205)			-	3,956,969
Total U.S. Department of Transportation			-	4,560,900

See accompanying Notes to Schedule of Expenditures of Federal Awards

COUNTY OF PLUMAS
Schedule of Expenditures of Federal Awards
For the Year Ended June 30, 2021

Federal Program/Pass-Through Grantor/Program Title	Federal Assistance Listing Number	Pass-Through Entity Identifying Number	Passed Through to Subrecipients	Total Federal Expenditures
U.S. Department of the Treasury				
State Controller's Office: Coronavirus Relief Fund	21.019	21-Unknown	\$ -	\$ 1,863,229
Total U.S. Department of the Interior			-	1,863,229
U.S. Department of Health and Human Services				
Direct Program: Grants to Provide Outpatient Early Intervention Services with Respect to HIV Disease	93.918	-	-	217,583
State Department of Social Services: Promoting Safe and Stable Families	93.556	93-Unknown	-	7,837
Temporary Assistance for Needy Families	93.558	93-Unknown	-	283,652
Adoption Incentive Payments	93.603	93-Unknown	-	4,404
Stephanie Tubbs Jones Child Welfare Services Program	93.645	93-Unknown	-	20,823
Social Services Block Grant	93.667	93-Unknown	-	54,588
John H. Chafee Foster Care Program for Successful Transition to Adulthood	93.674	93-Unknown	-	16,054
Guardianship Assistance	93.090	93-Unknown	-	43,369
Guardianship Assistance - COVID	93.090	93-Unknown	-	4,492
Subtotal 93.090			-	47,861
Foster Care - Title IV-E	93.658	93-Unknown	-	908,393
Foster Care - Title IV-E - COVID	93.658	93-Unknown	-	31,541
Subtotal 93.658			-	939,934
Adoption Assistance	93.659	93-Unknown	-	248,797
Adoption Assistance - COVID	93.659	93-Unknown	-	26,693
Subtotal 93.659			-	275,490
State Department of Child Support Services: Child Support Enforcement	93.563	93-Unknown	-	372,102
State Department of Aging: Special Programs for the Aging - Title III, Part B - Grants for Supportive Services and Senior Centers	93.044	IIIB-0412-18	-	30,000
Special Programs for the Aging - Title III, Part C - Nutrition Services	93.045	IIIC-045-18	-	150,722
Special Programs for the Aging - Title III, Part C - Nutrition Services - COVID	93.045	IIIC-045-18	-	138,428
Nutrition Services Incentive Program	93.053	IIIC-045-18	-	23,123
Total Aging Cluster (93.044, 93.045 and 93.053)			-	342,273

See accompanying Notes to Schedule of Expenditures of Federal Awards

COUNTY OF PLUMAS
Schedule of Expenditures of Federal Awards
For the Year Ended June 30, 2021

Federal Program/Pass-Through Grantor/Program Title	Federal Assistance Listing Number	Pass-Through Entity Identifying Number	Passed Through to Subrecipients	Total Federal Expenditures
U.S. Department of Health and Human Services (Continued)				
State Department of Health Services:				
Injury Prevention and Control Research and State and Community Based Programs	93.136	19-10499	\$ -	\$ 81,813
Childhood Lead Poisoning Prevention Projects - State and Local Childhood Lead Poisoning Prevention and Surveillance of Blood Lead Levels in Children	93.197	17-10228	-	62,776
Substance Abuse and Mental Health Services - Projects of Regional and National Significance	93.243	17-94298	-	79,208
Children's Health Insurance Program	93.767	93-Unknown	-	5,491
HIV Care Formula Grants	93.917	18-10881	-	202,553
Human Immunodeficiency Virus (HIV)/Acquired Immunodeficiency Virus Syndrome (AIDS) Surveillance	93.944	19-10439	-	2,841
Maternal and Child Health Services Block Grant to the States	93.994	93-Unknown	-	73,681
Medical Assistance Program	93.778	93-Unknown	_____ -	<u>834,135</u>
Medicaid Cluster (93.778)				
_____ - <u>834,135</u>				
State Department of Emergency Services:				
Public Health Emergency Preparedness	93.069	93-Unknown	-	115,134
Public Health Emergency Preparedness - COVID	93.069	93-Unknown	_____ -	<u>292,158</u>
Subtotal 93.069				
_____ - <u>407,292</u>				
Hospital Preparedness Program (HPP) and Public Health Emergency Preparedness (PHEP) Aligned Cooperative National Bioterrorism Hospital Preparedness Program	93.889	93-Unknown	-	118,587
State Department of Mental Health:				
Block Grants for Community Mental Health Services	93.958	93-Unknown	-	320,660
State Department of Alcohol and Drug Abuse Programs:				
Block Grants for Prevention and Treatment of Substance Abuse	93.959	10-NNA32	_____ -	<u>361,674</u>
Total U.S. Department of Health and Human Services				
_____ - <u>5,133,312</u>				
Social Security Administration				
Direct Program:				
Supplemental Security Income	96.006	-	_____ -	<u>800</u>
Disability Insurance/SSI Cluster (96.006)				
_____ - <u>800</u>				
Total Social Security Administration				
_____ - <u>800</u>				

See accompanying Notes to Schedule of Expenditures of Federal Awards

COUNTY OF PLUMAS
Schedule of Expenditures of Federal Awards
For the Year Ended June 30, 2021

Federal Program/Pass-Through Grantor/Program Title	Federal Assistance Listing Number	Pass-Through Entity Identifying Number	Passed Through to Subrecipients	Total Federal Expenditures
Department of Homeland Security				
State Emergency Management Agency:				
Hazard Mitigation Grant	97.039	FEMA-4344-DR-CA	-	17,099
Hazard Mitigation Grant	97.039	FEMA-4558-DR-CA	-	16,422
Subtotal 97.039			-	33,521
Emergency Management Performance Grants	97.042	2019-0003	-	9,010
Homeland Security Grant Program	97.067	2018-0054	-	44,906
Homeland Security Grant Program	97.067	2019-0035	-	6,160
Subtotal 97.067			-	51,066
Total Department of Homeland Security			-	93,597
Total			\$ -	\$ 14,490,788

See accompanying Notes to Schedule of Expenditures of Federal Awards

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COUNTY OF PLUMAS
Notes to Schedule of Expenditures of Federal Awards
For the Year Ended June 30, 2021

1. REPORTING ENTITY

The accompanying Schedule of Expenditures of Federal Awards presents the activity of all federal financial assistance programs of the County of Plumas. The County of Plumas reporting entity is defined in Note 1 to the County's basic financial statements. All federal awards received directly from federal agencies as well as federal awards passed through other government agencies are included in the Schedule of Expenditures of Federal Awards. The information in this schedule is presented in accordance with the requirements of Title 2 U.S. Code of Federal Regulations Part 200, Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards (Uniform Guidance). Because the schedule presents only a selected portion of the operations of the County, it is not intended to, and does not, present the financial position, changes in net position or cash flows of the County.

2. BASIS OF ACCOUNTING

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

3. INDIRECT COST RATE

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

4. RELATIONSHIP TO FEDERAL FINANCIAL REPORTS

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

5. RELATIONSHIP TO BASIC FINANCIAL STATEMENTS

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

6. PASS-THROUGH ENTITIES' IDENTIFYING NUMBER

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

7. CORONAVIRUS RELIEF FUNDS

The County was certified to receive funding through the Coronavirus Relief Funds passed through the State of California. Expenditures incurred from March to June 2020 were \$291,783 and are reported on the County's Schedule of Expenditures of Federal Awards for the fiscal year ending June 30, 2021.

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COUNTY OF PLUMAS
Schedule of Findings and Questioned Costs
For the Year Ended June 30, 2021

SECTION I - SUMMARY OF AUDITOR'S RESULTS

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

Federal Awards

1. Internal control over major programs:	
a. Material weaknesses identified?	Yes
b. Significant deficiencies identified and not considered to be material weaknesses?	No
2. Type of auditor's report issued on compliance for major programs:	Unmodified
3. Any audit findings disclosed that are required to be reported in accordance with 2 CFR Section 200.516(a)?	Yes
4. Identification of major programs:	
10.665 Schools and Roads – Grants to States	
20.205 Highway Planning and Construction	
21.019 Coronavirus Relief Fund	
93.658 Foster Care – Title IV-E	
93.778 Medical Assistance Program	
5. Dollar threshold used to distinguish between Type A and Type B programs?	\$750,000
6. Auditee qualified as a low-risk auditee under 2 CFR Section 200.520?	No

SECTION II - FINANCIAL STATEMENT FINDINGS

Reconciliation of Pooled Cash and Investments	2021-002
Accountability of Capital Assets	2021-003
Payment of Expenditures	2021-004
Allocation of Interest Earnings	2021-005

SECTION III - FEDERAL AWARDS FINDINGS AND QUESTIONED COSTS

10.665 Schools and Roads – Grants to States	2021-001
20.205 Highway Planning and Construction	2021-001
21.019 Coronavirus Relief Fund	2021-001
93.658 Foster Care – Title IV-E	2021-001
93.778 Medical Assistance Program	2021-001

COUNTY OF PLUMAS
Schedule of Findings and Questioned Costs
For the Year Ended June 30, 2021

2021-001 (Material Weakness)

Name:	Schools and Roads – Grants to States Highway Planning and Construction Coronavirus Relief Fund Foster Care – Title IV-E Medical Assistance Program
CFDA#:	10.665 20.205 21.019 93.658 93.778
Federal Grantor:	U.S. Department of Agriculture U.S. Department of Transportation U.S. Department of the Treasury U.S. Department of Health and Human Services
Pass-Through Entity:	State Controller's Office State Department of Social Services State Department of Health Services
Award No.:	Various
Year:	2020-21
Compliance Requirement:	Other

Criteria

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

Condition

During our testing of major programs we noted that the SEFA provided by the County at the beginning of audit fieldwork contained errors in the federal expenditures. Expenditures included on the SEFA provided at the beginning of the audit were less than actual expenditures by \$3,170,770 in the major programs listed above.

Cause

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

Effect

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

Questioned Cost

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

COUNTY OF PLUMAS
Schedule of Findings and Questioned Costs
For the Year Ended June 30, 2021

2021-001 (Material Weakness) (Continued)

Context

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

Repeat Finding

This is a repeat of prior year finding 2020-001.

Recommendation

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

Views of Responsible Officials and Planned Corrective Action

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

2021-002 Reconciliation of Pooled Cash and Investments (Material Weakness)

Criteria

Internal control requires that cash and investments be reconciled timely and that any unreconciled differences from the reconciliation to the general ledger be identified and resolved.

Condition

We noted that as of June 30, 2021, there was an unreconciled difference on the pooled cash reconciliation of approximately \$94,000.

Cause

The County had not been reconciling cash and investments.

Effect

There is an unreconciled difference from the pooled cash and investments reconciliation to the County's general ledger.

Questioned Cost

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

Context

We audited cash and investments in the normal course of the audit.

COUNTY OF PLUMAS
Schedule of Findings and Questioned Costs
For the Year Ended June 30, 2021

2021-002 Reconciliation of Pooled Cash and Investments (Material Weakness) (Continued)

Repeat Finding

This is a repeat finding of prior year finding 2020-002.

Recommendation

We recommend that the County reconcile pooled cash and investments timely and that any unreconciled differences be identified and resolved within the month that they occur.

Views of Responsible Officials and Planned Corrective Action

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

2021-003 Accountability of Capital Assets (Significant Deficiency)

Criteria

The County is required to maintain a listing of all capital assets owned by the County and to record depreciation expense on those assets as is appropriate.

Condition

We noted that the capital asset schedules of the County were incomplete and had not been reconciled to the accounting records of the County.

Cause

The County was in the process of converting their accounting system to a new system and did not have enough resources to maintain the capital asset schedules.

Effect

The County's capital asset schedules were incomplete.

Questioned Cost

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

Context

The audit process involves reconciling the capital asset schedules to the accounting records.

Repeat Finding

This is not a repeat finding.

COUNTY OF PLUMAS
Schedule of Findings and Questioned Costs
For the Year Ended June 30, 2021

2021-003 Accountability of Capital Assets (Significant Deficiency) (Continued)

Recommendation

We recommend that the schedules of capital assets be reconciled to the capital outlay expense account of the County records.

Views of Responsible Officials and Planned Corrective Action

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

2021-004 Payment of Expenditures (Significant Deficiency)

Criteria

Governmental entities are required to pay all expenditures timely.

Condition

We noted the County had not paid several bills from the California Public Employee's Retirement System timely and the County had received several past due notices.

Cause

The County had not reconciled the payments to CalPERS to the general ledger.

Effect

The County may be at risk of losing employee benefits.

Questioned Cost

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

Context

The expenditures were part of the test of controls over expenditures.

Repeat Finding

This is not a repeat finding.

Recommendation

We recommend that all accounts payable are logged into the accounting system and that all outstanding bills be paid or reviewed as to why payment was not being paid.

Views of Responsible Officials and Planned Corrective Action

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

COUNTY OF PLUMAS
Schedule of Findings and Questioned Costs
For the Year Ended June 30, 2021

2021-005 Allocation of Interest Earnings (Significant Deficiency)

Criteria

The County investment policy requires that interest earnings be apportioned to the funds of the County and other entities that have deposits in the County, quarterly.

Condition

We noted that the interest apportionments had not been apportioned timely during 2020-21.

Cause

The County did not apportion interest each quarter because the cash on the County general ledger had not been reconciled to the cash held in the County treasury.

Effect

Grants and outside entities did not receive interest earnings on their deposits timely.

Questioned Cost

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

Context

Apportionment of interest earnings were examined as part of the review of controls over revenues.

Repeat Finding

This is not a repeat finding.

Recommendation

We recommend that interest earnings be apportioned each quarter timely.

Views of Responsible Officials and Planned Corrective Action

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

PLUMAS COUNTY AUDITOR/CONTROLLER

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Martee Graham • AUDITOR/CONTROLLER



COUNTY OF PLUMAS, CALIFORNIA

Status of Prior Year Findings and Questioned Costs

and

Corrective Action Plan

For the Year Ended June 30, 2021

Compiled by: Martee Graham
Plumas County Auditor/Controller

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COUNTY OF PLUMAS
Schedule of Prior Year Findings and Questioned Costs
For the Year Ended June 30, 2021

Audit Reference	Status of Prior Year Recommendations
2020-001	Schools and Roads – Grants to States, Highway Planning and Construction, Foster Care – Title IV-E, Medical Assistance Program
	Recommendation
	We recommend that the County departments provide the County Auditor with accurate federal expenditure information prior to the beginning of audit fieldwork.
	Status
	Not Implemented
2020-002	Audit Adjustments
	Recommendation
	We recommend that the County continue to reconcile pooled cash and investments in a timely manner and that any reconciled differences be identified and resolved within the month that they occur.
	Status
	Not Implemented

COUNTY OF PLUMAS
Management's Corrective Action Plan
For the Year Ended June 30, 2021

2021-001 Schools and Roads – Grants to States, Highway Planning and Construction, Coronavirus Relief Funds, Foster Care – Title IV-E, Medical Assistance Program (Material Weakness)

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

Management's Response:	The County concurs with the finding.
Responsible Individual:	Department of Public Works: John Mannie, Director of Public Works Department of Social Services: Jennifer Bromby, DFO Neal Caiazzo, Director
Corrective Action Plans:	Department of Public Works: Public Works has had some staff turnover that has led to the issues that precipitated the audit finding. Discussions have been made among the management team in order to eliminate reporting issues for future audits. Department of Social Services: When preparing future reports, we will ensure that we capture ALL Federal funds for catalog number 93.658 from all FY reports.
Anticipated Completion Date:	In progress

2021-002 Reconciliation of Pooled Cash and Investments (Material Weakness)

We recommend that the County reconcile pooled cash and investments in a timely manner and that any unreconciled differences be identified and resolved within the month that they occur.

Management's Response:	The County concurs with the finding. Repeat finding from 2020-002 is an ongoing issue from the July 19, 2019 accounting software change.
Responsible Individual:	Martee Graham, Auditor/Controller
Corrective Action Plan:	The cash reconciliation discrepancy is a result of conversion in accounting software July 1, 2019. The former administration implemented the new software. We are working with the ERP provider, Tyler Technologies, to correct the implementation errors. The Auditor and Tax Collector have created a plan to correct the issues with the accounting software. This will be a process going forward to correct the original errors starting in 2019.
Anticipated Completion Date:	In progress

COUNTY OF PLUMAS
Management's Corrective Action Plan
For the Year Ended June 30, 2021

2021-003 Accountability of Capital Assets (Significant Deficiency)

We recommend that the schedules of capital assets be reconciled to the capital outlay expense account of the County records.

Management's Response: The County agrees with the finding. The capital assets are being logged into two accounting systems, which is causing errors.

Responsible Individual: Martee Graham, Auditor/Controller

Corrective Action Plan: New procedures are needed to correct the capital assets schedules and reconciling to the capital outlay expense accounts. The County is working to convert the capital assets into one accounting system. Training is needed with current staff to maintain the information correctly going forward. The Auditor will work with the current ERP provider, Tyler Technologies, to provide training opportunities to ensure this is correct for future audits.

Anticipated Completion Date: In progress

2021-004 Payment of Expenditures (Significant Deficiency)

We recommend that all accounts payable are logged into the accounting system and that all outstanding bills be paid or reviewed as to why payment was not being paid.

Management's Response: The County concurs with the finding. The County had several expenditures from the California Public Retirement System that acquired late fees due to payments not being processed in a timely manner. The issues contributed to these expenditures not being paid on time were lack of staffing and the current CalPERS trained staff being unexpectedly out on leave for extended periods of time.

Responsible Individual: Martee Graham, Auditor/Controller

Corrective Action Plan: Training was provided to at least two employees in the Auditor's Office, to ensure reporting and payments are made on time. CalPERS payments need to be a priority to prevent accruing late penalties.

Anticipated Completion Date: In progress

COUNTY OF PLUMAS
Management's Corrective Action Plan
For the Year Ended June 30, 2021

2021-005 Allocation of Interest Earnings (Significant Deficiency)

We recommend that interest earnings be apportioned each quarter timely.

Management's Response: The County concurs with the findings. Since the conversion into the new software in July of 2019, the process has been challenging to complete.

Responsible Individual: Martee Graham, Auditor/Controller

Julie White, Treasurer/Tax Collector

Corrective Action Plan: The Auditor and Treasurer are working on a solution with the current accounting system and working with the ERP provider, Tyler Technologies, to help correct the implementation issues from July 2019 and obtain training going forward on the software to be able to apportion interest each quarter.

Anticipated Completion Date: In progress

Supplemental Schedules

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COUNTY OF PLUMAS
Supplemental Schedule
California Department of Aging (CDA)
For the Year Ended June 30, 2021

A reconciliation of accrual basis expenditures as reported on the Financial Closeout Report to cash basis expenditures confirmed as of June 30, 2021 follows:

<u>Program</u>		<u>Assistance Listing Number</u>	<u>Total Expenditures</u>	<u>Accrual Adjustments</u>	<u>Confirmed Amount</u>
IIIB	Transportation	93.044	\$ 30,000	\$ -	\$ 30,000
IIIC-1	Congregate	93.045	89,040	-	89,040
IIIC-1	Congregate FFCRA	93.045	37,258	-	37,258
IIIC-1	Congregate Nutrition Services Incentive Program	93.053	8,311	-	8,311
IIIC-2	Home Delivered Meals	93.045	61,682	-	61,682
IIIC-2	Home Delivered Meals FFCRA	93.045	60,448	-	60,448
IIIC-2	Home Delivered Meals CARES	93.045	40,722	-	40,722
IIIC-2	Home Delivered Meals, Nutrition Services Incentive	93.053	<u>14,812</u>	<u>-</u>	<u>14,812</u>
Total Expenditures of CDA Federal Awards			<u>\$ 342,273</u>	<u>\$ -</u>	<u>\$ 342,273</u>

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

<u>Assistance Listing Number</u>	<u>Federal Expenditures</u>	<u>State Expenditures</u>
93.044	\$ 30,000	\$ 35,997
93.045	289,150	67,900
93.053	<u>23,123</u>	<u>-</u>
Total	<u>\$ 342,273</u>	<u>\$ 103,897</u>

COUNTY OF PLUMAS
Supplemental Schedule
California Emergency Management Agency (CalEMA)
For the Year Ended June 30, 2021

The following schedule represents expenditures for U.S. Department of Justice grants passed through the State of California, Emergency Management Agency (CalEMA), as well as CalEMA funded grant expenditures for the year ended June 30, 2021. This information is included in the County's single audit report at the request of CalEMA.

	Expenditures Claimed			Share of Expenditures Current Year		
	For the Period Through June 30, 2020	For the Year Through June 30, 2021	Cumulative As of June 30, 2021	Federal Share	State Share	County Share
<u>VW 1927 0320 - Victim Witness Assistance Program</u>						
Personal services	\$ 93,117	\$ 27,252	\$ 120,369	\$ 27,252	\$ -	\$ -
Operating expenses	19,432	10,891	30,323	6,936	3,955	-
Equipment	-	-	-	-	-	-
Totals	\$ 112,549	\$ 38,143	\$ 150,692	\$ 34,188	\$ 3,955	\$ -
<u>VW 2028 0320 - Victim Witness Assistance Program</u>						
Personal services	\$ -	\$ 82,243	\$ 82,243	\$ 77,850	\$ 4,393	\$ -
Operating expenses	-	5,272	5,272	3,437	1,835	-
Equipment	-	-	-	-	-	-
Totals	\$ -	\$ 87,515	\$ 87,515	\$ 81,287	\$ 6,228	\$ -
<u>XC 1901 0320 - County Victim Services Program</u>						
Personal services	\$ -	\$ 28,099	\$ 28,099	\$ 28,099	\$ -	\$ -
Operating expenses	-	4,271	4,271	4,271	-	-
Equipment	-	-	-	-	-	-
Totals	\$ -	\$ 32,370	\$ 32,370	\$ 32,370	\$ -	\$ -
<u>XC 2103 0320 - County Victim Services Program</u>						
Personal services	\$ -	\$ 26,569	\$ 26,569	\$ 26,569	\$ -	\$ -
Operating expenses	-	12,231	12,231	7,579	4,652	-
Equipment	-	-	-	-	-	-
Totals	\$ -	\$ 38,800	\$ 38,800	\$ 34,148	\$ 4,652	\$ -