

COUNTY OF SONOMA, CALIFORNIA

Single Audit Report

For the Fiscal Year Ended June 30, 2018

COUNTY OF SONOMA, CALIFORNIA

**Single Audit Report
For the Fiscal Year Ended June 30, 2018**

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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 Sonoma, 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 aggregate discretely presented component units, each major fund, and the aggregate remaining fund information of the County of Sonoma, California (County) as of and for the year ended June 30, 2018, 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 21, 2018. Our report includes an emphasis of matter regarding the County's adoption of Governmental Accounting Standards Board (GASB) Statement No. 75, *Accounting and Financial Reporting for Postemployment Benefits Plans Other Than Pension Plans*, and GASB Statement No. 85, *Omnibus 2017*, effective July 1, 2017. Our report also includes a reference to other auditors who audited the financial statements of the Sonoma County Agricultural Preservation and Open Space District (nonmajor governmental fund), First 5 Sonoma Commission (nonmajor governmental fund), Refuse Fund (major enterprise fund), Airport Fund (major enterprise fund), Energy Independence Program Fund (major enterprise fund), Transit Fund (major enterprise fund), Community Development Commission (discretely presented component unit), Sonoma County Water Agency (discretely presented component unit), Sonoma Valley County Sanitation District (nonmajor discretely presented component unit), Russian River County Sanitation District (nonmajor discretely presented component unit), South Park County Sanitation District (nonmajor discretely presented component unit), Occidental County Sanitation District (nonmajor discretely presented component unit), and Sonoma County Fair and Exposition, Inc. (nonmajor enterprise fund), as described in our report on the County's financial statements. 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) to determine the audit procedures that are appropriate in the circumstances for the purpose of expressing our opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the County's internal control. Accordingly, we do not express an opinion on the effectiveness of the County's internal control.

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

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



Rancho Cucamonga, California
December 21, 2018



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 Sonoma, California

Report on Compliance for Each Major Federal Program

We have audited the County of Sonoma, 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, 2018. The County’s major federal programs are identified in the summary of auditors’ results section of the accompanying schedule of findings and questioned costs.

The County’s basic financial statements include the operations of entities which received federal awards in the following amounts which are not included in the schedule of expenditures of federal awards for the fiscal year ended June 30, 2018:

Entity	Federal Expenditures
Sonoma County Community Development Commission	\$ 38,453,415
Sonoma County Water Agency	2,336,268
County of Sonoma Transportation Project Fund (Transit)	1,441,172
Sonoma County Agricultural Preservation & Open Space District	238,008

Our audit, described below, did not include the operations of these entities because they engaged other auditors to perform an audit in accordance with the Uniform Guidance.

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 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, 2018.

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 2018-001. Our opinion on each major federal program is not modified with respect to these matters.

The County's response to the noncompliance finding identified in our audit is described in the accompanying schedule of findings and questioned costs and the County's separate corrective action plan. The County's response was not subjected to the auditing procedures applied in the audit of compliance and, accordingly, we express no opinion on the response.

Report on Internal Control over Compliance

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

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

Our consideration of internal control over compliance was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control over compliance that might be material weaknesses or significant deficiencies and therefore, material weaknesses or significant deficiencies may exist that have not been identified. We did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses. However, we identified a certain deficiency in internal control over compliance, described in the accompanying schedule of findings and questioned costs as item 2018-001 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 and the County's separate 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.

Report on the 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 aggregate discretely presented component units, each major fund, and the aggregate remaining fund information of the County as of and for the year ended June 30, 2018, and the related notes to the financial statements, which collectively comprise the County's basic financial statements. We issued our report thereon dated December 21, 2018, which contained unmodified opinions on those financial statements. Our report included an emphasis of matter regarding the County's adoption of Governmental Accounting Standards Board (GASB) Statement No. 75, *Accounting and Financial Reporting for Postemployment Benefits Plans Other Than Pension Plans*, and GASB Statement No. 85, *Omnibus 2017*, effective July 1, 2017. Our report also included a reference to other auditors who audited the financial statements of the Sonoma County Agricultural Preservation and Open Space District (nonmajor governmental fund), First 5 Sonoma Commission (nonmajor governmental fund), Refuse Fund (major enterprise fund), Airport Fund (major enterprise fund), Energy Independence Program Fund (major enterprise fund), Transit Fund (major enterprise fund), Community Development Commission (discretely presented component unit), Sonoma County Water Agency (discretely presented component unit), Sonoma Valley County Sanitation District (nonmajor discretely presented component unit), Russian River County Sanitation District (nonmajor discretely presented component unit), South Park County Sanitation District (nonmajor discretely presented component unit), Occidental County Sanitation District (nonmajor discretely presented component unit), and Sonoma County Fair and Exposition, Inc. (nonmajor enterprise fund), as described in our report on the County's 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.



Rancho Cucamonga, California
March 26, 2019

COUNTY OF SONOMA, CALIFORNIA
Schedule of Expenditures of Federal Awards
For the Fiscal Year Ended June 30, 2018

Federal Grantor/Pass-Through Grantor/Program or Cluster Title	Federal CFDA Number	Federal Agency / Pass-Through Entity Identifying Number	Passed Through to Subrecipients	Federal Expenditures
U.S. Department of Agriculture				
Direct Federal Programs				
Cooperative Forestry Assistance	10.664	15-DG-11052021-221		\$ 8,372
Subtotal Direct Federal Programs				<u>8,372</u>
Passed through the State Department of Food and Agriculture				
Plant and Animal Disease, Pest Control, and Animal Care				
Pierce's Disease Control Program - GWSS	10.025	16-8506-0484-CA		264,020
Pest Detection & Emergency Project				
Oriental Fruit Fly, Asian Citrus Psyllid, Exotic Insects -	10.025	18-8506-1211-CA		195,985
Pest Exclusion -European Grapevine Moth	10.025	17-8506-1317-CA & 18-8506-1317-CA		653,430
Light Brown Apple Moth (LBAM) Regulatory	10.025	17-8560-1164-CA		94,878
Phytophthora Ramorum Control Program (Sudden Oak Death) -				
Pest Exclusion Interior	10.025	17-8506-0572-CA		27,055
Subtotal Plant and Animal Disease, Pest Control, and Animal Care				<u>1,235,368</u>
Meat, Poultry, and Egg Products Inspection	10.477	12-25-A-3269		895
Subtotal Passed through the State Department of Food and Agriculture				<u>1,236,263</u>
SNAP Cluster				
Passed through the State Department of Aging				
State Administrative Matching Grants for the Supplemental Nutrition Assistance Program (SNAP)	10.561	SP-1617-27 & SP-1718-27		36,437
Passed through the State Department of Social Services				
State Administrative Matching Grants for the Supplemental Nutrition Assistance Program (SNAP) - Cal Fresh Administration (NAFS)	10.561	PCA #11609		12,142,148
Passed through the State Department of Public Health				
State Administrative Matching Grants for the Supplemental Nutrition Assistance Program (SNAP)	10.561	16-10183 A01	\$ 341,444	736,401
Subtotal SNAP Cluster			<u>341,444</u>	<u>12,914,986</u>
Passed through the State Department of Public Health				
Special Supplemental Nutrition Program for Women, Infants and Children	10.557	15-10077 A02		<u>2,186,483</u>
Child Nutrition Cluster				
Passed through the State Department of Education, Nutritional Services Division				
School Breakfast Program	10.553	02836-SN-49-R		24,489
National School Lunch Program	10.555	02836-SN-49-R		41,855
Special Milk Program for Children	10.556	02837-SN-49-R		2,931
Summer Food Service Program for Children	10.559	CN160419 & CN170412		21,640
Subtotal Child Nutrition Cluster				<u>90,915</u>
Total U.S. Department of Agriculture				
				<u>16,437,019</u>
U.S. Department of Justice				
Direct Federal Programs				
Domestic Cannabis Eradication/Suppression Program	16.U01	2017-51		40,000
Crime Victim Assistance/Discretionary Grants	16.582	2016-VF-GX-K028		192,517
Grants to Encourage Arrest Policies and Enforcement of Protection Orders Program	16.590	2016-WE-AX-0001		255,938
Equitable Sharing Program	16.922	Not Available		1,763,630
Subtotal Direct Federal Programs				<u>2,252,085</u>
Passed through the Board of State & Community Corrections				
Edward Byrne Memorial Justice Assistance Grant Program	16.738	2015-DJ-BX-0308		34,378
Edward Byrne Memorial Justice Assistance Grant Program				
Keeping Kids in School Initiative	16.738	BSCC 608-17		510,092
Subtotal Justice Assistance Program				<u>544,470</u>
Criminal and Juvenile Justice and Mental Health Collaboration Program	16.745	2016-MO-BX-0002		113,610
Subtotal Passed through the Board of State and Community Corrections				<u>658,080</u>
Passed through WestEd				
National Institute of Justice Research, Evaluation, and Development Project Grants	16.560	2017-CK-BX-0018		3,134

See accompanying notes to the schedule of expenditures of federal awards.

COUNTY OF SONOMA, CALIFORNIA
Schedule of Expenditures of Federal Awards
For the Fiscal Year Ended June 30, 2018
(Continued)

Federal Grantor/Pass-Through Grantor/Program or Cluster Title	Federal CFDA Number	Federal Agency / Pass-Through Entity Identifying Number	Passed Through to Subrecipients	Federal Expenditures
U.S. Department of Justice (Continued)				
Passed through the California Governor's Office of Emergency Services				
Crime Victim Assistance	16.575	VW16 35-0490 & VW17 36-0490		\$ 463,759
Crime Victim Assistance	16.575	XC16 01-0490		410,015
Crime Victim Assistance	16.575	KE17 01-0490		18,784
Crime Victim Assistance	16.575	XE16-01-0490	\$ 246,061	<u>246,061</u>
Subtotal Crime Victim Assistance				<u>1,138,619</u>
Violence Against Women Formula Grants	16.588	VV17-05-0490		218,000
Subtotal Passed through the California Governor's Office of Emergency Services			<u>246,061</u>	<u>1,356,619</u>
Total U.S. Department of Justice				<u>4,269,918</u>
U.S. Department of Labor				
WIOA Cluster:				
Passed through the State Employment Development Department				
WIOA Adult Program	17.258	ET-WDBSC-NBBSA-1617		110,951
WIOA Adult Program	17.258	K8106692		5,500
WIOA Adult Program	17.258	K7102075 & K8106692		<u>920,235</u>
Subtotal WIA Adult Program				<u>1,036,686</u>
WIOA Youth Activities	17.259	K7102075 & K8106692	907,904	983,917
WIOA Dislocated Worker Formula Grants - 25% Additional Assistance	17.278	K8106692		116,553
WIOA Dislocated Worker Formula Grants	17.278	K7102075 & K8106692		1,332,996
WIOA Dislocated Worker Formula Grants - Rapid Response	17.278	K7102075 & K8106692		<u>136,398</u>
Subtotal WIOA Dislocated Workers Formula Grants				<u>1,585,947</u>
Subtotal WIOA Cluster			<u>907,904</u>	<u>3,606,550</u>
Total U.S. Department of Labor				<u>3,606,550</u>
U.S. Department of Transportation				
Direct Federal Program				
Airport Improvement Program	20.106	3-06-0241-044		4
Airport Improvement Program	20.106	3-06-0241-046		541,815
Airport Improvement Program	20.106	3-06-0241-051		1,127,394
Airport Improvement Program	20.106	3-06-0241-052		6,120
Airport Improvement Program	20.106	AIP3-06-0241-053-2017		<u>75,248</u>
Subtotal Direct Federal Programs				<u>1,750,581</u>
Highway Planning and Construction Cluster				
Passed through the State Department of Transportation				
Highway Planning and Construction	20.205	BPMP-5920(163)		5,076
Highway Planning and Construction	20.205	BRLO-5920(118)		52,915
Highway Planning and Construction	20.205	BRLO-5920(125)		4,701,496
Highway Planning and Construction	20.205	BRLO-5920(127)		146,197
Highway Planning and Construction	20.205	BRLO-5920(129)		92,765
Highway Planning and Construction	20.205	BRLO-5920(138)		61,973
Highway Planning and Construction	20.205	BRLO-5920(139)		10,800
Highway Planning and Construction	20.205	BRLO-5920(144)		46,343
Highway Planning and Construction	20.205	BRLO-5920(146)		65,446
Highway Planning and Construction	20.205	BRLO-5920(149)		66,719
Highway Planning and Construction	20.205	BRLS-5920(092)		1,000
Highway Planning and Construction	20.205	CML-5920(142)		353,187
Highway Planning and Construction	20.205	HRRRL-5920(113)		141,696
Highway Planning and Construction	20.205	HSIPL-5920(156)		29,386
Highway Planning and Construction	20.205	STPLNI-5920(145)		38,825
Highway Planning and Construction	20.205	ATPLNI-5920(151)	191,278	290,201
Highway Planning and Construction	20.205	STPL-5920(147)		36,618
Highway Planning and Construction	20.205	STPL-5920(148)		49,106
Highway Planning and Construction	20.205	STPL-5920(153)		832,011
Highway Planning and Construction	20.205	STPL-5920(154)		2,506,008
Highway Planning and Construction	20.205	STPLZ-5920(056)		42,705
Highway Planning and Construction	20.205	STPLZ-5920(111)		65,144
Highway Planning and Construction	20.205	STPLZ-5920(135)		160,680
Highway Planning and Construction	20.205	STPLZ-5920(137)		<u>35,433</u>
Subtotal Highway Planning and Construction Cluster			<u>191,278</u>	<u>9,831,730</u>

See accompanying notes to the schedule of expenditures of federal awards.

COUNTY OF SONOMA, CALIFORNIA
Schedule of Expenditures of Federal Awards
For the Fiscal Year Ended June 30, 2018
(Continued)

Federal Grantor/Pass-Through Grantor/Program or Cluster Title	Federal CFDA Number	Federal Agency / Pass-Through Entity Identifying Number	Passed Through to Subrecipients	Federal Expenditures
Transit Services Programs Cluster				
Passed through California State Transportation Agency				
Enhanced Mobility of Seniors and Individuals with Disabilities	20.513	64AM16-00186/184 & 64AC16-00185	\$ 201,613	\$ 240,506
Highway Safety Cluster				
Passed through the State of California Office of Traffic Safety				
National Priority Safety Programs	20.616	DI1715 & DI18028		328,367
Total U.S. Department of Transportation				12,151,184
U.S. Environmental Protection Agency				
Direct Federal Program				
The San Francisco Bay Water Quality Improvement Fund	66.126	W9-99T26401		174,106
Regional Wetlands Program Development Grants	66.461	CD-99T65701		19,738
Total U.S. Environmental Protection Agency				193,844
U.S. Department of Education				
Passed through State Department of Rehabilitation				
Rehabilitation Services Vocational Rehabilitation Grants to States	84.126	29903		89,754
Total U.S. Department of Education				89,754
U.S. Election Assistance Commission				
Passed through the California Secretary of State				
Help America Vote Act Requirements Payments	90.401	17G26156		2,402
Total U.S. Election Assistance Commission				2,402
U.S. Department of Health and Human Services				
Direct Federal Programs				
Substance Abuse and Mental Health Services - Projects of Regional and National Significance	93.243	1H79SM060916-01	348,142	364,582
Substance Abuse and Mental Health Services - Projects of Regional and National Significance - Treatment Drug Courts	93.243	1H79TI080117-01	22,487	39,533
Subtotal Substance Abuse and Mental Health Services			<u>370,629</u>	<u>404,115</u>
Passed through the State Department of Aging				
Aging Cluster				
Special Programs for the Aging - Title VII, Chapter 3 Programs for Prevention of Elder Abuse, Neglect, and Exploitation	93.041 ⁽¹⁾	AP-1718-27 A1	7,054	7,054
Special Programs for the Aging - Title VII, Chapter 2 Long Term Care Ombudsman Services for Older Individuals	93.042 ⁽¹⁾	AP-1718-27 A1	36,592	36,592
Special Programs for the Aging - Title III, Part D - Disease Prevention and Health Promotion Services	93.043 ⁽¹⁾	AP-1718-27 A1	18,000	29,729
National Family Caregiver Support - Title III, Part E Special Programs for the Aging - Title III, Part B - Grants for Supportive Services and Senior Centers	93.052 ⁽¹⁾	AP-1718-27 A1	205,938	225,176
Special Programs for the Aging - Title III, Part C - Nutrition Services	93.044	AP-1718-27 A1	495,653	697,161
Special Programs for the Aging - Title III, Part C - Nutrition Services	93.045	AP-1718-27 A1	546,147	661,676
Nutrition Services Incentive Program	93.053	AP-1718-27 A1	201,611	201,611
Subtotal Aging Cluster			<u>1,510,995</u>	<u>1,858,999</u>
Medicare Enrollment Assistance Program	93.071	MI-1517-27 & MI-1718-27	43,173	43,173
Centers for Medicare and Medicaid Services (CMS) Research, Demonstrations and Evaluations	93.779	HI-1718-27	161,792	161,792
Subtotal Passed through State Department of Aging			<u>1,715,960</u>	<u>2,063,964</u>
CCDF Cluster				
Passed through the State Department of Education				
Child Care and Development Block Grant	93.575	G1601CACCCDF, G1701CACCCDF, G1801CACCCDF	114,440	131,606
Child Care Mandatory and Matching Funds of the Child Care and Development Fund	93.596	CAPP-2074		152,103
Subtotal CCDF Cluster			<u>114,440</u>	<u>283,709</u>

(1) Denotes that this program is part of the Aging Cluster at the request of the California Department of Aging

See accompanying notes to the schedule of expenditures of federal awards.

COUNTY OF SONOMA, CALIFORNIA
Schedule of Expenditures of Federal Awards
For the Fiscal Year Ended June 30, 2018
(Continued)

Federal Grantor/Pass-Through Grantor/Program or Cluster Title	Federal CFDA Number	Federal Agency / Pass-Through Entity Identifying Number	Passed Through to Subrecipients	Federal Expenditures
U.S. Department of Health and Human Services (Continued)				
Medicaid Cluster				
Passed through the State Department of Aging				
Medical Assistance Program - Multipurpose Senior Service Program	93.778	MS-1718-11	\$	674,296
Passed through the State Department of Health Care Services				
Medical Assistance Program - California Children's Services Administration	93.778	2017-49		1,461,370
Medical Assistance Program - Child Health and Disability Prevention Program	93.778	2017-49		395,496
Medical Assistance Program - Child Health and Disability Prevention Program Augmented Allocation, Children in Foster Care	93.778	2017-49		2,682
Medical Assistance Program - Child Health and Disability Prevention Program Children in Foster Care	93.778	2017-49		313,577
Medical Assistance Program - Children's Medical Services Palliative Care	93.778	2017-49		158,013
Medical Assistance Program - Psychotropic Medication Monitoring and Oversight	93.778	2017-49		92,028
Medical Assistance Program - Medicaid - Title XIX - Local Dental Pilot Project (LDPP)	93.778	16-93577	\$ 320,141	373,193
Medical Assistance Program - Medi-Cal Administration Activities (MAA)	93.778	16-93380		1,344,134
Medical Assistance Program - Medicaid - Title XIX	93.778	05-45175		22,017,689
Medical Assistance Program - Medicaid - Title XIX	93.778	2016-49	33,257	35,651
Passed through the State Department of Public Health				
Medical Assistance Program - Medicaid - Title XIX	93.778	2017-49		582,757
Subtotal Medicaid Cluster			<u>353,398</u>	<u>27,450,886</u>
Hospital Preparedness Program (HPP) and Public Health Emergency Preparedness (PHEP) Aligned Cooperative Agreements	93.074	14-10550 A05		26,658
Hospital Preparedness Program (HPP) and Public Health Emergency Preparedness (PHEP) Aligned Cooperative Agreements	93.074	17-102020		189,963
Hospital Preparedness Program (HPP) and Public Health Emergency Preparedness (PHEP) Aligned Cooperative Agreements	93.074	14-10550 A05		4,378
Hospital Preparedness Program (HPP) and Public Health Emergency Preparedness (PHEP) Aligned Cooperative Agreements	93.074	17-102020		611,692
Subtotal Hospital Preparedness Program (HPP) and Public Health Emergency Preparedness (PHEP) Aligned Cooperative Agreements				<u>832,691</u>
Maternal and Child Health Federal Consolidated Programs	93.110	17-11019		4,988
Project Grants and Cooperative Agreements for Tuberculosis Control Programs	93.116	5NU52PS004656		28,454
Immunization Cooperative Agreements	93.268	17-10355		190,345
HIV Prevention Activities Health Department Based	93.940	15-10952	97,208	158,441
Maternal, Infant, and Early Childhood Home Visiting Cluster				
Affordable Care Act (ACA)				
Maternal, Infant, and Early Childhood Home Visiting Program	93.505	15-10207		328,964
Subtotal Maternal, Infant, and Early Childhood Home Visiting Cluster				<u>328,964</u>
Preventive Health Services Sexually Transmitted Diseases Control Grants	93.977	15-10273 A01		6,303
Maternal and Child Health Services Block Grant to the States	93.994	2017-49		164,553
Subtotal Passed through the State Department of Public Health			<u>97,208</u>	<u>2,297,496</u>
Passed through the State Department of Health Care Services				
Children's Health Insurance Program	93.767	2017-49		837,101
Block Grants for Community Mental Health Services	93.958	2017-49	619,332	619,332
Block Grants for Prevention and Treatment of Substance Abuse	93.959	2B08TI010062-18	3,021,877	4,153,233
Mental Health Disaster Assistance and Emergency Mental Health	93.982	17-94648 & 17-94648 A01	532,714	548,552
Subtotal passed through the State Department of Health Care Services			<u>4,173,923</u>	<u>6,158,218</u>

See accompanying notes to the schedule of expenditures of federal awards.

COUNTY OF SONOMA, CALIFORNIA
Schedule of Expenditures of Federal Awards
For the Fiscal Year Ended June 30, 2018
(Continued)

Federal Grantor/Pass-Through Grantor/Program or Cluster Title	Federal CFDA Number	Federal Agency / Pass-Through Entity Identifying Number	Passed Through to Subrecipients	Federal Expenditures
Passed through the State Department of Social Services				
TANF Cluster				
Temporary Assistance for Needy Families	93.558	11001		\$ 4,880,437
Temporary Assistance for Needy Families	93.558	11001	\$ 76,653	<u>19,799,128</u>
Subtotal TANF Cluster				<u>24,679,565</u>
Guardianship Assistance - Title IV-E Kingap	93.090	12307		221,953
Guardianship Assistance - Title IV-E Kingap Administration	93.090	12307		<u>34,386</u>
Subtotal Guardian Assistance				<u>256,339</u>
Promoting Safe and Stable Families	93.556	22333		295,681
Child Support Enforcement	93.563	1504CACSES		8,190,219
Refugee and Entrant Assistance - State Administered Programs	93.566	2017-49		6,147
Community-Based Child Abuse Prevention Grants	93.590	1501CAFRPG		22,156
Adoption Incentive Payments	93.603	22410		116,588
Stephanie Tubbs Jones Child Welfare Services Program	93.645	12313		289,008
Foster Care - Title IV-E	93.658	0601CA1401		889,771
Foster Care - Title IV-E	93.658	12307	4,356,078	6,060,952
Foster Care - Title IV-E - Administration	93.658	12307		<u>4,937,660</u>
Subtotal Foster Care Assistance - Title IV-E				<u>11,888,383</u>
Adoption Assistance	93.659	12402		4,782,364
Adoption Assistance - Administration	93.659	12402		<u>345,773</u>
Subtotal Adoption Assistance				<u>5,128,137</u>
Social Services Block Grant	93.667	12307		494,524
Chaffee Foster Care Independence Program	93.674	12332		<u>100,622</u>
Subtotal Passed through the State Department of Social Services			<u>4,432,731</u>	<u>51,467,369</u>
Passed through the Council of State and Territorial Epidemiologist				
NON-ACA Building Capacity of the Public Health System to Improve Population Health through National Nonprofit Organizations	93.424	5U338OT000143-05		<u>13,954</u>
Total U.S. Department of Health and Human Services			<u>11,258,289</u>	<u>89,556,954</u>
U.S. Department of Homeland Security				
Passed through the State Department of Parks and Recreation				
Boating Safety Financial Assistance	97.012	C17L0616		45,744
Passed through the State Department of Health Care Services				
Crisis Counseling Assistance and Training Program (CCP)	97.032	17-94648	160,282	384,258
Passed through the California Governor's Office of Emergency Services				
Disaster Grants - Public Assistance (Presidentially Declared Disaster)	97.036	FEMA-4344-DR-CA		28,491
Disaster Grants - Public Assistance (Presidentially Declared Disaster)	97.036	FEMA-4344-DR-CA		9,173,861
Disaster Grants - Public Assistance (Presidentially Declared Disaster)	97.036	FEMA-4301-DR-CA		495,060
Disaster Grants - Public Assistance (Presidentially Declared Disaster)	97.036	FEMA-4301-DR-CA		48,219
Disaster Grants - Public Assistance (Presidentially Declared Disaster)	97.036	FEMA-4301-DR-CA		37,344
Disaster Grants - Public Assistance (Presidentially Declared Disaster)	97.036	FEMA-4308-DR-CA		298,828
Subtotal Disaster Grants - Public Assistance				<u>10,081,803</u>
Hazard Mitigation Grant	97.039	HMGP-4240-113-22P		6,777
Emergency Management Performance Grants	97.042	2016-0010		227,662
Homeland Security Grant Program	97.067	2016-0078/097-00000		7,370
Homeland Security Grant Program	97.067	2015-0078		58,400
Homeland Security Grant Program	97.067	2017-00078		<u>100,000</u>
Subtotal Passed through the California Governor's Office of Emergency Services				<u>10,482,012</u>
Passed through the Bay Area Urban Area Security Initiative				
Homeland Security Grant Program	97.067	2017-0083		99,129
Homeland Security Grant Program	97.067	2016-0102		<u>50,929</u>
Subtotal Homeland Security Grant Program				<u>315,828</u>
Total U. S. Department of Homeland Security				<u>11,062,072</u>
TOTAL EXPENDITURES OF FEDERAL AWARDS			<u>\$13,306,871</u>	<u>\$ 137,369,697</u>

See accompanying notes to the schedule of expenditures of federal awards.

COUNTY OF SONOMA, CALIFORNIA
Notes to Schedule of Expenditures of Federal Awards
For the Fiscal Year Ended June 30, 2018

NOTE 1 – GENERAL

The accompanying schedule of expenditures of federal awards (SEFA) for the fiscal year ended June 30, 2018, presents the activity of all federal award programs of the County of Sonoma, California (County) with the exception of the federal award programs of the Sonoma County Community Development Commission, the Sonoma County Water Agency, the County of Sonoma Transportation Project Fund (Transit), and the Sonoma County Agricultural Preservation & Open Space District, which were subject to separate audits by independent auditors.

The County SEFA excludes federal award programs for the entities which file a separate SEFA and independent audit. The expenditures incurred under federal award programs audited by other auditors are as follows:

Sonoma County Community Development Commission	\$ 38,453,415
Sonoma County Water Agency	2,336,268
County of Sonoma Transportation Project Fund (Transit)	1,441,172
Sonoma County Agricultural Preservation and Open Space District	238,008

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). The County's Comprehensive Annual Report (CAFR) Note 1, defines the reporting entity and provides a summary of significant accounting policies.

NOTE 2 – BASIS OF ACCOUNTING

The accompanying SEFA 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 Note 1 to the County's basic financial statements. Expenditures/expenses are recognized following the cost principles contained within Title 2 U.S. *Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance), wherein certain types of expenditures are not allowable or are limited as to reimbursement.

NOTE 3 – CATALOG OF FEDERAL DOMESTIC ASSISTANCE (CFDA) NUMBERS

The CFDA numbers included in the accompanying SEFA were determined based on the program name, review of grant contract information, and the Office of Management and Budget's Catalog of Federal Domestic Assistance.

NOTE 4 – PASS-THROUGH ENTITY IDENTIFYING NUMBERS

The County has included in the SEFA the identifying numbers for pass-through grants when such information has been provided by the pass-through entities.

COUNTY OF SONOMA, CALIFORNIA
Notes to Schedule of Expenditures of Federal Awards
For the Fiscal Year Ended June 30, 2018

NOTE 5 – INDIRECT COST RATE

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

NOTE 6 – SCHEDULE OF STATE OF CALIFORNIA GOVERNOR’S OFFICE OF EMERGENCY SERVICES GRANT EXPENDITURES

The following represents expenditures for U.S. Department of Homeland Security grants passed through the State of California Governor's Office of Emergency Services (CalOES), for the fiscal year ended June 30, 2018. This information is included in the County’s single audit report at the request of CalOES.

<u>Program Title and Expenditure Category</u>	<u>Grant Award Number / CFDA</u>	<u>Actual Non-Match</u>	<u>Actual Match</u>	<u>Total Actual</u>
Public Assistance Grant	FEMA-4301-DR-CA			
Personal services	97.036	\$ 580,623	\$ -	\$ 580,623
Operating expenses		-	-	-
Total		<u>\$ 580,623</u>	<u>\$ -</u>	<u>\$ 580,623</u>
Public Assistance Grant	FEMA-4308-DR-CA			
Personal services	97.036	\$ 298,828	\$ -	\$ 298,828
Operating expenses		-	-	-
Total		<u>\$ 298,828</u>	<u>\$ -</u>	<u>\$ 298,828</u>
Public Assistance Grant	FEMA-4344-DR-CA			
Personal services	97.036	\$ 9,202,352	\$ -	\$ 9,202,352
Operating expenses		-	-	-
Total		<u>\$ 9,202,352</u>	<u>\$ -</u>	<u>\$ 9,202,352</u>

COUNTY OF SONOMA, CALIFORNIA
Notes to Schedule of Expenditures of Federal Awards
For the Fiscal Year Ended June 30, 2018

NOTE 7 – ADDITIONAL INFORMATION FOR THE STATE OF CALIFORNIA DEPARTMENT OF AGING

The California Department of Aging (CDA) requires agencies who receive CDA funding to display state-funded expenditures and federal expenditures for each CDA grant awarded. The County expended the following federal and state amounts under the grants:

CFDA	Federal Expenditures	State Expenditures
93.041	\$ 7,054	\$ -
93.042	36,592	-
93.043	29,729	-
93.044	697,161	19,912
93.045	661,676	108,234
93.052	225,176	-
93.053	201,611	-
93.071	43,173	-
93.778	674,296	-
93.779	161,792	268,798
OMB Initiative NA	-	75,572
	<u>\$ 2,738,260</u>	<u>\$ 472,516</u>

COUNTY OF SONOMA, CALIFORNIA
Schedule of Findings and Questioned Costs
For the Fiscal Year Ended June 30, 2018

I. Summary of Auditors' Results

FINANCIAL STATEMENTS

Type of report the auditor issued on whether the financial statements audited were prepared in accordance with GAAP:	Unmodified
Internal control over financial reporting:	
Material weakness(es) identified?	No
Significant deficiency(ies) identified?	None reported
Noncompliance material to financial statements noted?	No

FEDERAL AWARDS

Internal control over major federal programs:	
Material weakness(es) identified?	No
Significant deficiency(ies) identified?	Yes
Type of auditors' report issued on compliance for major federal programs:	Unmodified
Any audit findings disclosed that are required to be reported in accordance with 2 CFR Section 200.516(a)?	Yes
Identification of major federal programs:	

<u>CFDA Number(s)</u>	<u>Name of Federal Program or Cluster</u>
17.258/17.259/17.278	Workforce Innovation and Opportunity Act (WIOA) Cluster
20.205	Highway Planning and Construction Cluster
93.658	Foster Care - Title IV-E
97.036	Disaster Grants - Public Assistance (Presidentially Declared Disasters)

Dollar threshold used to distinguish between Type A and Type B programs:	\$ 3,000,000
Auditee qualified as low-risk auditee?	Yes

COUNTY OF SONOMA, CALIFORNIA
Schedule of Findings and Questioned Costs
For the Fiscal Year Ended June 30, 2018

II. Financial Statement Findings

None reported.

COUNTY OF SONOMA, CALIFORNIA
Schedule of Findings and Questioned Costs
For the Fiscal Year Ended June 30, 2018

III. Federal Award Findings and Questioned Costs

The following findings represent significant deficiencies, and/or instances of non-compliance, including questioned costs, required to be reported in accordance with 2 CFR 200, Subpart F.

Finding 2018-001

Programs: WIOA Cluster

CFDA No.: 17.258/17.259/17.278

Federal Grantor: U.S. Department of Labor

Passed-through: State Employment Development Department

Award No. and Year: Various

Compliance Requirement: Subrecipient Monitoring

Criteria:

2 CFR Part 200.331 (a), Requirements for Pass-Through Entities, states that all pass-through entities must ensure that every subaward is clearly identified to the subrecipient as a subaward and includes certain information at the time of subaward.

Condition:

Of the two subawards selected for testing, certain required award information and applicable requirements were not provided at the time of the subaward.

The following information was not provided at the time of subaward for two subawards utilized for the WIOA Cluster:

- Federal award identification number
- Identification of whether the award is research and development

The following information was not provided at the time of subaward for one subaward utilized for the WIOA Cluster:

- Data Universal Numbering System (DUNS)

Questioned Costs:

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

Context:

The condition noted above was identified during our procedures over the County's (Human Services Fiscal Services) subrecipient monitoring provisions.

Effect:

The County did not identify the required elements of the subaward to the subrecipients at the time of subaward, increasing the risk of noncompliance.

COUNTY OF SONOMA, CALIFORNIA
Schedule of Findings and Questioned Costs
For the Fiscal Year Ended June 30, 2018

III. Federal Award Findings and Questioned Costs

Cause:

The County's procedures did not consistently ensure that the required award information and applicable requirements were communicated to subrecipients.

Recommendation:

We recommend that the County modify and/or strengthen its current policies and procedures to ensure that all required award information and applicable requirements are communicated to subrecipients at the time of subaward.

Views of Responsible Officials and Planned Corrective Actions:

See separate corrective action plan.

COUNTY OF SONOMA, CALIFORNIA
Summary Schedule of Prior Audit Findings
For the Fiscal Year Ended June 30, 2018

Summarized below is the current status of all audit findings reported in the prior year audit's schedule of audit findings and questioned costs.

Financial Statement Findings

No matters were reported.

Federal Award Findings and Questioned Costs

Finding No.	Program Name	CFDA No.	Compliance Requirements	Status of Corrective Action
2017-001	SNAP Cluster	10.561	Special Tests and Provisions - EBT Card Security	Implemented