

**COUNTY OF MARIPOSA,
CALIFORNIA**



**SINGLE AUDIT ACT
REPORTS AND SCHEDULES
FOR THE YEAR ENDED
JUNE 30, 2019**

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COUNTY OF MARIPOSA
Single Audit Act
For the Year Ended June 30, 2019

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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 the Grand Jury
County of Mariposa
Mariposa, 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 Mariposa, California, (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 March 14, 2020.

Internal Control Over Financial Reporting

In planning and performing our audit of the financial statements, we considered the County's internal control over financial reporting (internal control) 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 and therefore, material weaknesses or significant deficiencies may exist that have not been identified. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. We did identify a certain deficiency in internal control, described in the accompanying schedule of findings and questioned costs, that we consider to be a significant deficiency. (2019-002)

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

Compliance and Other Matters

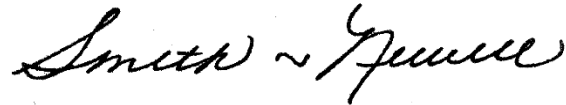
As part of obtaining reasonable assurance about whether the County's financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material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

County's Responses to Findings

The County's responses to the findings identified in our audit are described in the accompanying management's corrective action plan. The County's responses were not subjected to the auditing procedures applied in the audit of the financial statements and, accordingly, we express no opinion on them.

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
March 14, 2020

**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 the Grand Jury
County of Mariposa
Mariposa, California

Report on Compliance for Each Major Federal Program

We have audited the County of Mariposa, 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, 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 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

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

Other Matters

The results of our auditing procedures disclosed instances of noncompliance which are required to be reported in accordance with the Uniform Guidance and which are described in the accompanying schedule of findings and questioned costs as item 2019-001. Our opinion on each major federal program is not modified with respect to this matter.

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

Report on Internal Control Over Compliance

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

A deficiency in internal control over compliance exists when the design or operation of a control over compliance does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, noncompliance with a type of compliance requirement of a federal program on a timely basis. A material weakness in internal control over compliance is a deficiency, or 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 a material weakness. We identified certain deficiencies in internal control over compliance, as described in the accompanying schedule of findings and questioned costs as item 2019-001, 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. 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.

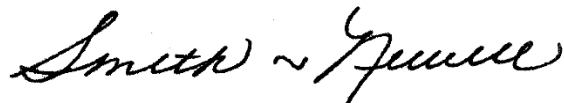
To the Board of Supervisors and the Grand Jury
County of Mariposa
Mariposa, California

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

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 Mariposa, California, (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. We issued our report thereon dated March 14, 2020, which contained unmodified opinions on those financial statements. Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the basic financial statements. The accompanying schedule of expenditures of federal awards is presented for purposes of additional analysis as required by the Uniform Guidance and is not a required part of the basic financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. The information has been subjected to the auditing procedures applied in the audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the schedule of expenditures of federal awards is fairly stated in all material respects in relation to the basic financial statements as a whole.

The supplemental schedules, as listed in the table of contents, 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
March 14, 2020

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COUNTY OF MARIPOSA
Schedule of Expenditures of Federal Awards
For the Year Ended June 30, 2019

Federal Program/Pass-Through Grantor/Program Title	Federal CFDA Number	Pass-Through Entity Identifying Number	Passed Through to Subrecipients	Total Federal Expenditures
U.S. Department of Agriculture				
Direct Program:				
Cooperative Forestry Assistance	10.664	-	\$ -	\$ 21,568
State Department of Food and Agriculture				
Plant and Animal Disease, Pest Control, and Animal Care	10.025	14-DG-11052021-204	-	21,539
State Department of Social Services:				
State Administrative Matching Grants for the Supplemental Nutrition Assistance Program	10.561	10-Unknown	-	753,725
State Controller's Office:				
Schools and Roads - Grants to States	10.665	1100235A	-	144,815
Schools and Roads - Grants to Counties	10.666	1100276A	-	845
			-	145,660
Total Forest Service Schools and Roads Cluster			-	145,660
Total U.S. Department of Agriculture			-	942,492
Department of Housing and Urban Development				
State Department of Housing and Community Development:				
Community Development Block Grants/State's Program and Non-Entitlement Grants in Hawaii	14.228	-	-	467,924
Subtotal 14.228			-	467,924
Total Department of Housing and Urban Development			-	467,924
U.S. Department of the Interior				
Direct Program:				
Payments in Lieu of Taxes	15.226	-	-	1,286,488
Total U.S. Department of the Interior			-	1,286,488
U.S. Department of Justice				
Direct Program:				
Bulletproof Vest Partnership Program	16.607	-	-	5,848
Board of State and Community Corrections:				
Edward Byrne Memorial Justice Assistance Grant Program	16.738	BSCC 618-17	-	23,218

See accompanying Notes to Schedule of Expenditures of Federal Awards

COUNTY OF MARIPOSA
Schedule of Expenditures of Federal Awards
For the Year Ended June 30, 2019

Federal Program/Pass-Through Grantor/Program Title	Federal CFDA Number	Pass-Through Entity Identifying Number	Passed Through to Subrecipients	Total Federal Expenditures
U.S. Department of Justice (Continued)				
State Emergency Management Agency:				
Crime Victim Assistance	16.575	VW 1725 0220	\$ -	\$ 65,923
Crime Victim Assistance	16.575	VW 1826 0220	-	168,227
Subtotal 16.575			-	234,150
Violence Against Women Formula Grants	16.588	XC 1601 0220	-	53,067
Total U.S. Department of Justice			-	316,283
U.S. Department of Transportation				
State Department of Transportation:				
Highway Planning and Construction	20.205	BRLS-5940 (004)	-	8,569
Highway Planning and Construction	20.205	BRLS-5940 (099)	-	57,669
Highway Planning and Construction	20.205	BRLS-5940 (101)	-	16,857
Highway Planning and Construction	20.205	BRLS-5940 (102)	-	15,197
Highway Planning and Construction	20.205	BRLS-5940 (105)	-	27,119
Highway Planning and Construction	20.205	BRLS-5940 (106)	-	42,331
Highway Planning and Construction	20.205	BRLS-5940 (108)	-	15,228
Highway Planning and Construction	20.205	BRLS-5940 (112)	-	15,473
Highway Planning and Construction	20.205	BRLO-5940 (114)	-	109,808
Highway Planning and Construction	20.205	BRLO-5940 (115)	-	12,347
Highway Planning and Construction	20.205	BRLO-5940 (118)	-	79,681
Highway Planning and Construction	20.205	BRLO-5940 (119)	-	33,066
Highway Planning and Construction	20.205	BRLO-5940 (121)	-	4,479
Highway Planning and Construction	20.205	BRLO-5940 (122)	-	4,283
Highway Planning and Construction	20.205	BRLO-5940 (127)	-	173,078
Highway Planning and Construction	20.205	BPMP-5940 (123)	-	104,904
Highway Planning and Construction	20.205	BPMP-5940 (129)	-	54,203
Highway Planning and Construction	20.205	BPMP-5940 (131)	-	2,131
Subtotal 20.205			-	776,423
Formula Grants for Rural Areas	20.509	64BO19-00875	-	100,716
Total U.S. Department of Transportation			-	877,139
U.S. Department of Health and Human Services				
State Department of Aging:				
Special Programs for the Aging, Title III, Part B,				
Grants for Supportive Services and Senior Centers	93.044	III B	-	60,800
Nutrition Services Incentive Program	93.053	None	-	11,147

See accompanying Notes to Schedule of Expenditures of Federal Awards

COUNTY OF MARIPOSA
Schedule of Expenditures of Federal Awards
For the Year Ended June 30, 2019

Federal Program/Pass-Through Grantor/Program Title	Federal CFDA Number	Pass-Through Entity Identifying Number	Passed Through to Subrecipients	Total Federal Expenditures
U.S. Department of Health and Human Services (Continued)				
Special Programs for the Aging, Title III, Part C, Nutrition Services	93.045	C-1 Congregate	\$ -	\$ 22,070
Special Programs for the Aging, Title III, Part C, Nutrition Services	93.045	C-2 Delivered Meals	-	16,882
Subtotal 93.045			-	38,952
Total Aging Cluster			-	110,899
State Department of Social Services:				
Guardianship Assistance	93.090	93-Unknown	-	13,764
Promoting Safe and Stable Families	93.556	93-Unknown	-	11,319
Temporary Assistance for Needy Families	93.558	93-Unknown	-	1,626,092
Community-Based Child Abuse Prevention Grants	93.590	93-Unknown	-	30,055
Adoption Incentive Payments	93.603	93-Unknown	-	1,605
Stephanie Tubbs Jones Child Welfare Services Program	93.645	93-Unknown	-	13,099
Foster Care - Title IV-E	93.658	93-Unknown	-	929,457
Adoption Assistance	93.659	93-Unknown	-	194,740
Social Services Block Grant	93.667	93-Unknown	-	39,156
Chafee Foster Care Independence Program	93.674	93-Unknown	-	17,088
State Department of Mental Health Services:				
Projects for Assistance in Transition from Homelessness (PATH)	93.150	93-Unknown	-	17,273
Block Grants for Community Mental Health Services	93.958	93-Unknown	-	186,267
State Department of Child Support Services:				
Child Support Enforcement	93.563	93-Unknown	-	367,789
State Department of Alcohol and Drug Programs:				
Block Grants for Prevention and Treatment of Substance Abuse	93.959	14-90069	-	434,991
State Department of Health Services:				
Public Health Emergency Preparedness	93.069	93-Unknown	-	111,131
Childhood Lead Poisoning Prevention Projects - State and Local Childhood Lead Poisoning Prevention and Surveillance of Blood Lead Levels in Children	93.197	17-10264	-	19,506
Immunization Cooperative Agreements	93.268	17-10072	-	33,763
Children's Health Insurance Program	93.767	93-Unknown	-	5,747
Maternal and Child Health Services Block Grant to the States	93.994	93-Unknown	-	69,251
Medical Assistance Program	93.778	93-Unknown	-	1,635,624

See accompanying Notes to Schedule of Expenditures of Federal Awards

COUNTY OF MARIPOSA
Schedule of Expenditures of Federal Awards
For the Year Ended June 30, 2019

Federal Program/Pass-Through Grantor/Program Title	Federal CFDA 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 Community Services and Development:				
Low-Income Home Energy Assistance	93.568	17B-3021	\$ -	\$ 109,604
Low-Income Home Energy Assistance	93.568	18B-4021	-	119,941
Low-Income Home Energy Assistance	93.568	19B-5021	-	283,658
Subtotal 93.568			-	513,203
Total U.S. Department of Health and Human Services			-	6,381,819
Department of Homeland Security				
State Department of Parks and Recreation:				
Boating Safety Financial Assistance	97.012	97-Unknown	-	261,572
State Emergency Management Agency:				
Fire Management Assistance Grant	97.046	FEMA-5192-FMAG	-	794,899
Emergency Management Performance Grants	97.042	2018-0008	-	128,658
Homeland Security Grant Program	97.067	2017-0083	-	25,239
Homeland Security Grant Program	97.067	2018-0054	-	6,519
Subtotal 97.067			-	31,758
Total Department of Homeland Security			-	1,216,887
Total			\$ -	\$ 11,489,032

See accompanying Notes to Schedule of Expenditures of Federal Awards

COUNTY OF MARIPOSA
Notes to Schedule of Expenditures of Federal Awards
For the Year Ended June 30, 2019

1. REPORTING ENTITY

The accompanying Schedule of Expenditures of Federal Awards presents the activity of all federal financial assistance programs of the County of Mariposa, California. The County of Mariposa 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. In addition, the outstanding balance of prior years' loans that have significant continuing compliance requirements have been included in total federal expenditures.

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.

COUNTY OF MARIPOSA
Notes to Schedule of Expenditures of Federal Awards
For the Year Ended June 30, 2019

7. LOANS WITH CONTINUING COMPLIANCE REQUIREMENTS

The County participates in certain federal award programs that sponsor revolving loan programs, which are administered by the County. These programs require servicing arrangements with the County. The funds are returned to the programs upon repayment of the principal and interest. In accordance with Section 200.510 of the Uniform Guidance, the County has reported the outstanding balance of loans from previous years that have significant continuing compliance requirements as of June 30, 2019, along with the value of total outstanding and new loans made during the current year.

The programs listed below had the following aggregate, federally funded loans outstanding at June 30, 2019:

Federal CFDA No.	Program Title	Amount Outstanding	
		July 1, 2018	June 30, 2019
14.228	Community Development Block Grants/State's Program and Non-Entitlement Grants in Hawaii	\$ 467,924	\$ 443,957
	Total Loans Outstanding	<u>\$ 467,924</u>	<u>\$ 443,957</u>

COUNTY OF MARIPOSA
Schedule of Findings and Questioned Costs
For the Year Ended June 30, 2019

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?	No
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?	No
b. Significant deficiencies identified and not considered to be material weaknesses?	Yes
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:	
14.228 Community Development Block Grants/State's Program and Non-Entitlement Grants in Hawaii	
15.226 Payments in Lieu of Taxes	
93.778 Medical Assistance Program	
93.959 Block Grants for Prevention and Treatment of Substance Abuse	
97.046 Fire Management Assistance Grant	
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

Liability Risk Management Underfunded	2019-002
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SECTION III - FEDERAL AWARDS FINDINGS AND QUESTIONED COSTS

14.228 Community Development Block Grants/State's Program and Non-Entitlement Grants in Hawaii	2019-001
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COUNTY OF MARIPOSA
Schedule of Findings and Questioned Costs
For the Year Ended June 30, 2019

2019-001 (Significant Deficiency)

Name: Community Development Block Grants/State's Program and Non-Entitlement Grants in Hawaii
CFDA#: 14.228
Federal Grantor: U.S. Department of Housing and Urban Development
Pass Through Entity: State Department of Housing and Community Development
Award No.: Various
Year: 2018-19
Compliance Requirement: Program Income

Criteria

The loan documents require that recipients of CDBG loans continue to own and reside in their homes that were acquired using CDBG funding.

Condition

During our test of loan monitoring procedures, we noted that all 8 of the loans tested did not include verification documentation regarding loan recipients were the home owners during the 2018-19 fiscal year. We also noted that in 3 instances, verification that the loan recipients occupied the homes that were obtained with CDBG funding was missing.

Cause

The Department did not have formalized loan monitoring policies and procedures in place to ensure that loans were monitored on an annual basis in accordance with the loan agreements.

Effect

We could not verify that the loan recipients were in compliance with the requirements of their loan agreements.

Questioned Cost

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

Context

We randomly selected 8 CDBG loan recipients from a population of 13 to test loan monitoring procedures and documentation. Sampling was a statistically valid sample. We noted all eight loan recipients tested were not in compliance with the CDBG loan agreement.

Repeat Finding

Not a repeat finding.

COUNTY OF MARIPOSA
Schedule of Findings and Questioned Costs
For the Year Ended June 30, 2019

2019-001 (Significant Deficiency) (Continued)

Recommendation

We recommend that the Economic Development Department develop and maintain policies and procedures regarding loan monitoring and ensure that documentation of loan monitoring be maintained on an annual basis.

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.

2019-002 Liability Risk Management Underfunded (Significant Deficiency)

Criteria

Prudent management of County resources requires that charges for services in internal service funds be adequate to cover the cost of providing the service.

Condition

The Liability Risk Management internal service fund had a deficit net position as of June 30, 2019. During the current fiscal year the deficit in Liability net position increased from \$248,667 to \$302,702. There are inadequate resources to settle the estimated accrued liabilities.

Cause

The charges for services in this fund were not sufficient to cover the accrued liabilities.

Effect

For the year ended June 30, 2019, there was a deficit in the fund which indicated there was inadequate resources to settle the estimated accrued liabilities.

Questioned Cost

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

Context

Not applicable.

Repeat Finding

This is a repeat of prior year finding 2018-003.

Recommendation

We recommend that the County continue to monitor this fund and manage the deficit until adequate resources are established for the Liability Risk Management internal service fund.

COUNTY OF MARIPOSA
Schedule of Findings and Questioned Costs
For the Year Ended June 30, 2019

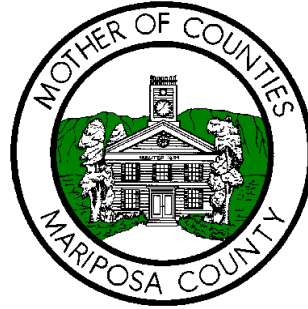
2019-002 Liability Risk Management Underfunded (Significant Deficiency)

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.

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COUNTY OF MARIPOSA, CALIFORNIA

Status of Prior Year Findings and Questioned Costs

And

Corrective Action Plan

For the Year Ended June 30, 2019

Compiled by: Luis Mercado, Auditor

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COUNTY OF MARIPOSA
Schedule of Prior Year Findings and Questioned Costs
For the Year Ended June 30, 2019

<u>Audit Reference</u>	<u>Status of Prior Year Recommendations</u>
2018-001	<p>Community Development Block Grants/State’s Program and Non-Entitlement Grants in Hawaii, Temporary Assistance for Needy Families, Foster Care – Title IV-E</p> <p>Recommendation</p> <p>We recommend that the County departments provide the County Auditor with accurate federal expenditure information prior to the beginning of audit fieldwork.</p> <p>Status</p> <p>Implemented</p>
2018-002	<p>Schedule of Federal Expenditures</p> <p>Recommendation</p> <p>We recommend that the County review the requirements of the Uniform Guidance to ensure that the expenditures reported on the SEFA are correctly stated.</p> <p>Status</p> <p>Implemented</p>
2018-003	<p>Worker’s Compensation and Liability Risk Management Underfunded</p> <p>Recommendation</p> <p>We recommend that the County continue to monitor these funds and manage the deficit until adequate resources are established for the Workers’ Compensation and Liability Risk Management internal service funds.</p> <p>Status</p> <p>In Progress</p>

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COUNTY OF MARIPOSA
Management's Corrective Action Plan
For the Year Ended June 30, 2019

2019-001 Community Development Block Grants/State's Program and Non-Entitlement Grants in Hawaii (Significant Deficiency)

We recommend that the Economic Development Department develop and maintain policies and procedures regarding loan monitoring and ensure that documentation of loan monitoring be maintained on an annual basis.

Management's Responses: The County concurs with the finding.

Responsible Individual: Tara Schiff, Economic Development Specialist

Corrective Action Plan: The Economic Development Specialist will work with Auditor and Administration staff to develop procedures by which loan recipients will be required to submit proof of insurance and a copy of a utility bill, or a similar verifying document, proving home occupancy by the loan recipients, or certain relatives, in compliance with the loan agreements in place. In a situation where the homeowner is unable to obtain insurance, he/she will be asked to provide three letters of denial from insurance companies as proof. The Economic Development Specialist will also work with the Tax Collector to obtain proof of payment of property taxes.

Anticipated Completion Date: June 30, 2020

2019-002 Liability Risk Management Underfunded (Significant Deficiency)

We recommend that the County continue to monitor this fund and manage the deficit until adequate resources are established for the Liability Risk Management internal service fund.

Management's Responses: The County concurs with the finding.

Responsible Individual: Dallin Kimble, County Administrative Officer

Corrective Action Plan: The County reviews the risk management funds that account for this activity annually. Insurance costs are set and charged to the affected budget units with the intent to reach or maintain the actuarially determined reserves to the extent of the financial capability of the County departments.

Anticipated Completion Date: Ongoing

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Supplemental Schedules

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COUNTY OF MARIPOSA
Supplemental Schedule
California Department of Aging (CDA)
For the Year Ended June 30, 2019

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>CFDA</u>	<u>Federal</u> <u>Expenditures</u>	<u>State</u> <u>Expenditures</u>
93.044	\$ 60,800	\$ -
93.045	38,952	15,891
93.053	<u>11,147</u>	<u>-</u>
Total	<u>\$ 110,899</u>	<u>\$ 15,891</u>

COUNTY OF MARIPOSA
Supplemental Schedule
California Emergency Management Agency
For the Year Ended June 30, 2019

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, 2019. This information is included in the County's single audit report at the request of CalEMA.

Program	Expenditures Claimed			Share of Expenditures Current Year		
	For the Period Through June 30, 2018	For the Year Through June 30, 2019	Cumulative As of June 30, 2019	Federal Share	State Share	County Share
<u>VW 17250220 – Victim Witness Assistance</u>						
Personal services	\$ 32,408	\$ 36,631	\$ 69,039	\$ 36,631	\$ -	\$ -
Operating expenses	10,265	25,905	36,170	25,905	-	-
Equipment	-	27,842	27,842	3,387	24,455	-
Totals	<u>\$ 42,673</u>	<u>\$ 90,378</u>	<u>\$ 133,051</u>	<u>\$ 69,923</u>	<u>\$ 24,455</u>	<u>\$ -</u>
<u>VW 18260220 – Victim Witness Assistance</u>						
Personal services	\$ -	\$ 91,079	\$ 90,179	\$ 84,037	\$ -	\$ 7,042
Operating expenses	-	84,190	84,190	84,190	-	-
Equipment	-	-	-	-	-	-
Totals	<u>\$ -</u>	<u>\$ 175,269</u>	<u>\$ 175,269</u>	<u>\$ 168,227</u>	<u>\$ -</u>	<u>\$ 7,042</u>
<u>XC 16010220 – Victim Witness Assistance Program</u>						
Personal services	\$ -	\$ 68,011	\$ 68,011	\$ 53,067	\$ -	\$ 14,944
Operating expenses	-	4,441	4,441	-	-	4,441
Equipment	-	-	-	-	-	-
Totals	<u>\$ -</u>	<u>\$ 72,452</u>	<u>\$ 72,452</u>	<u>\$ 53,067</u>	<u>\$ -</u>	<u>\$ 19,385</u>

COUNTY OF MARIPOSA
Supplemental Schedule of Revenue and Expenditures
CSD Contract No. 17B-3021 (WX) (LIHEAP)
For the Period July 1, 2016 Through June 30, 2019

	<u>July 1, 2016 through June 30, 2018</u>	<u>July 1, 2018 through June 30, 2019</u>	<u>Total Audited Costs</u>	<u>Total Reported Expenses</u>	<u>Total Budget</u>
REVENUE					
Grant revenue	\$ 155,977	\$ 35,839	\$ 191,816		\$ 191,816
Total Revenue	<u>155,977</u>	<u>35,839</u>	<u>191,816</u>		<u>191,816</u>
EXPENDITURES					
Weatherization Program Costs:					
Intake	6,611	2,083	8,694	8,694	15,345
Outreach	4,129	1,301	5,430	5,430	9,591
Training and technical assistance	6,224	295	6,519	6,519	9,591
Major vehicle and field equipment	23,441	-	23,441	23,441	-
Minor vehicle and field equipment	3,537	-	3,537	3,537	-
General overhead costs	726	166	892	892	85,317
Total Program Costs	<u>44,668</u>	<u>3,845</u>	<u>48,513</u>	<u>48,513</u>	<u>119,844</u>
Weatherization Direct Program Costs:					
Direct program activities	26,348	10,949	37,297	37,297	71,972
Other program costs	84,961	21,045	106,006	106,006	-
Total Program Costs	<u>111,309</u>	<u>31,994</u>	<u>143,303</u>	<u>143,303</u>	<u>71,972</u>
Total Expenses	<u>\$ 155,977</u>	<u>\$ 35,839</u>	<u>\$ 191,816</u>	<u>\$ 191,816</u>	<u>\$ 191,816</u>

COUNTY OF MARIPOSA
Supplemental Schedule of Revenue and Expenditures
CSD Contract No. 17B-3021 (ECIP/HEAP)
For the Period July 1, 2017 Through June 30, 2019

	<u>July 1, 2016 through June 30, 2018</u>	<u>July 1, 2018 through June 30, 2019</u>	<u>Total Audited Costs</u>	<u>Total Reported Expenses</u>	<u>Total Budget</u>
REVENUE					
Grant revenue	\$ 250,646	\$ 73,765	\$ 324,411		\$ 330,100
Total Revenue	<u>250,646</u>	<u>73,765</u>	<u>324,411</u>		<u>330,100</u>
EXPENDITURES					
Assurance 16 Costs:					
Assurance 16 activities	<u>13,753</u>	<u>10,172</u>	<u>23,925</u>	<u>23,925</u>	<u>24,886</u>
Administrative Costs EHA 16:					
Administrative costs	<u>30,271</u>	<u>7,109</u>	<u>37,380</u>	<u>37,380</u>	<u>37,380</u>
Program Support Costs (ECIP and HEAP)					
Intake costs	13,535	9,599	23,134	23,134	24,099
Outreach	8,456	5,998	14,454	14,454	16,653
Training and technical assistance	567	304	871	871	5,191
General operating costs	-	208	208	208	-
Automation supplemental	<u>11,518</u>	<u>757</u>	<u>12,275</u>	<u>12,275</u>	<u>7,896</u>
Total Program Support Costs (ECIP and HEAP)	<u>34,076</u>	<u>16,866</u>	<u>50,942</u>	<u>50,942</u>	<u>53,839</u>
Program Services Costs					
Severe weather energy assistance and transportation services	-	8,297	8,297	8,297	-
Wood, propane, and oil (ECIP & HEAP WPO)	<u>172,546</u>	<u>31,321</u>	<u>203,867</u>	<u>203,867</u>	<u>213,995</u>
Total Program Services Costs	<u>172,546</u>	<u>39,618</u>	<u>212,164</u>	<u>212,164</u>	<u>213,995</u>
Total Expenses	<u>\$ 250,646</u>	<u>\$ 73,765</u>	<u>\$ 324,411</u>	<u>\$ 324,411</u>	<u>\$ 330,100</u>

COUNTY OF MARIPOSA
Supplemental Schedule of Revenue and Expenditures
CSD Contract No. 18B-4021 (WX) (LIHEAP)
For the Period July 1, 2017 Through June 30, 2019

	<u>July 1, 2017 through June 30, 2018</u>	<u>July 1, 2018 through June 30, 2019</u>	<u>Total Audited Costs</u>	<u>Total Reported Expenses</u>	<u>Total Budget</u>
REVENUE					
Grant revenue	\$ -	\$ 36,116	\$ 36,116		\$ 36,116
Total Revenue	-	36,116	36,116		36,116
EXPENDITURES					
Weatherization Program Costs:					
Intake	-	1,380	1,380	1,380	2,889
Outreach	-	862	862	862	1,806
Training and technical assistance	-	145	145	145	1,806
Total Program Costs	-	2,387	2,387	2,387	6,501
WX program activities and program costs					
WX program activities and program costs	-	33,729	33,729	33,729	29,615
Total Program Costs	-	33,729	33,729	33,729	29,615
Total Expenses	\$ -	\$ 36,116	\$ 36,116	\$ 36,116	\$ 36,116

COUNTY OF MARIPOSA
Supplemental Schedule of Revenue and Expenditures
CSD Contract No. 18B-4021 (ECIP/HEAP)
For the Period July 1, 2017 Through June 30, 2019

	<u>July 1, 2017 through June 30, 2018</u>	<u>July 1, 2018 through June 30, 2019</u>	<u>Total Audited Costs</u>	<u>Total Reported Expenses</u>	<u>Total Budget</u>
REVENUE					
Grant revenue	\$ 80,668	\$ 83,825	\$ 164,493		\$ 164,493
Total Revenue	<u>80,668</u>	<u>83,825</u>	<u>164,493</u>		<u>164,493</u>
EXPENDITURES					
Assurance 16 Costs:					
Assurance 16 activities	-	11,615	11,615	11,615	16,899
Administrative Costs EHA 16:					
Administrative costs	-	16,899	16,899	16,899	16,899
Program Costs (ECIP and HEAP)					
Intake	-	9,885	9,885	9,885	20,031
Outreach	-	5,853	5,853	5,853	12,519
Training and technical assistance	-	316	316	316	5,008
Total Program Costs (ECIP and HEAP)	<u>-</u>	<u>16,054</u>	<u>16,054</u>	<u>16,054</u>	<u>37,558</u>
Program Services and Program Costs					
Program Services and Program Costs	<u>80,668</u>	<u>39,257</u>	<u>119,925</u>	<u>119,925</u>	<u>93,137</u>
Total Program Services and Program Costs	<u>80,668</u>	<u>39,257</u>	<u>119,925</u>	<u>119,925</u>	<u>93,137</u>
Total Expenses	<u>\$ 80,668</u>	<u>\$ 83,825</u>	<u>\$ 164,493</u>	<u>\$ 164,493</u>	<u>\$ 164,493</u>

COUNTY OF MARIPOSA
Supplemental Schedule of Revenue and Expenditures
CSD Contract No. 19B-5021 (WX) (LIHEAP)
For the Period January 1, 2018 Through June 30, 2019

	<u>July 1, 2018 through June 30, 2019</u>	<u>Total Audited Costs</u>	<u>Total Reported Expenses</u>	<u>Total Budget</u>
REVENUE				
Grant revenue	\$ 108,335	\$ 108,335		\$ 156,448
Total Revenue	<u>108,335</u>	<u>108,335</u>		<u>156,448</u>
EXPENDITURES				
Weatherization Program Costs:				
Intake	5,465	5,465	5,465	12,516
Outreach	3,413	3,413	3,413	7,822
Training and technical assistance	329	329	329	7,822
Total Program Costs	<u>9,207</u>	<u>9,207</u>	<u>9,207</u>	<u>28,160</u>
Weatherization Program Activities and Program Costs				
Weatheriation program activities and program costs	<u>99,128</u>	<u>99,128</u>	<u>99,128</u>	<u>128,288</u>
Total Program Costs	<u>99,128</u>	<u>99,128</u>	<u>99,128</u>	<u>128,288</u>
Total Expenses	<u>\$ 108,335</u>	<u>\$ 108,335</u>	<u>\$ 108,335</u>	<u>\$ 156,448</u>

COUNTY OF MARIPOSA
Supplemental Schedule of Revenue and Expenditures
CSD Contract No. 19B-5021 (ECIP/HEAP)
For the Period January 1, 2018 Through June 30, 2019

	<u>July 1, 2018 through June 30, 2019</u>	<u>Total Audited Costs</u>	<u>Total Reported Expenses</u>	<u>Total Budget</u>
REVENUE				
Grant revenue	\$ 175,323	\$ 175,323		\$ 288,810
Total Revenue	<u>175,323</u>	<u>175,323</u>		<u>288,810</u>
EXPENDITURES				
Assurance 16 Costs:				
Assurance 16 activities	-	-	-	31,420
Administrative Costs				
Administrative costs	16,481	16,481	16,481	31,420
Program Costs (ECIP and HEAP)				
Intake costs	1,076	1,076	1,076	30,129
Outreach	994	994	994	18,831
Training and technical assistance	-	-	-	7,532
Total Program Costs (ECIP and HEAP)	<u>2,070</u>	<u>2,070</u>	<u>2,070</u>	<u>56,492</u>
Program Services and Program Costs				
Program services and program costs	156,772	156,772	156,772	169,478
Total Program Services and Program Costs	<u>156,772</u>	<u>156,772</u>	<u>156,772</u>	<u>169,478</u>
Total Expenses	<u>\$ 175,323</u>	<u>\$ 175,323</u>	<u>\$ 175,323</u>	<u>\$ 288,810</u>