

**COUNTY OF SIERRA,
CALIFORNIA**



**SINGLE AUDIT ACT
REPORTS AND SCHEDULES
FOR THE YEAR ENDED
JUNE 30, 2020**

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COUNTY OF SIERRA
Single Audit Act
For the Year Ended June 30, 2020

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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 Sierra
Downieville, 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 Sierra, California, (County) as of and for the year ended June 30, 2020, and the related notes to the financial statements, which collectively comprise the County's basic financial statements, and have issued our report thereon dated March 15, 2021.

Internal Control Over Financial Reporting

In planning and performing our audit of the financial statements, we considered the County's internal control over financial reporting (internal control) as a basis for designing audit procedures that are appropriate in the circumstances for the purpose of expressing our opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the County's internal control. Accordingly, we do not express an opinion on the effectiveness of the County's internal control.

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

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

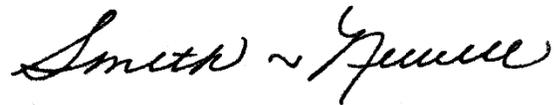
To the Board of Supervisors and the Grand Jury
County of Sierra
Downieville, California

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.

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.

A handwritten signature in cursive script, appearing to read "Smith & Newell", written in black ink.

Smith & Newell CPAs
Yuba City, California
March 15, 2021

**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 Sierra
Downieville, California

Report on Compliance for Each Major Federal Program

We have audited the County of Sierra, 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, 2020. 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, 2020.

To the Board of Supervisors and the Grand Jury
County of Sierra
Downieville, 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 combination of deficiencies, in internal control over compliance, such that there is a reasonable possibility that material noncompliance with a type of compliance requirement of a federal program will not be prevented, or detected and corrected, on a timely basis. A significant deficiency in internal control over compliance is a deficiency, or a combination of deficiencies, in internal control over compliance with a type of compliance requirement of a federal program that is less severe than a material weakness in internal control over compliance, yet important enough to merit attention by those charged with governance.

Our consideration of internal control over compliance was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control over compliance that might be material weaknesses or significant deficiencies. We did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

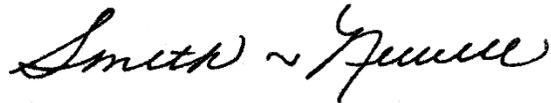
The purpose of this report on internal control over compliance is solely to describe the scope of our testing of internal control over compliance and the results of that testing based on the requirements of the Uniform Guidance. Accordingly, this report is not suitable for any other purpose.

To the Board of Supervisors and the Grand Jury
County of Sierra
Downieville, California

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

We have audited the financial statements of the governmental activities, business-type activities, each major fund, and the aggregate remaining fund information of the County of Sierra, California, (County) as of and for the year ended June 30, 2020 and the related notes to the financial statements, which collectively comprise the County's basic financial statements. We issued our report thereon dated March 15, 2021, 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 schedule has not been subjected to auditing procedures applied in the audit of the basic financial statements, and accordingly, we express no opinion on it.



Smith & Newell CPAs
Yuba City, California
March 15, 2021

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COUNTY OF SIERRA
Schedule of Expenditures of Federal Awards
For the Year Ended June 30, 2020

Federal Grantor/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:				
Water and Waste Disposal Systems for Rural Communities	10.760	-	\$ -	\$ 2,698,445
State Department of Social Services:				
State Administrative Matching Grants for the Supplemental Nutrition Assistance Program	10.561	10-Unknown	-	93,346
State Department of Health Services:				
Special Supplemental Nutrition Program for Women, Infants, and Children	10.557	15-10116	-	37,006
Special Supplemental Nutrition Program for Women, Infants, and Children	10.557	19-10190	-	96,424
Subtotal 10.557			-	133,430
Total U.S. Department of Agriculture			-	2,925,221
U.S. Department of Justice				
Direct Program:				
Drug Court Discretionary Grant Program	16.585	-	-	20,000
State Emergency Management Agency:				
Crime Victim Assistance	16.575	VW 1824 0460	-	43,652
Crime Victim Assistance	16.575	VW 1925 0460	-	57,152
Subtotal 16.575			-	100,804
Total U.S. Department of Justice			-	120,804
U.S. Department of Transportation				
State Department of Transportation:				
Formula Grants for Rural Areas and Tribal Transit Program	20.509	Section 5311	-	48,000
Highway Planning and Construction	20.205	BRLO-5913 (058)	-	25,554
Highway Planning and Construction	20.205	BRLO-5913 (059)	-	70,309
Highway Planning and Construction	20.205	BRLO-5913 (060)	-	438
Highway Planning and Construction	20.205	ER-32L0 (0483)	-	67,414
Highway Planning and Construction	20.205	ER-32L0 (0484)	-	126,142
Highway Planning and Construction	20.205	ER-32L0 (0485)	-	110,877
Highway Planning and Construction	20.205	ER-32L0 (0486)	-	134,798
Highway Planning and Construction	20.205	ER-32L0 (0487)	-	108,915
Highway Planning and Construction	20.205	ER-32L0 (0492)	-	452,936
Subtotal 20.205			-	1,097,383
Total U.S. Department of Transportation			-	1,145,383

See accompanying Notes to Schedule of Expenditures of Federal Awards

COUNTY OF SIERRA
Schedule of Expenditures of Federal Awards
For the Year Ended June 30, 2020

Federal Grantor/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				
State Department of Social Services:				
Immunization Cooperative Agreements	93.268	17-10352	\$ -	\$ 32,529
Promoting Safe and Stable Families	93.556	93-Unknown	-	6,187
Temporary Assistance for Needy Families	93.558	93-Unknown	-	134,009
Stephanie Tubbs Jones Child Welfare Services Program	93.645	93-Unknown	-	10,982
Foster Care - Title IV-E	93.658	93-Unknown	-	379,357
Adoption Assistance	93.659	93-Unknown	-	5,385
Social Services Block Grant	93.667	93-Unknown	-	21,084
John H. Chafee Foster Care Program for Successful Transition to Adulthood	93.674	93-Unknown	-	859
Medical Assistance Program	93.778	93-Unknown	-	298,783
State Department of Health Care Services:				
Children's Health Insurance Program	93.767	93-Unknown	-	11,442
State Department of Public Health:				
Public Health Emergency Preparedness	93.069	93-Unknown	-	81,782
National Bioterrorism Hospital Preparedness Program	93.889	93-Unknown	-	87,513
Grants to Provide Outpatient Early Intervention Services with Respect to HIV Disease	93.918	PARTB1819SCPH	-	2,098
Maternal and Child Health Services Block Grant to the States	93.994	93-Unknown	-	56,014
State Department of Mental Health Services:				
Maternal and Child Health Services Block Grant to the States	93.994	93-Unknown	-	38,040
Block Grants for Community Mental Health Services	93.958	93-Unknown	-	65,525
State Department of Alcohol and Drug Programs:				
Block Grants for Prevention and Treatment of Substance Abuse	93.959	93-Unknown	-	464,335
Total U.S. Department of Health and Human Services			<u>-</u>	<u>1,695,924</u>
U.S. Department of Homeland Security				
State Office of Emergency Services:				
Disaster Grants - Public Assistance (Presidentially Declared Disasters)	97.036	FEMA-4301-DR-CA	-	362,986
Emergency Management Performance Grants	97.042	2019-0003	-	75,759
Homeland Security Grant Program	97.067	2017-0083	-	24,309
Homeland Security Grant Program	97.067	2018-0054	-	23,637
Homeland Security Grant Program	97.067	2019-0035	-	11,093
Subtotal 97.067			<u>-</u>	<u>59,039</u>
Total U.S. Department of Homeland Security			<u>-</u>	<u>497,784</u>
Total			<u>\$ -</u>	<u>\$ 6,385,116</u>

See accompanying Notes to Schedule of Expenditures of Federal Awards

COUNTY OF SIERRA
Notes to Schedule of Expenditures of Federal Awards
For the Year Ended June 30, 2020

1. REPORTING ENTITY

The accompanying Schedule of Expenditures of Federal Awards presents the activity of all federal financial assistance programs of the County of Sierra, California. The County of Sierra 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 on 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, will be reported on the County's Schedule of Expenditures of Federal Awards for the fiscal year ending June 30, 2021.

COUNTY OF SIERRA
Schedule of Findings and Questioned Costs
For the Year Ended June 30, 2020

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?	No
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?	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)?	No
4. Identification of major programs:	
10.760 Water and Waste Disposal Systems for Rural Communities	
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?	Yes

SECTION II - FINANCIAL STATEMENT FINDINGS

None

SECTION III - FEDERAL AWARDS FINDINGS AND QUESTIONED COSTS

Non

COUNTY OF SIERRA
Supplemental Schedule
California Emergency Management Agency
For the Year Ended June 30, 2020

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, 2020. 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, 2019	For the Year Through June 30, 2020	Cumulative As of June 30, 2020	Federal Share	State Share	County Share
	<u>VW 1824 0460 - Crime Victim Assistance</u>					
Personal services	\$ 60,787	\$ 28,388	\$ 89,175	\$ 28,388	\$ -	\$ -
Operating expenses	24,783	15,264	40,047	15,264	-	-
Equipment	-	-	-	-	-	-
Totals	<u>\$ 85,570</u>	<u>\$ 43,652</u>	<u>\$ 129,222</u>	<u>\$ 43,652</u>	<u>\$ -</u>	<u>\$ -</u>
<u>VW 1925 0460 - Crime Victim Assistance</u>						
Personal services	\$ -	\$ 61,120	\$ 61,120	\$ 45,060	\$ 16,060	\$ -
Operating expenses	-	12,092	12,092	12,092	-	-
Equipment	-	-	-	-	-	-
Totals	<u>\$ -</u>	<u>\$ 73,212</u>	<u>\$ 73,212</u>	<u>\$ 57,152</u>	<u>\$ 16,060</u>	<u>\$ -</u>

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