

COUNTY OF NEVADA
SINGLE AUDIT REPORT
YEAR ENDED JUNE 30, 2017



COUNTY OF NEVADA

Single Audit Report
Year Ended June 30, 2017

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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 and Grand Jury
County of Nevada
Nevada City, 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 Nevada (the County), as of and for the year ended June 30, 2017, 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, 2017.

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.

A handwritten signature in black ink that reads "CliftonLarsonAllen LLP". The signature is written in a cursive, flowing style.

CliftonLarsonAllen LLP

Roseville, California
December 21, 2017

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 and Grand Jury
County of Nevada
Nevada City, California

Report on Compliance for Each Major Federal Program

We have audited the County of Nevada's (the County) compliance with the types of compliance requirements described in the *U.S. Office of Management and Budget (OMB) Compliance Supplement* that could have a direct and material effect on each of the County's major federal programs for the year ended June 30, 2017. 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.

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 (CFR) Part 200, Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance). Those standards and the Uniform Guidance require that we plan and perform the audit to obtain reasonable assurance about whether noncompliance with the types of compliance requirements referred to above that could have a direct and material effect on a major federal program occurred. An audit includes examining, on a test basis, evidence about the County's compliance with those requirements and performing such other procedures as we considered necessary in the circumstances.

We believe that our audit provides a reasonable basis for our opinion on compliance for each major federal program. However, our audit does not provide a legal determination of the County's compliance.

Opinion on Each Major Federal Program

In our opinion, the County complied, in all material respects, with the types of compliance requirements referred to above that could have a direct and material effect on each of its major federal programs for the year ended June 30, 2017.

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. We did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

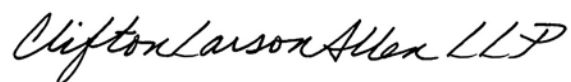
The purpose of this report on internal control over compliance is solely to describe the scope of our testing of internal control over compliance and the results of that testing based on the requirements of the Uniform Guidance. Accordingly, this report is not suitable for any other purpose.

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

We have audited the financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the County as of and for the year ended June 30, 2017, 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, 2017, 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.

Other Matters

The supplementary schedules of the California Emergency Management Agency and the Board of State and Community Corrections Grants and Department of Community Services and Development have not been subjected to auditing procedures applied in the audit of the basic financial statements and, accordingly, we express no opinion on them.

A handwritten signature in cursive script that reads "CliftonLarsonAllen LLP".

CliftonLarsonAllen LLP

Roseville, California
December 21, 2017

COUNTY OF NEVADA

**Schedule of Expenditures of Federal Awards
Year Ended June 30, 2017**

Federal Grantor/Pass-Through Grantor/Program Title	Federal CFDA Number	Pass-Through Grantor's Number	Disbursements/ Expenditures	Passed through to Subrecipients
<u>U.S. Department of Agriculture</u>				
Direct Program:				
Cooperative Forestry Assistance	10.664	14-0550-SF	\$ 11,027	\$ --
Cooperative Law Enforcement	10.704	12-LE-11051360-005	23,838	--
Passed through State Department of Education:				
National School Lunch Program	10.555	--	16,282	--
Passed through State Department of Social Services:				
State Administrative Matching Grants for Supplemental Nutrition Assistance Program	10.561	--	1,402,644	--
Passed through CA Department of Public Health:				
State Administrative Matching Grants for Supplemental Nutrition Assistance Program	10.561	13-20530	164,843	--
Nutrition Education and Obesity Prevention	10.561	16-10170	152,930	--
Subtotal CFDA 10.561			<u>1,720,417</u>	<u>--</u>
Special Supplemental Nutrition Program for Women, Infants, and Children	10.557	15-10096	684,282	--
Passed through CA Department of Food and Agriculture:				
European Grapevine Moth Trapping	10.025	17-8506-1317-CA	7,700	--
Light Brown Apple Moth Detection	10.025	16-0507-SF	1,389	--
Pierces Disease Glassy-winged Sharpshooter	10.025	16-8506-0484-CA	7,729	--
European Grapevine Moth Trapping	10.025	16-8506-1317-CA	1,819	--
Pest Detection	10.025	16-8506-0934-GR	9,128	--
Subtotal CFDA 10.025			<u>27,765</u>	<u>--</u>
Passed through the CA State Controller's Office:				
Schools and Roads - Grants to States				
Title I Federal Forest Reserve	10.665	--	70,975	--
Total U.S. Department of Agriculture			<u>\$ 2,554,586</u>	<u>\$ --</u>
<u>U.S. Department of Housing and Urban Development</u>				
Direct Program:				
Supportive Housing	14.235	CA1093L9T151403	44,152	1,105
Shelter Plus Care	14.238	CA0978C9T151000	17,152	771
Passed through the State Department of Housing and Community Development:				
Community Development Block Grant/State's Program and Non-Entitlement Grants in Hawaii	14.228	Outstanding Loans	1,337,938	--
Community Development Block Grant/State's Program and Non-Entitlement Grants in Hawaii	14.228	13 CDBG 8931	1,732,466	86,010
Subtotal CFDA 14.228			<u>3,070,404</u>	<u>86,010</u>
Home Investment Partnership Program	14.239	14-HOME-10037	104,038	--
Home Investment Partnership Program	14.239	Outstanding Loans	2,599,956	--
Subtotal CFDA 14.229			<u>2,703,994</u>	<u>--</u>

See accompanying notes to Schedule of Federal Awards

COUNTY OF NEVADA

**Schedule of Expenditures of Federal Awards
Year Ended June 30, 2017**

Federal Grantor/Pass-Through Grantor/Program Title	Federal CFDA Number	Pass-Through Grantor's Number	Disbursements/ Expenditures	Passed through to Subrecipients
<u>U.S. Department of Housing and Urban Development (continued)</u>				
Passed through the State Department of Housing and Community Development (continued):				
Housing Opportunities for Persons with AIDS	14.241	16-10303	\$ 26,245	\$ --
Home Anew Continuum of Care	14.267	CA1262L9T151501	23,102	--
Home Anew Continuum of Care	14.267	CA1093L9T151602	2,033	814
Continuum of Care	14.267	CA1093L9T151504	57,361	163
Continuum of Care	14.267	CA0978L9T151501	20,189	--
Subtotal CFDA 14.267			<u>102,685</u>	<u>977</u>
Total U.S. Department of Housing and Urban Development			<u>\$ 5,964,632</u>	<u>\$ 88,863</u>
<u>U.S. Department of the Interior</u>				
Direct Program:				
Payments in Lieu of Taxes	15.226	--	394,732	--
Passed through the California Department of Fish and Wildlife:				
California Fish and Wildlife	15.615	FBMS# F14AP00022	22,490	--
Total U.S. Department of the Interior			<u>\$ 417,222</u>	<u>\$ --</u>
<u>U.S. Department of Justice</u>				
Direct Programs:				
Controlled Substance, Eradication and Suppression	16.001	2016-36	4,042	--
Controlled Substance, Eradication and Suppression	16.001	2017-34	3,431	--
Subtotal CFDA 16.001			<u>7,473</u>	<u>--</u>
Edward Byrne Memorial Justice Assistance Grant Program	16.738	2015-DJ-BX-0020	14,388	--
Edward Byrne Memorial Justice Assistance Grant Program	16.738	2016-DJ-BX-0028	15,020	--
Subtotal CFDA 16.738			<u>29,408</u>	<u>--</u>
Equitable Sharing Program	16.922	CA0290000	340,563	--
Passed through the California Office of Emergency Services:				
Crime Victim Assistance	16.575	XC16010290	94,048	63,195
Crime Victim Assistance	16.575	VW16300290	145,777	--
Subtotal CFDA 16.575			<u>239,825</u>	<u>63,195</u>
Total U.S. Department of Justice			<u>\$ 617,269</u>	<u>\$ 63,195</u>
<u>U.S. Department of Transportation</u>				
Passed through Federal Aviation Administration:				
Airport Improvement Program	20.106	3-06-0095-017-2015	120,903	--
Airport Improvement Program	20.106	3-06-0095-018-2016	148,171	--
Subtotal CFDA 20.106			<u>269,074</u>	<u>--</u>

See accompanying notes to Schedule of Federal Awards

COUNTY OF NEVADA

**Schedule of Expenditures of Federal Awards
Year Ended June 30, 2017**

Federal Grantor/Pass-Through Grantor/Program Title	Federal CFDA Number	Pass-Through Grantor's Number	Disbursements/ Expenditures	Passed through to Subrecipients
<u>U.S. Department of Transportation (continued)</u>				
Passed through California Department of Transportation:				
Formula Grants for Rural Services	20.509	64BO15-00252	\$ 449,352	\$ --
Highway Planning and Construction	20.205	BRLO-5917(092)	87,456	--
Highway Planning and Construction	20.205	BRLO-5917(097)	56,207	--
Highway Planning and Construction	20.205	BRLO-5917(069)	647,876	--
Highway Planning and Construction	20.205	BRLO-5917(045)	1,183,310	--
Highway Planning and Construction	20.205	CML-5917(070)	1,017,733	--
Highway Planning and Construction	20.205	HRRL-5917(088)	290,545	--
Highway Planning and Construction	20.205	BRLO-5917(079)	90,119	--
Highway Planning and Construction	20.205	BRLO-5917(080)	327,100	--
Highway Planning and Construction	20.205	BRLO-5917(083)	87,624	--
Highway Planning and Construction	20.205	BRLO-5917(082)	76,617	--
Highway Planning and Construction	20.205	BRLO-5917(084)	493	--
Highway Planning and Construction	20.205	BRLO-5917(078)	54,132	--
Highway Planning and Construction	20.205	BRLO-5917(081)	103,627	--
Highway Planning and Construction	20.205	CML-5917(090)	22,960	--
Subtotal CFDA 20.205			<u>4,045,799</u>	<u>--</u>
Passed through the Nevada County Transportation Commission:				
Surface Transportation Funds	20.932	--	651,337	--
Total U.S. Department of Transportation			<u>\$ 5,415,562</u>	<u>\$ --</u>
<u>U.S. Institute of Museum and Library Services</u>				
Passed through the California State Library				
Grants to States	45.310	40-8521	19,890	--
Total U.S Institute of Museum and Library Services			<u>\$ 19,890</u>	<u>\$ --</u>
<u>Election Assistance Commission</u>				
Passed through CA Secretary of State:				
Voting Modernization	90.401	29-2017-07-20	75,162	--
Total Election Assistance Commission			<u>\$ 75,162</u>	<u>\$ --</u>
<u>U.S. Department of Health and Human Services</u>				
Direct Program:				
Substance Abuse Treatment Program	93.243	16T126729A	41,126	--
Substance Abuse Treatment Program	93.243	13T125066A	272,603	--
Subtotal CFDA 93.243			<u>313,729</u>	<u>--</u>
Passed through State Department of Social Services:				
KinGap IV-E	93.090	CEC-29-2016	1,289	--
Promoting Safe and Stable Families	93.556	CEC-29-2016	49,186	50,000
Refugee Administration	93.566	CEC-29-2016	779	--
Community-Based Child Abuse Prevention Grants	93.590	--	30,000	15,513
Stephanie Tubbs Jones Child Welfare Services Program	93.645	CEC-29-2016	31,487	--
Social Services Block Grant	93.667	CEC-29-2016	44,250	--
Chafee Foster Care Independence Program	93.674	CEC-29-2016	31,185	--

See accompanying notes to Schedule of Federal Awards

COUNTY OF NEVADA

**Schedule of Expenditures of Federal Awards
Year Ended June 30, 2017**

Federal Grantor/Pass-Through Grantor/Program Title	Federal CFDA Number	Pass-Through Grantor's Number	Disbursements/ Expenditures	Passed through to Subrecipients
<u>U.S. Department of Health and Human Services (continued)</u>				
Temporary Assistance for Needy Families	93.558	CEC-29-2016	\$ 3,730,927	\$ --
Temporary Assistance for Needy Families	93.558	800-29-2016	767,587	--
Subtotal CFDA 93.558			<u>4,498,514</u>	<u>--</u>
 Foster Care - Title IV-E	93.658	CEC-29-2016	761,740	--
Foster Care - Title IV-E	93.658	800-29-2016	398,690	--
Subtotal CFDA 93.658			<u>1,160,430</u>	<u>--</u>
 Adoption Assistance	93.659	CEC-29-2016	15,975	--
Adoption Assistance	93.659	800-29-2016	1,338,788	--
Subtotal CFDA 93.659			<u>1,354,763</u>	<u>--</u>
 Passed through the State Department of Child Support Services:				
Child Support Enforcement	93.563	Sierra-Nevada	1,648,870	--
 Passed through CA Department of Health Care Services:				
Ebola Preparedness and Response	93.069	14-10909	59,758	--
Public Health Emergency Preparedness	93.069	14-10525	138,221	--
Subtotal CFDA 93.069			<u>197,979</u>	<u>--</u>
 Tuberculosis Control and Prevention	93.116	--	12,414	--
Hospital Preparedness Program	93.074	14-10525	113,520	--
Childhood Lead Poisoning Prevention Projects				
Poisoning Prevention and Surveillance of Blood Lead Levels	93.197	14-10066	17,163	--
Immunization Cooperative Agreements	93.268	15-10437	47,233	--
Project LAUNCH	93.243	16-10698	6,730	5,782
Affordable Care Act (ACA) Maternal, Infant, and Early Childhood				
Home Visiting Program	93.505	15-10165	749,243	702,000
Projects for Assistance in Transition from Homelessness (PATH)	93.150	C292908	16,093	16,093
community Mental Health Services	93.958	--	156,951	--
Maternal and Child Health Services Block Grant to the States	93.994	201629	182,152	--
 HIV Care Formula Grants	93.917	15-11066	53,818	--
HIV Care Formula Grants	93.917	16-10852	38,775	--
Subtotal CFDA 93.917			<u>92,593</u>	<u>--</u>
 Medical Assistance Program	93.959	14-90076	629,255	66,763
 Medical Assistance Program	93.778	CHDP	41,654	--
Medical Assistance Program	93.778	CCS	219,411	--
Medical Assistance Program	93.778	HCPCFC	178,781	--
Medical Assistance Program	93.778	IHSS	407,218	--
Medical Program Cluster			<u>847,064</u>	<u>--</u>
 Passed through California Family Health Council, Inc.:				
Family Planning - Services	93.217	9903-5320-71209-17-18	32,301	--
Family Planning - Services	93.217	9903-5320-71219-16-17	62,595	--
Subtotal CFDA 93.569			<u>94,896</u>	<u>--</u>

See accompanying notes to Schedule of Federal Awards

COUNTY OF NEVADA

**Schedule of Expenditures of Federal Awards
Year Ended June 30, 2017**

Federal Grantor/Pass-Through Grantor/Program Title	Federal CFDA Number	Pass-Through Grantor's Number	Disbursements/ Expenditures	Passed through to Subrecipients
<u>U.S. Department of Health and Human Services (continued)</u>				
Community Services Block Grant	93.569	16F-5544	\$ 32,078	\$ --
Community Services Block Grant	93.569	16F-5029	217,127	52,000
Community Services Block Grant	93.569	17F-2029	51,945	45,791
Subtotal CFDA 93.569			<u>301,150</u>	<u>97,791</u>
Passed through the Tahoe Truckee Community Foundation				
Drug Free Communities	93.276	11068960	34,065	--
Total U.S. Department of Health and Human Services			<u>\$ 12,662,983</u>	<u>\$ 953,942</u>
<u>U.S. Department of Homeland Security</u>				
Passed through State Office of Emergency Services:				
Disaster Grants - Public Assistance	97.036	--	262,930	--
Hazard Mitigation	97.039	FEMA-4240-DR-CA	87,334	--
Emergency Management Performance Grants	97.042	057-00000	145,370	--
Homeland Security Grant Program	97.067	057-00000	129,845	--
Total U.S. Department of Homeland Security			<u>\$ 625,479</u>	<u>\$ --</u>
Total Expenditures of Federal Awards			<u>\$ 28,352,785</u>	<u>\$ 1,106,000</u>

See accompanying notes to Schedule of Federal Awards

COUNTY OF NEVADA

Notes to Schedule of Expenditures of Federal Awards Year Ended June 30, 2017

NOTE 1: **REPORTING ENTITY**

The accompanying Schedule of Expenditures of Federal Awards presents the activity of all federal awards programs of the County of Nevada. The County of Nevada's reporting entity is defined in Note 1 to the County's basic financial statements. All federal awards received directly from federal agencies as well as federal awards passed through other government agencies are included in the schedule.

NOTE 2: **BASIS OF ACCOUNTING**

The accompanying Schedule of Expenditures of Federal Awards includes the federal grant activity of the County and is presented based on accounting principles generally accepted in the United States of America. For program expenditures accounted for in governmental funds, the modified accrual basis of accounting is used and for program expenditures accounted for in proprietary funds, the accrual basis of accounting is used. Such expenditures are recognized following the cost principles contained in the Title 2 U.S. Code of Federal Regulations (CFR) 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: **RELATIONSHIP TO FINANCIAL STATEMENTS**

The amounts reported in the accompanying Schedule of Expenditures of Federal Awards agree, in all material respects, to amounts reported within the County's financial statements. Federal award revenues are reported principally in the County's financial statements as intergovernmental revenues in the General and Special Revenue funds and grant revenue in the Enterprise funds.

NOTE 4: **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 either determined that no identifying number is assigned for the program or was simply unable to obtain an identifying number from the pass-through entity.

NOTE 5: **INDIRECT COST RATE**

The County has elected not to use the 10 percent de minimis indirect cost rate as covered in 2 CFR §200.414.

COUNTY OF NEVADA

Notes to Schedule of Expenditures of Federal Awards
Year Ended June 30, 2017

NOTE 6: LOANS WITH CONTINUING COMPLIANCE REQUIREMENT

Outstanding federally-funded program loans, with a continuing compliance requirement, carried balances as of June 30, 2017 as follows:

<u>Federal CFDA #</u>	<u>Program Title</u>	<u>SEFA June 30, 2017</u>	<u>FY 16/17 Activity</u>	<u>County Balance June 30, 2017</u>
14.228	Community Development Block Grants/State's Program	\$ 1,337,938	\$ (47,399)	\$ 1,290,539
14.229	HOME Investment Partnerships Program	\$ 2,599,956	\$ 32,476	\$ 2,632,432

NOTE 7: PASS-THROUGH ENTITIES' IDENTIFYING NUMBER

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

COUNTY OF NEVADA

Schedule of Findings and Questioned Costs
Year Ended June 30, 2017

Section I – Summary of Auditors' Results

Financial Statements

1. Type of auditors' report issued: Unmodified
2. Internal control over financial reporting:
- Material weakness(es) identified? _____ yes x no
 - Significant deficiency(ies) identified? _____ yes x none reported
3. Noncompliance material to financial statements noted? _____ yes x no

Federal Awards

1. Internal control over major federal programs:
- Material weakness(es) identified? _____ yes x no
 - Significant deficiency(ies) identified? _____ yes x none reported
2. Type of auditors' report issued on compliance for major federal programs: Unmodified
3. Any audit findings disclosed that are required to be reported in accordance with 2 CFR 200.516(a)? _____ yes x no

Identification of Major Federal Programs

CFDA Number(s)

93.558
93.658
14.228
20.205
10.561

Name of Federal Program or Cluster

Temporary Assistance for Needy Families
Foster Care Assistance
Community Development Block Grant
Highway Planning and Construction
State Administrative Matching Grants for the
Supplemental Nutrition Assistance Program

Dollar threshold used to distinguish between
Type A and Type B programs:

\$ 850,584

Auditee qualified as low-risk auditee?

_____ yes x no

COUNTY OF NEVADA

Schedule of Findings and Questioned Costs
Year Ended June 30, 2017

Section II – Financial Statement Findings

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

Section III – Findings and Questioned Costs – Major Federal Programs

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

COUNTY OF NEVADA

Schedule of Prior Audit Findings Year Ended June 30, 2017

The County of Nevada respectfully submits the following summary schedule of prior audit findings for the year ended June 30, 2017.

Audit period: 7/1/2016 – 6/30/2017

The findings from the prior audit's schedule of findings and questioned costs are discussed below. The findings are numbered consistently with the numbers assigned in the prior year.

FINDINGS—FINANCIAL STATEMENT AUDIT

2016– 001 Schedule of Expenditures of Federal Awards

Condition: This finding was a material weakness due to the omission of a major program expenditure from the County prepared SEFA.

Status: Corrected. The County developed and implemented procedures and controls to ensure completeness of the SEFA. Test work performed during the audit did not indicate deficiencies in this area. Recommendation implemented.

COUNTY OF NEVADA

Schedule of the California Emergency Management Agency
and the Board of State and Community Corrections Grants Expenditures
Year Ended June 30, 2017

Program	Expenditures Claimed			Shares of Expenditures Current Year		
	For the Period Through June 30, 2016	For the Year Ended June 30, 2017	Cumulative As of June 30, 2017	Federal Share	State Share	County Share
Grant Name; Contract #:	VW15290290	VW16300290				
Personal services	\$ 140,892	\$ 190,418	\$ 331,310	\$ 121,555	\$ 68,863	\$ --
Operating expenses	34,499	33,733	68,232	24,222	9,511	--
Total	<u>\$ 175,391</u>	<u>\$ 224,151</u>	<u>\$ 399,542</u>	<u>\$ 145,777</u>	<u>\$ 78,374</u>	<u>\$ --</u>
Grant Name; Contract #:	-	XC16010290				
Personal services	\$ --	\$ 24,589	\$ 24,589	\$ 24,589	\$ --	\$ --
Operating expenses	--	69,458	69,458	69,458	--	--
Total	<u>\$ --</u>	<u>\$ 94,047</u>	<u>\$ 94,047</u>	<u>\$ 94,047</u>	<u>\$ --</u>	<u>\$ --</u>

COUNTY OF NEVADA

Supplementary Schedules of the Department of Community Services and Development
Statement of Revenue and Expenditures
CSD Contract No. 16F-5029 (CSBG - \$269,979) and 16F-5544 (CSBG - \$32,078)
For the Period July 1, 2016 through June 30, 2017

	Contract No. 16F-5029				Contract No. 16F-5544		
	January 1, 2016 through June 30, 2016	July 1, 2016 through June 30, 2017	Add Unearned Revenue Used	Totals	July 1, 2016 through June 30, 2017	Less Unearned Revenue	Totals
<u>Revenue</u>							
Grant revenue	\$ 52,852	\$ 170,719	\$ 46,409	\$ 269,980	\$ 32,078		\$ 32,078
Total Revenue	<u>\$ 52,852</u>	<u>\$ 170,719</u>	<u>\$ 46,409</u>	<u>\$ 269,980</u>	<u>\$ 32,078</u>	<u>\$ -</u>	<u>\$ 32,078</u>
<u>Expenditures</u>							
Administrative Costs:							
Salaries and wages	5,779	33,113		38,892	1,306		1,306
Fringe benefits	3,500	19,049		22,549	788		788
Consultant services		800		800	-		-
Other costs	2,367	80,201		82,568	1,050		1,050
Subtotal Administrative Costs	<u>\$ 11,646</u>	<u>\$ 133,163</u>	<u>\$ -</u>	<u>\$ 144,809</u>	<u>\$ 3,144</u>	<u>\$ -</u>	<u>\$ 3,144</u>
Program Costs:							
Salaries and wages	6,992	19,538		26,530	1,717		1,717
Fringe benefits	4,194	10,740		14,934	1,030		1,030
Operating Expenses	-	1,687		1,687	1,197		1,197
Consultant Services	30,020	52,000		82,020	24,990		24,990
Subtotal Program Costs	<u>\$ 41,206</u>	<u>\$ 83,965</u>	<u>\$ -</u>	<u>\$ 125,171</u>	<u>\$ 28,934</u>	<u>\$ -</u>	<u>\$ 28,934</u>
Total Expenditures	<u>\$ 52,852</u>	<u>\$ 217,128</u>	<u>\$ -</u>	<u>\$ 269,980</u>	<u>\$ 32,078</u>	<u>\$ -</u>	<u>\$ 32,078</u>

COUNTY OF NEVADA

Supplementary Schedules of the Department of Community Services and Development
Statement of Revenue and Expenditures
CSD Contract No. 17F-2029 (CSBG - \$269,979)
For the Period July 1, 2016 through June 30, 2017

	Contract No. 17F-2029		
	January 1, 2017 through June 30, 2017	Less Unearned Revenue	Totals
<u>Revenue</u>			
Grant revenue	\$ 67,495	\$ 15,550	\$ 51,945
Total Revenue	<u>\$ 67,495</u>	<u>\$ 15,550</u>	<u>\$ 51,945</u>
<u>Expenditures</u>			
Administrative Costs:			
Salaries and wages	\$ 2,968	\$ --	\$ 2,968
Fringe benefits	1,828	--	1,828
Subtotal Administrative Costs	<u>4,796</u>	<u>--</u>	<u>4,796</u>
Program Costs:			
Salaries and wages	4,530	--	4,530
Fringe benefits	2,362	--	2,362
Operating Expenses	850	--	850
Consumable supplies	39,407	--	39,407
Subtotal Program Costs	<u>47,149</u>	<u>--</u>	<u>47,149</u>
Total Expenditures	<u>\$ 51,945</u>	<u>\$ --</u>	<u>\$ 51,945</u>