

Attachment A

Single Audit Reports for the fiscal year ended June 30, 2020

Please see the attached printed publication



Federal Awards Reports in Accordance
with the Uniform Guidance
Fiscal Year Ended June 30, 2020

County of Santa Barbara, California

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*..... 1

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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 Honorable Board of Supervisors
County of Santa Barbara, California

We have audited, in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States, the financial statements of the governmental activities, the business-type activities, the discretely presented component unit, each major fund, and the aggregate remaining fund information of the County of Santa Barbara, California (the 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 August 28, 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) 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.

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 black ink that reads "Eide Bailly LLP". The signature is written in a cursive, flowing style.

Rancho Cucamonga, California
August 28, 2020



Independent Auditor's Report on Compliance for Each Major Federal Program; Report on Internal Control Over Compliance; and Report on Schedule of Expenditures of Federal Awards Required by the Uniform Guidance

The Honorable Board of Supervisors
County of Santa Barbara, California

Report on Compliance for Each Major Federal Program

We have audited the County of Santa Barbara, California's (the 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 qualified and unmodified opinions on compliance for major federal programs. However, our audit does not provide a legal determination of the County's compliance.

Basis for Qualified Opinion on Block Grants for Prevention and Treatment of Substance Abuse

As described in the accompanying schedule of findings and questioned costs, the County did not comply with requirements regarding CFDA 93.959 Block Grants for Prevention and Treatment of Substance Abuse as described in finding number 2020-001 for Subrecipient Monitoring. Compliance with such requirements is necessary, in our opinion, for the County to comply with the requirements applicable to that program.

Qualified Opinion on Block Grants for Prevention and Treatment of Substance Abuse

In our opinion, except for the noncompliance described in the Basis for Qualified Opinion paragraph, 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 CFDA 93.959 Block Grants for Prevention and Treatment of Substance Abuse for the year ended June 30, 2020.

Unmodified Opinion on Each of the Other Major Federal Programs

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 other major federal programs identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs for the year ended June 30, 2020.

Other Matters

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

Report on Internal Control over Compliance

Management of the County is responsible for establishing and maintaining effective internal control over compliance with the types of compliance requirements referred to above. In planning and performing our audit of compliance, we considered the County's internal control over compliance with the types of requirements that could have a direct and material effect on major federal program to determine the auditing procedures that are appropriate in the circumstances for the purpose of expressing an opinion on compliance for 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 were not identified. We did identify a deficiency in internal control over compliance, described in the accompanying schedule of findings and questioned costs as item 2020-001, that we consider to be a material weakness.

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

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

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

We have audited the financial statements of the governmental activities, the business-type activities, the discretely presented component unit, each major fund and the aggregate remaining fund information of the 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 August 28, 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.



Rancho Cucamonga, California
September 7, 2021

County of Santa Barbara, California
Schedule of Expenditures of Federal Awards
Fiscal Year Ended June 30, 2020

Federal Grantor/Pass-Through Grantor/Cluster or Program Title	Federal Financial Assistance Listing/ Catalog of Federal Domestic Assistance Number	Pass-Through Number	Passed Through to Subrecipients	Total Expenditures
U.S. DEPARTMENT OF AGRICULTURE:				
CHILD NUTRITION CLUSTER				
Direct Programs:				
School Breakfast Program	10.553		\$ -	\$ 44,356
National School Lunch Program	10.555		-	69,934
Total Child Nutrition Cluster			-	114,290
Cooperative Forestry Assistance	10.664		-	16,672
Sub-total Direct Programs			-	130,962
Passed Through California Department of Food and Agriculture:				
Plant and Animal Disease, Pest Control, and Animal Care	10.025	17-0453-017-SF	-	133,046
Plant and Animal Disease, Pest Control, and Animal Care	10.025	18-0294-008-SF	-	139,121
Plant and Animal Disease, Pest Control, and Animal Care	10.025	18-0295-016-SF	-	2,172
Plant and Animal Disease, Pest Control, and Animal Care	10.025	19-0266-008-SF	-	187,550
Plant and Animal Disease, Pest Control, and Animal Care	10.025	19-0267-042-SF	-	3,600
Plant and Animal Disease, Pest Control, and Animal Care	10.025	18-0299-042-SF	-	5,434
Plant and Animal Disease, Pest Control, and Animal Care	10.025	19-0268-015-SF	-	27,523
Sub-total			-	498,446
Passed Through California Department of Public Health:				
Special Supplemental Nutrition Program for Women, Infants and Children	10.557	19-10186	-	3,819,494
SUPPLEMENTAL NUTRITION ASSISTANCE PROGRAM (SNAP) CLUSTER				
Passed Through California Department of Social Services:				
State Administrative Matching Grants for the Supplemental Nutrition Assistance Program	10.561	Santa Barbara	-	8,322,716
Total SNAP Cluster			-	8,322,716
Total U.S. Department of Agriculture			-	12,771,618
U.S. DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT:				
CDBG - ENTITLEMENT GRANTS CLUSTER				
Direct Programs:				
Community Development Block Grant/Entitlement Grants	14.218	B17UC060509	6,377	140,475
Community Development Block Grant/Entitlement Grants	14.218	B18UC060509	295,986	460,501
Community Development Block Grant/Entitlement Grants	14.218	B19UC060509	474,873	497,818
Total CDBG - Entitlement Grants Cluster			777,236	1,098,794
Supportive Housing Program	14.235	CA0598L9D031710	-	4,753
Supportive Housing Program	14.235	CA0598L9D031811	-	144,184
Supportive Housing Program	14.235	CA1006L9D031706	-	14,638
Supportive Housing Program	14.235	CA1700L9D031700	91,184	91,184
Supportive Housing Program	14.235	CA1700L9D031801	53,048	58,948
Supportive Housing Program	14.235	CA1797L9D031800	-	45,197
Supportive Housing Program	14.235	CA1825H9D031800	-	56,624
Sub-total			144,232	415,528
Home Investment Partnerships Program	14.239	M16-DC060554	198,812	198,812
Home Investment Partnerships Program	14.239	M18-DC060554	365,196	528,213
Home Investment Partnerships Program	14.239	M19-DC060554	-	116,626
Sub-total			564,008	843,651
Continuum of Care Program	14.267		-	115,315
Sub-total			-	115,315
Passed through California Department of Housing and Community Development:				
Emergency Solution Grants Program	14.231	17-ESG-11851	51,514	51,514
Emergency Solution Grants Program	14.231	18-ESG-12343	269,688	279,134
Sub-total			321,202	330,648
Total U.S. Department of Housing and Urban Development			1,806,678	2,803,936
U.S. DEPARTMENT OF JUSTICE:				
Direct Programs:				
Services for Trafficking Victims	16.320	2016-VT-BX-K019	-	40,780
Services for Trafficking Victims	16.320	2019-VT-BX-K040	-	146,233
Services for Trafficking Victims	16.320	2016-VT-BX-K008	-	86,705
Services for Trafficking Victims	16.320	2019-VT-BX-K005	-	216,444
Sub-total			-	490,162
Edward Byrne Memorial Justice Assistance Grant Program	16.738		-	66,693
Edward Byrne Memorial Justice Assistance Grant Program	16.738	2016 DJ-BX-0463	-	5,907
Edward Byrne Memorial Justice Assistance Grant Program	16.738	2018 DJ-BX-0116	-	88,347
Edward Byrne Memorial Justice Assistance Grant Program	16.738	BSCC 640-19	-	230,493
Sub-total			-	391,440
Sub-total Direct Programs			-	881,602

County of Santa Barbara, California
Schedule of Expenditures of Federal Awards
Fiscal Year Ended June 30, 2020

Federal Grantor/Pass-Through Grantor/Cluster or Program Title	Federal Financial Assistance Listing/ Catalog of Federal Domestic Assistance Number	Pass-Through Number	Passed Through to Subrecipients	Total Expenditures
Passed Through California Governor's Office of Criminal Justice Planning: Byrne Formula Grant Program	16.738	2020-41	\$ -	\$ 54,634
Sub-total			<u>-</u>	<u>446,074</u>
Passed Through California Governor's Office of Emergency Services:				
Crime Victim Assistance	16.575	HA18 01 0420	-	127,188
Crime Victim Assistance	16.575	HA19 02 0420	-	69,895
Crime Victim Assistance	16.575	KC 18 02 0420	-	111,872
Crime Victim Assistance	16.575	KC19 03 0420	-	34,659
Crime Victim Assistance	16.575	UV18 03 0420	-	25,574
Crime Victim Assistance	16.575	UV19 04 0420	-	168,579
Crime Victim Assistance	16.575	XC16 01 0420	-	149,094
Crime Victim Assistance	16.575	XC19 02 0420	-	143,368
Crime Victim Assistance	16.575	XE16 01 0420	-	40,383
Crime Victim Assistance	16.575	VW18 37 0420	-	187,819
Crime Victim Assistance	16.575	VW19 38 0420	-	525,160
Sub-total			<u>-</u>	<u>1,583,591</u>
Direct Programs:				
Crime Victim Assistance	16.575	XE19 02 0420	-	55,614
Total Crime Victim Assistance			<u>-</u>	<u>1,639,205</u>
Total U.S. Department of Justice			<u>-</u>	<u>2,575,441</u>
U.S. DEPARTMENT OF LABOR:				
WORKFORCE INNOVATION AND OPPORTUNITY ACT (WIOA) CLUSTER				
Passed Through Coastal RPU Entities:				
WIA/WIOA Adult Program	17.258	K8106646	-	17,233
Passed Through California Employment Development Department:				
WIA/WIOA Adult Program	17.258	AA011028	173,520	380,925
WIA/WIOA Adult Program	17.258	K9110048	320,761	715,335
Sub-total			<u>494,281</u>	<u>1,113,493</u>
WIA Youth Activities	17.259	AA011028	410,138	710,411
WIA Youth Activities	17.259	K9110048	212,794	605,696
Sub-total			<u>622,932</u>	<u>1,316,107</u>
WIA/WIOA Dislocated Worker Formula Grants	17.278	AA011028	114,527	485,621
WIA/WIOA Dislocated Worker Formula Grants	17.278	K9110048	258,279	555,545
Sub-total			<u>372,806</u>	<u>1,041,166</u>
Sub-total Passed through California Employment Development Department			<u>1,490,019</u>	<u>3,453,533</u>
Total Workforce Innovation and Opportunity Act (WIOA) Cluster			<u>1,490,019</u>	<u>3,470,766</u>
Passed Through California Employment Development Department: Hurricanes and Wildfires of 2017 Supplemental- National Dislocated Worker Grants	17.286	K8106657	76,268	189,364
Passed Through California Department of Social Services: Homeless Veterans Reintegration Project	17.805	Santa Barbara	-	7,000
Total U.S. Department of Labor			<u>1,566,287</u>	<u>3,667,130</u>
U.S. DEPARTMENT OF TRANSPORTATION:				
HIGHWAY PLANNING AND CONSTRUCTION CLUSTER				
Passed through California Department of Transportation:				
Highway Planning and Construction	20.205	05-5951/N054	-	61,117
Highway Planning and Construction	20.205	ER-32L0(022)	-	26,727
Highway Planning and Construction	20.205	ER32L0(023)	-	27,322
Highway Planning and Construction	20.205	HSIPL-5951(149)	-	630,956
Highway Planning and Construction	20.205	ER32L0(025)	-	220,805
Highway Planning and Construction	20.205	ER32L0(462)	-	29,817
Highway Planning and Construction	20.205	ER38M0(001)	-	30,973
Highway Planning and Construction	20.205	ER38M0(002)	-	28,649
Highway Planning and Construction	20.205	ER38M0(003)	-	143,827
Highway Planning and Construction	20.205	ER38M0(005)	-	55,968
Highway Planning and Construction	20.205	ER38M0(006)	-	13,281
Highway Planning and Construction	20.205	05-5951(072)	-	71,381
Highway Planning and Construction	20.205	05-5951(151)	-	185,282
Highway Planning and Construction	20.205	05-5951(152)	-	123,451
Highway Planning and Construction	20.205	05-5951/M015	-	129,977
Highway Planning and Construction	20.205	05-5951R	-	20,873
Highway Planning and Construction	20.205	05-930143	-	420,229
Sub-total			<u>-</u>	<u>2,220,635</u>
Total Highway Planning and Construction Cluster			<u>-</u>	<u>2,220,635</u>

County of Santa Barbara, California
Schedule of Expenditures of Federal Awards
Fiscal Year Ended June 30, 2020

Federal Grantor/Pass-Through Grantor/Cluster or Program Title	Federal Financial Assistance Listing/ Catalog of Federal Domestic Assistance Number	Pass-Through Number	Passed Through to Subrecipients	Total Expenditures
Direct Programs:				
Airport Improvement Program	20.106		\$ -	\$ 47,118
Airport Improvement Program	20.106	WPG060243015	-	35,140
Sub-total			-	82,258
Minimum Penalties for Repeat Offenders for Driving While Intoxicated	20.608	AL19009	-	33,871
Minimum Penalties for Repeat Offenders for Driving While Intoxicated	20.608	AL20029	-	97,525
Sub-total			-	131,396
Sub-total Direct Programs			-	213,654
Passed through California State Office of Traffic Safety:				
Minimum Penalties for Repeat Offenders for Driving While Intoxicated	20.608	PT19108	-	29,804
HIGHWAY SAFETY CLUSTER				
State and Community Highway Safety	20.600	EM20013	-	68,214
State and Community Highway Safety	20.600	PT19108	-	8,799
Sub-total			-	77,013
Total Highway Safety Cluster			-	77,013
Sub-total Passed through California State Office of Traffic Safety			-	106,817
Total U.S. Department of Transportation			-	2,541,106
U.S. DEPARTMENT OF HEALTH AND HUMAN SERVICES				
HEALTH CENTER PROGRAM CLUSTER				
Direct Programs:				
Health Center Program (Community Health Centers, Migrant Health Centers, Health Care For The Homeless, and Public Housing Primary Care)	93.224	H80CS00046	-	939,353
COVID-19 - Health Center Program (Community Health Centers, Migrant Health Centers, Health Care For The Homeless, and Public Housing Primary Care)	93.224	H8CCS34088	-	77,502
COVID-19 - Health Center Program (Community Health Centers, Migrant Health Centers, Health Care For The Homeless, and Public Housing Primary Care)	93.224	H8DCS35548	-	589,315
COVID-19 - Health Center Program (Community Health Centers, Migrant Health Centers, Health Care For The Homeless, and Public Housing Primary Care)	93.224	H8ECS38981	-	250,655
Sub-total			-	1,856,825
Affordable Care Act (ACA) Grants for New and Expanded Services under the Health Center Program	93.527	H80CS00046	-	1,284,584
Total Health Center Program Cluster			-	3,141,409
MEDICAID CLUSTER				
Direct Programs:				
Medical Assistance Program	93.778		-	35,139
Passed through California Department of Health Care Services:				
Medical Assistance Program	93.778	42	-	5,188,505
Medical Assistance Program	93.778	42	-	1,047,265
Sub-total			-	6,235,770
Passed through California Department of Social Services:				
Medical Assistance Program	93.778	Santa Barbara	-	20,746,713
Total Medicaid Cluster			-	27,017,622
Passed through California Department of Public Health:				
Hospital Preparedness Program (HPP) and Public Health Emergency Preparedness (PHEP) Aligned Cooperative Agreements	93.074	17-10193	25,000	779,830
Immunization Cooperative Agreements	93.268	17-10348	-	155,594
COVID-19 - Public Health Emergency Response: Cooperative Agreement for Emergency Response: Public Health Crisis Response	93.354	COVID-19-4201	-	608,147
HIV Care Formula Grants:				
HIV Care Formula Grants	93.917	18-10771	17,224	67,389
HIV Care Formula Grants	93.917	18-10889	-	225,091
COVID-19 - HIV Care Formula Grants	93.917	19-11161	-	2,679
Sub-total			17,224	295,159
Preventive Health and Health Services Block Grant	93.991	19-10332	-	458,114
Maternal and Child Health Services Block Grant to the States	93.994	201942	-	127,356
Sub-total Passed through California Department of Public Health			42,224	2,424,200

County of Santa Barbara, California
Schedule of Expenditures of Federal Awards
Fiscal Year Ended June 30, 2020

Federal Grantor/Pass-Through Grantor/Cluster or Program Title	Federal Financial Assistance Listing/ Catalog of Federal Domestic Assistance Number	Pass-Through Number	Passed Through to Subrecipients	Total Expenditures
Passed through California Department of Health Care Services:				
Project Grants and Cooperative Agreements for Tuberculosis Control Programs	93.116	1842BASE00	\$ -	\$ 81,689
Projects for Assistance in Transition from Homelessness (PATH)	93.150	N/A	-	58,150
Centers for Disease Control and Prevention - Investigations and Technical Assistance	93.283	16-93231	-	25,000
Block Grants for Community Mental Health Services	93.958	N/A	-	618,780
Block Grants for Prevention and Treatment of Substance Abuse	93.959	12NNA42	-	465,743
Block Grants for Prevention and Treatment of Substance Abuse	93.959	14-90100	796,667	2,937,776
Sub-total			796,667	3,403,519
Sub-total Passed through California Department of Health Care Services			796,667	4,187,138
Passed through California Department of Social Services:				
Guardianship Assistance:				
Guardianship Assistance	93.090	Santa Barbara	-	229,769
COVID-19 - Guardianship Assistance	93.090	Santa Barbara	-	13,114
Sub-total			-	242,883
Promoting Safe and Stable Families	93.556	Santa Barbara	-	342,455
Temporary Assistance for Needy Families	93.558	Santa Barbara	-	19,059,312
Refugee and Entrant Assistance - State Administered Program	93.566	Santa Barbara	-	2,772
Stephanie Tubbs Jones Child Welfare Services Program	93.645	Santa Barbara	-	301,677
COVID-19 - Stephanie Tubbs Jones Child Welfare Services Program	93.645	Santa Barbara	-	24,307
Sub-total			-	325,984
Foster Care:				
Foster Care - Title IV-E	93.658	Santa Barbara	-	9,709,848
COVID-19 - Foster Care - Title IV-E	93.658	Santa Barbara	-	154,848
Sub-total			-	9,864,696
Adoption Assistance:				
Adoption Assistance	93.659	Santa Barbara	-	5,686,151
COVID-19 - Adoption Assistance	93.659	Santa Barbara	-	338,238
Sub-total			-	6,024,389
Social Services Block Grant	93.667	Santa Barbara	-	551,780
Chafee Foster Care Independence Program	93.674	Santa Barbara	-	88,637
Sub-total Passed through California Department of Social Services			-	36,502,908
Passed through Substance Abuse and Mental Health Services Administration:				
Substance Abuse and Mental Health Services - Projects of Regional and National Significance	93.243	1H79TI080118-01	153,823	298,535
Passed through California Governor's Office of Emergency Services:				
Children's Justice Grants to States	93.643	ES16010420	-	144,240
Child Welfare Research Training or Demonstration	93.648	ES19 02 0420	-	86,375
Sub-total Passed through California Governor's Office of Emergency Services			-	230,615
Passed through California Department of Child Support Services:				
Child Support Enforcement	93.563	Santa Barbara (County 42)	-	6,262,878
Direct Programs:				
Grants to Provide Outpatient Early Intervention Services with Respect to HIV Disease	93.918	H76HA00193	-	311,874
COVID-19 - Grants to Provide Outpatient Early Intervention Services with Respect to HIV Disease	93.918	H7CHA37296	-	3,190
Sub-total			-	315,064
Sub-total Direct Programs			-	315,064
Total U.S. Department of Health and Human Services			992,714	80,380,369

County of Santa Barbara, California
Schedule of Expenditures of Federal Awards
Fiscal Year Ended June 30, 2020

Federal Grantor/Pass-Through Grantor/Cluster or Program Title	Federal Financial Assistance Listing/ Catalog of Federal Domestic Assistance Number	Pass-Through Number	Passed Through to Subrecipients	Total Expenditures
<u>U.S. DEPARTMENT OF HOMELAND SECURITY</u>				
Direct Programs:				
Disaster Grants - Public Assistance (Presidentially Declared Disasters)	97.036		\$ -	\$ 197,064
Emergency Management Performance Grants	97.042		-	216,505
Homeland Security Grant Program	97.067		-	362,039
Sub-total Direct Programs			-	775,608
Passed through California Governor's Office of Emergency Services:				
Homeland Security Grant Program	97.067	2017-00102, OES #083-00000	-	431,083
Homeland Security Grant Program	97.067	2019, OES #083-00000	-	118,109
Sub-total Passed through California Governor's Office of Emergency Services			-	549,192
Passed through San Diego Sheriff's Department :				
Homeland Security Grant Program	97.067	556046	-	144,936
Sub-total			-	694,128
Total U.S. Department of Homeland Security			-	1,469,736
<u>U.S. DEPARTMENT OF EDUCATION</u>				
Passed through California Department of Rehabilitation				
Rehabilitation Services - Vocational Rehabilitation Grants to States	84.126	H126A190005	12,206	54,539
Rehabilitation Services - Vocational Rehabilitation Grants to States	84.126	N/A	-	422,439
Sub-total Passed through California Department of Rehabilitation			12,206	476,978
Total U.S. Department of Education			12,206	476,978
<u>U.S. DEPARTMENT OF ENERGY</u>				
Passed through State of California:				
Energy Efficiency and Conservation Block Grant Program (EECBG)	81.128	400-09-024	-	49,260
Total U.S. Department of Energy			-	49,260
TOTAL EXPENDITURES OF FEDERAL AWARDS			\$ 4,377,885	\$ 106,735,574

Note 1 - General

The accompanying schedule of expenditures of federal awards (the SEFA) includes the federal award activity of the County of Santa Barbara, California (the County) under programs of the federal government for the year ended June 30, 2020. The information 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 SEFA 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 fund balance, or cash flows of the County.

Note 2 - Basis of Accounting

The accompanying SEFA is presented using the modified accrual basis of accounting for governmental funds and the accrual basis of accounting for proprietary funds, which is described in Note 1 of the notes to the County's basic financial statements. When applicable, such expenditures are recognized following the cost principles contained in the Uniform Guidance, wherein certain types of expenditures are not allowable or are limited as to reimbursement.

Note 3 - Relationship to Comprehensive Annual Financial Report

Amounts reported in the accompanying SEFA agree, in all material respects, to amounts reported within the County's Annual Comprehensive Financial Report.

Note 4 - Relationship to Federal Financial Reports

Amounts reported in the accompanying SEFA agree, in all material respects, with the amounts reported in related federal financial reports.

Note 5 - Indirect Cost Rate

The County has not elected to use the 10% de minimus indirect cost rate.

Note 6 - Disclosures for State Grant

Grant revenues and expenditures by category for the fiscal year ended June 30, 2020, are as follows:

State of California Department of Insurance - Workers' Compensation Insurance Fraud Program

Revenues:		
State	\$	365,203
Total revenues	\$	365,203
Expenditures:		
Personnel services	\$	324,130
Operating expenditures		41,073
Total expenditures	\$	365,203
Net unspent as of June 30, 2020	\$	47,947

State of California Department of Insurance - Automobile Insurance Fraud Program

Revenues:		
State	\$	53,925
Total revenues	\$	53,925
Expenditures:		
Personnel services	\$	49,596
Operating expenditures		4,329
Total expenditures	\$	53,925
Net unspent as of June 30, 2020	\$	88,200

Note 7 - Provider Relief Funds

The County received amounts from the U.S. Department of Health and Human Services (HHS) through the Provider Relief Fund (PRF) program (Federal Financial Assistance Listing/CFDA #93.498) during the year ended June 30, 2020. The County incurred eligible expenditures and, therefore, recognized revenues totaling \$1,085,909 for the year ended June 30, 2020 on the financial statements. However, the PRF expenditures are not recognized on the schedule in accordance with the compliance supplement addendum, until the expenditures are included on the reporting to HHS for the calendar year ending December 31, 2020, as required under the PRF program.

Section I – Summary of Auditor’s Results

FINANCIAL STATEMENTS

Type of auditor's report issued:	Unmodified
Internal control over financial reporting:	
Material weaknesses identified	No
Significant deficiencies identified not considered to be material weaknesses	None Reported
Noncompliance material to financial statements noted?	No

FEDERAL AWARDS

Internal control over major programs:	
Material weaknesses identified	Yes
Significant deficiencies identified not considered to be material weaknesses	None Reported
Type of auditor's report issued on compliance for major programs:	Unmodified for all major federal programs except for Department of Health and Human Services - CFDA 93.959 Block Grants for Prevention and Treatment of Substance Abuse, which was qualified for Subrecipient Monitoring
Any audit findings disclosed that are required to be reported in accordance with Uniform Guidance 2 CFR 200.516:	Yes

Identification of major programs:

Name of Major Federal Program/Cluster	Federal Financial Assistance Listing/CFDA Number
Special Supplemental Nutrition Program for Women, Infants, and Children (WIC)	10.557
Health Center Program Cluster	93.224, 93.527
Block Grants for Prevention and Treatment of Substance Abuse	93.959
Temporary Assistance for Needy Families (TANF)	93.558

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

Section II – Financial Statement Findings

None identified.

Section III – Federal Award Findings and Questioned Costs

2020-001 **Program:** Block Grants for Prevention and Treatment of Substance Abuse
CFDA No.: 93.959
Federal Grantor: U.S. Department of Health and Human Services
Passed-through: California Department of Health Care Services
Award No. and Year: 12NNA42 and 14-90100 (2020)

Compliance Requirements: Subrecipient Monitoring
Type of Finding: Material Weakness in Internal Control over Compliance and Instance of Non-Compliance

Criteria:

In accordance with Title 2 U.S. Code of Federal Regulations (CFR) 200.332, pass-through entities must comply with the following:

- 2 CFR 200.332(a) – Ensure that every subaward is clearly identified to the subrecipient as a subaward and includes the information at 2 CFR 200.332(a)(1) through (6) at the time of the subaward and if any of those data elements change, include the changes in subsequent subaward modification.
- 2 CFR 200.332(f) – Verify that every subrecipient is audited as required by Subpart F- Audit Requirements when it is expected that the subrecipient’s Federal awards expended during the respective fiscal year equaled or exceeded the threshold set forth in 2 CFR 200.501 Audit Requirements.

Condition:

The following conditions were noted as a result of our testing of the County (Behavioral Wellness Department) policies and procedures over subrecipient monitoring:

- At the time of the audit, the County categorized all providers that receive Block Grants for Prevention and Treatment of Substance Abuse funding, as contractors. Upon further inquiry with management, it was noted that six subrecipients were identified and the subrecipient expenditures had not been reported on the schedule of expenditures of federal awards.
- The agreements with all subrecipients did not clearly identify the following information at the time of subaward:
 - CFDA number and name
 - Subrecipient’s unique entity identifier
 - Federal Award Identification Number (FAIN)
 - Federal award date

The County asserts that this information was directly provided to the subrecipients by incorporating reference to the County's federal award agreement with the State in the contracts with the providers.

- The County asserts that provider financial statements were reviewed and Single Audits obtained when applicable; however, sufficient evidence was not maintained to document this process.

Cause:

The condition was caused by the County categorizing all providers as contractors. The County performed certain monitoring procedures over the providers during the year. However, since the providers were not considered subrecipients, certain policies and procedures have not been aligned with the requirements applicable to subrecipients in 2 CFR 200.332.

Effect:

At the time of audit and subject to adjustments, the subrecipient expenditures on the schedule of expenditures of federal awards were misstated. Further, there is an increased risk that subrecipients may not properly account and report federal expenditures in accordance with the Uniform Guidance.

Questioned Costs:

None reported.

Context:

Of the total federal expenditures incurred in the program, total expenditures to providers was \$2,147,448, of which, management identified \$796,667 being subrecipients.

Recommendation:

We recommend that the County modify and/or strengthen its policies and procedures to ensure that all required award information is clearly communicated to subrecipients at the time of subaward in accordance with 2 CFR 200.332(a) and that the verification of Single Audit Reports for subrecipients are adequately documented in accordance with 2 CFR 200.332(f).

Views of Responsible Officials:

Management agrees. See separately issued Corrective Action Plan.

Financial Statement Findings:

None reported.

Federal Award Findings:

Finding No.	Program	CFDA No.	Compliance Requirements	Status of Corrective Action
2019-001	Medical Assistance Program (Medicaid)	93.778	Eligibility	Implemented



Office of the Auditor-Controller

County of Santa Barbara

One Office. One County. One Future.

Betsy M. Schaffer, CPA
Auditor-Controller

C. Edwin Price, Jr., CPA
Assistant Auditor-Controller

**COUNTY OF SANTA BARBARA,
CALIFORNIA**

**CORRECTIVE ACTION PLAN
AND
SUMMARY SCHEDULE OF PRIOR AUDIT FINDINGS**

FOR THE YEAR ENDED JUNE 30, 2020

Compiled by:
Joel W. Boyer, CPA
Financial Reporting, Budget, and Cost Division Chief

COUNTY OF SANTA BARBARA, CALIFORNIA

CORRECTIVE ACTION PLAN

FOR THE YEAR ENDED JUNE 30, 2020

I. FINANCIAL STATEMENT FINDINGS

None.

II. FEDERAL AWARD FINDINGS AND QUESTIONED COSTS

Finding 2020-001

Program: Block Grants for Prevention and Treatment of Substance Abuse

CFDA No.: 93.959

Federal Agency: United States Department of Health and Human Services

Passed-Through: California Department of Health Care Services

Award Number: 12NNA42 and 14-90100

Award Year: 2020

Compliance Requirement: Subrecipient Monitoring

Questioned Costs: \$0

Subrecipient Monitoring

Management's or Department's Response:

The County initially categorized six providers that received block grant funding as contractors rather than subrecipients. The classification of providers as subrecipients vs. contractors is the responsibility of the County as the pass-through agency. There are no specific checklists or flowcharts that lead to a definitive, final decision. Checklists and guidance can be used to assist in the classification but ultimately the decision is based on professional judgment.

In this particular case, the County identified six providers as contractors using a checklist where the vast majority of responses indicated that these providers were contractors. The County relied on this checklist along with other qualitative aspects of the relationship to categorize the providers as contractors. The County was also audited annually by the State Department of Health Care Services and the classification was not identified as improper in these audits. The external audit firm did not concur with the County's classification of these providers in their Single Audit. Upon further review, the County agrees that there are certain characteristics of the relationship that may shift the categorization towards a subrecipient rather than a contractor.

Despite the County's initial categorization of these providers as contractors, most of the federal award disclosures required by 2 CFR 200.332 were present in the contracts with the providers either by direct reference or by reference to the State's agreement with the County. Despite most of the disclosures being referenced in the agreements, it is likely that they did not meet the standard of being "clearly identifiable" as required by 2 CFR 200.332 as they were referenced sporadically throughout the document.

Further, the County had subrecipient monitoring procedures in place for the providers that were reviewed. For this particular subset, the County conducted site visits, issued programmatic monitoring reports, reviewed provider financial statements, among other procedures. The County also consulted with the providers and concluded as to whether they were required to obtain

COUNTY OF SANTA BARBARA, CALIFORNIA

CORRECTIVE ACTION PLAN

FOR THE YEAR ENDED JUNE 30, 2020

Single Audits to comply with 2 CFR 200.332(f). This process primarily occurred during meetings with providers and was not documented to the level required by the external audit firm.

Views of Responsible Officials and Corrective Action:

The County has reclassified these providers as subrecipients and the FY 2019/20 Schedule of Expenditures of Federal Awards was updated to disclose the pass-through amounts. The County intends to amend the agreements with the subrecipients in FY 2021/22 to 'clearly identify' the SAPT subaward as well as the elements required by 2 CFR 200.332 (a) (1) through (6). This will be accomplished by inclusion of a summary page within the agreement that makes direct reference to the required elements.

To ensure compliance with 2 CFR 200.332(f), the County has instituted a procedure to formally document the County's collection of Single Audit reports and review of subrecipient compliance with this section. Providers will also be required to sign a certification form asserting compliance with 2 CFR 200.332(f).

Contact Information of Responsible Official:

Chris Ribeiro
Chief Financial Officer
Santa Barbara County Department of Behavioral Wellness
805-884-1694

COUNTY OF SANTA BARBARA, CALIFORNIA

SUMMARY OF PRIOR AUDIT FINDINGS

FOR THE YEAR ENDED JUNE 30, 2020

III. FEDERAL AWARDS FINDINGS AND QUESTIONED COSTS

Finding 2019-001

Program: Medical Assistance Program (Medicaid)

CFDA No.: 93.778

Federal Agency: United States Department of Health and Human Services

Passed-Through: California Departments of Health Care Services, Mental Health, and Social Services

Award Number: Santa Barbara

Award Year: Fiscal Year 2018/19

Compliance Requirement: Eligibility

Questioned Costs: \$0

Criteria:

The June 2019 Uniform Guidance *Compliance Supplement* requirements for eligibility state that the pass-through entity must determine whether required eligibility determinations were made, that individuals/group program participants were determined to be eligible, and that only eligible individuals or groups of individuals participated in the program, and determine whether federal program awards were made only to eligible participants.

Condition Found:

Out of the 40 case files selected for Medi-Cal eligibility test work, we noted the following:

- 1 case file whereby the County failed to perform client reassessment of needs within the 12-month renewal period.
- 2 case files whereby the County failed to perform an Income Eligibility Verification System (IEVS) report during the redetermination process.

Out of the 40 case files selected for In-Home Supportive Services (IHSS) eligibility test work, we noted the following:

- 4 case files whereby the County failed to perform a client reassessment of needs within the 12-month renewal period.

Effect:

Participant data may not be accurate in the participant files or the system, which could lead to initial and continued eligibility errors and inaccurate benefit calculation.

Cause:

Reassessments are required to be completed within 12 months from the previous face to face visit. The department experienced staffing shortages during fiscal year 18/19.

COUNTY OF SANTA BARBARA, CALIFORNIA

SUMMARY OF PRIOR AUDIT FINDINGS

FOR THE YEAR ENDED JUNE 30, 2020

Repeat Finding:

See 2017-18 Single Audit Report Finding 2018-002.

Recommendation:

We recommend the County adhere to established policies and procedures with regards to initial and ongoing eligibility determination, required documentation, and maintenance of participant file and ensure that such policies and procedures are formally documented and strictly adhered to by County personnel. This will help ensure the accuracy of the participant data and that eligibility determinations are supported by the proper documentation in the participant file.

Views of Responsible Officials and Planned Corrective Actions:

The County concurs. Refer to separate 2017-18 Single Audit Report Corrective Action Plan Report for management's responses.

Current Year Status:

Resolved.